AF Approval *NA* Chief Approval *HW*

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED STATES OF AMERICA

v. CASE NO. 6:26-cr-69-PGB-NWH

ROY A. SWIFT

PLEA AGREEMENT

Pursuant to Fed. R. Crim. P. 11(c), the United States of America, by Gregory W. Kehoe, United States Attorney for the Middle District of Florida, and the defendant, Roy A. Swift, and the attorney for the defendant, Charles E. Taylor, Jr., mutually agree as follows:

A. Particularized Terms

1. Counts Pleading To

The defendant shall enter a plea of guilty to Count One of the Indictment. Count One charges the defendant with conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349.[1]

2. Maximum Penalties

Count One carries a maximum sentence of 20 years' imprisonment; a fine of up to $250,000, or twice the gross gain caused by the offense, or twice the

[1] While the defendant will plead guilty to Count One, he does not admit to the factual assertions contained in the Indictment in paragraphs 21(a)-21(i), 21(t)-21(u), and the total loss amount in 22(mm). The United States does not intend to present additional evidence to prove those facts.

gross loss caused by the offense, whichever is greater; a term of supervised release of up to 5 years; and a special assessment of $100. With respect to certain offenses, the Court shall order the defendant to make restitution to any victim of the offenses, and with respect to other offenses, the Court may order the defendant to make restitution to any victim of the offenses, or to the community, as set forth below.

3. Elements of the Offenses

The defendant acknowledges and understands the nature and elements of the offense with which defendant has been charged and to which defendant is pleading guilty. The elements of Count One are:

First: Two or more persons, including the defendant, in some way or manner, agreed to try to accomplish a common and unlawful plan to commit wire fraud, as charged in the indictment; and

Second: The defendant knew the unlawful purpose of the plan and willfully joined in it

4. No Further Charges

If the Court accepts this plea agreement, the United States Attorney's Office for the Middle District of Florida agrees not to charge defendant with committing any other federal criminal offenses known to the United States Attorney's Office at the time of the execution of this agreement, related to the conduct giving rise to this plea agreement.

5. Counts Dismissed

At the time of sentencing, the remaining counts against the defendant, Counts Two through Seven will be dismissed pursuant to Fed. R. Crim. P. 11(c)(1)(A).

6. Mandatory Restitution to Victims of Offense of Conviction

Pursuant to 3663A(a) and (b), defendant agrees to make restitution to known victims of the offense for the full amount of the victims' losses as determined by the Court. Further, pursuant to 18 U.S.C. § 3664(d)(5), the defendant agrees not to oppose bifurcation of the sentencing hearing if the victims' losses are not ascertainable prior to sentencing.

7. Acceptance of Responsibility - Three Levels

At the time of sentencing, and in the event that no adverse information is received suggesting such a recommendation to be unwarranted, the United States will recommend to the Court that the defendant receive a two-level downward adjustment for acceptance of responsibility, pursuant to USSG § 3E1.1(a). The defendant understands that this recommendation or request is not binding on the Court, and if not accepted by the Court, the defendant will not be allowed to withdraw from the plea.

Further, at the time of sentencing, if the defendant's offense level prior to operation of subsection (a) is level 16 or greater, and if the defendant complies with the provisions of USSG § 3E1.1(b) and all terms of this Plea Agreement, including but not limited to, the timely submission of the financial affidavit referenced in Paragraph B.5., the United States agrees to file a motion pursuant to USSG § 3E1.1(b) for a downward adjustment of one additional level. The defendant understands that the determination as to whether the defendant has qualified for a downward adjustment of a third level for acceptance of responsibility rests solely with the United States Attorney for the Middle District of Florida, and the defendant agrees that the defendant cannot and will not challenge that determination, whether by appeal, collateral attack, or otherwise.

8. Forfeiture of Assets

The defendant agrees to forfeit to the United States immediately and voluntarily any and all assets and property, or portions thereof, subject to forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), whether in the possession or control of the United States, the defendant or defendant's nominees. The assets to be forfeited specifically include, but are not limited to, the $37,500 in proceeds the defendant admits he obtained, as the result of the commission of the offense(s) to which the defendant is pleading guilty. The defendant acknowledges and agrees that: (1) the defendant obtained this amount as a result of the commission of the offense(s), and (2) as a result of the acts and omissions of the defendant, the proceeds have been transferred to third parties and cannot be located by the United States upon the exercise of due diligence. Therefore, the defendant agrees that, pursuant to 21 U.S.C. § 853(p), the United States is entitled to forfeit any other property of the defendant (substitute assets), up to the amount of proceeds the defendant obtained, as the result of the offense(s) of conviction. The defendant further consents to, and agrees not to oppose, any motion for substitute assets filed by the United States up to the amount of proceeds obtained from commission of the offense(s) and consents to the entry of the forfeiture order into the Treasury Offset Program. The defendant agrees that forfeiture of substitute assets as authorized herein shall not be deemed an alteration of the defendant's sentence.

The defendant additionally agrees that since the criminal proceeds have been transferred to third parties and cannot be located by the United States upon the exercise of due diligence, the preliminary and final orders of forfeiture should authorize the United States Attorney's Office to conduct discovery (including depositions, interrogatories, requests for production of documents, and the issuance of subpoenas), pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, to help identify, locate, and forfeit substitute assets.

The defendant agrees and consents to waive his right to file a Petition for Remission or Mitigation and withdraws any Petition for Remission or Mitigation previously submitted.

The defendant also agrees to waive all constitutional, statutory, and procedural challenges (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture described herein constitutes an excessive fine, was not properly noticed in the charging instrument, addressed by the Court at the time of the guilty plea, announced at sentencing, or incorporated into the judgment.

The defendant admits and agrees that the conduct described in the Factual Basis below provides a sufficient factual and statutory basis for the forfeiture of the property sought by the government. Pursuant to Rule 32.2(b)(4), the defendant agrees that the preliminary order of forfeiture will satisfy the notice requirement and will be final as to the defendant at the time it is entered. In the event the forfeiture is omitted from the judgment, the defendant agrees that the forfeiture order may be incorporated into the written judgment at any time pursuant to Rule 36.

The defendant agrees to take all steps necessary to identify and locate all substitute assets and to transfer custody of such assets to the United States before the defendant's sentencing. To that end, the defendant agrees to make a full and complete disclosure of all assets over which defendant exercises control, including all assets held by nominees, to execute any documents requested by the United States to obtain from any other parties by lawful means any records of assets owned by the defendant, and to consent to the release of the defendant's tax returns for the previous five years. The defendant agrees to be interviewed by the government, prior to and after sentencing, regarding such assets. The defendant further agrees to be polygraphed on the issue of assets, if it is deemed necessary by the United States. The defendant agrees that Federal Rule of Criminal Procedure 11 and USSG § 1B1.8 will not protect from forfeiture assets disclosed by the defendant as part of the defendant's cooperation.

The defendant agrees to take all steps necessary to assist the government in obtaining clear title to any substitute assets before the defendant's sentencing. In addition to providing full and complete information about substitute assets, these steps include, but are not limited to, the surrender of title, the signing of a consent decree of forfeiture, and signing of any other documents necessary to effectuate such transfers.

Forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon the defendant in addition to forfeiture.

The defendant agrees that, in the event the Court determines that the defendant has breached this section of the Plea Agreement, the defendant may be found ineligible for a reduction in the Guidelines calculation for acceptance of responsibility and substantial assistance, and may be eligible for an obstruction of justice enhancement.

The defendant agrees that the forfeiture provisions of this plea agreement are intended to, and will, survive the defendant, notwithstanding the abatement of any underlying criminal conviction after the execution of this agreement. The forfeitability of any particular property pursuant to this agreement shall be determined as if the defendant had survived, and that determination shall be binding upon defendant's heirs, successors and assigns until the agreed forfeiture, including the forfeiture of any substitute assets, is final.

B. Standard Terms and Conditions

1. Restitution, Special Assessment and Fine

The defendant understands and agrees that the Court, in addition to or in lieu of any other penalty, shall order the defendant to make restitution to any victim of the offenses, pursuant to 18 U.S.C. § 3663A, for all offenses described in 18 U.S.C. § 3663A(c)(1); and the Court may order the defendant to make restitution to any victim of the offenses, pursuant to 18 U.S.C. § 3663, including restitution as to all counts charged, whether or not the defendant enters a plea of guilty to such counts, and whether or not such counts are dismissed pursuant to this agreement. The defendant further understands that compliance with any restitution payment plan imposed by the Court in no way precludes the United States from simultaneously pursuing other statutory remedies for collecting restitution (28 U.S.C. § 3003(b)(2)), including, but not limited to, garnishment and execution, pursuant to the Mandatory Victims Restitution Act, in order to ensure that the defendant's restitution obligation is satisfied.

On each count to which a plea of guilty is entered, the Court shall impose a special assessment pursuant to 18 U.S.C. § 3013. To ensure that this obligation is satisfied, the Defendant agrees to deliver a cashier's check, certified check, or money order to the Clerk of the Court in the amount of $100, payable to "Clerk, U.S. District Court" within ten days of the change of plea hearing. The defendant understands that this agreement imposes no limitation as to fine.

2. Supervised Release

The defendant understands that the offenses to which the defendant is pleading provide for imposition of a term of supervised release upon release from imprisonment, and that, if the defendant should violate the conditions of release, the defendant would be subject to a further term of imprisonment.

3. Immigration Consequences of Pleading Guilty

The defendant has been advised and understands that, upon conviction, a defendant who is not a United States citizen may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

4. Sentencing Information

The United States reserves its right and obligation to report to the Court and the United States Probation Office all information concerning the background, character, and conduct of the defendant, to provide relevant factual information, including the totality of the defendant's criminal activities, if any, not limited to the counts to which defendant pleads, to respond to comments made by the defendant or defendant's counsel, and to correct any misstatements or inaccuracies. The United States further reserves its right to make any recommendations it deems appropriate regarding the disposition of this case, subject to any limitations set forth herein, if any.

5. Financial Disclosures

Pursuant to 18 U.S.C. § 3664(d)(3) and Fed. R. Crim. P. 32(d)(2)(A)(ii), the defendant agrees to complete and submit to the United States Attorney's Office within 30 days of execution of this agreement an affidavit reflecting the defendant's financial condition. The defendant promises that his financial statement and disclosures will be complete, accurate and truthful and will include all assets in which he has any interest or over which the defendant exercises control, directly or indirectly, including those held by a spouse, dependent, nominee or other third party. The defendant further agrees to execute any documents requested by the United States needed to obtain from any third parties any records of assets owned by the defendant, directly or through a nominee, and, by the execution of this Plea Agreement, consents to the release of the defendant's tax returns for the previous five years. The defendant similarly agrees and authorizes the United States Attorney's Office to provide to, and obtain from, the United States Probation Office, the financial affidavit, any of the defendant's federal, state, and local tax returns, bank records and any other financial information concerning the defendant, for the purpose of making any recommendations to the Court and for collecting any assessments, fines, restitution, or forfeiture ordered by the Court. The defendant expressly authorizes the United States Attorney's Office to obtain current credit reports in order to evaluate the defendant's ability to satisfy any financial obligation imposed by the Court.

6. Sentencing Recommendations

It is understood by the parties that the Court is neither a party to nor bound by this agreement. The Court may accept or reject the agreement, or defer a decision until it has had an opportunity to consider the presentence report prepared by the United States Probation Office. The defendant understands and acknowledges that, although the parties are permitted to make recommendations and present arguments to the Court, the sentence will be determined solely by the Court, with the assistance of the United States Probation Office. Defendant further understands and acknowledges that any discussions between defendant or defendant's attorney and the attorney or other agents for the government regarding any recommendations by the government are not binding on the Court and that, should any recommendations be rejected, defendant will not be permitted to withdraw defendant's plea pursuant to this plea agreement. The government expressly reserves the right to support and defend any decision that the Court may make with regard to the defendant's sentence, whether or not such decision is consistent with the government's recommendations contained herein.

7. Defendant's Waiver of Right to Appeal the Sentence

The defendant agrees that this Court has jurisdiction and authority to impose any sentence up to the statutory maximum and expressly waives the right to appeal defendant's sentence on any ground, including the ground that the Court erred in determining the applicable guidelines range pursuant to the United States Sentencing Guidelines, except (a) the ground that the sentence exceeds the defendant's applicable guidelines range as determined by the Court pursuant to the United States Sentencing Guidelines; (b) the ground that the sentence exceeds the statutory maximum penalty; or (c) the ground that the sentence violates the Eighth Amendment to the Constitution; provided, however, that if the government exercises its right to appeal the sentence imposed, as authorized by 18 U.S.C. § 3742(b), then the defendant is released from his waiver and may appeal the sentence as authorized by 18 U.S.C. § 3742(a).

8. Middle District of Florida Agreement

It is further understood that this agreement is limited to the Office of the United States Attorney for the Middle District of Florida and cannot bind other federal, state, or local prosecuting authorities, although this office will bring defendant's cooperation, if any, to the attention of other prosecuting officers or others, if requested.

9. Filing of Agreement

This agreement shall be presented to the Court, in open court or in camera, in whole or in part, upon a showing of good cause, and filed in this cause, at the time of defendant's entry of a plea of guilty pursuant hereto.

10. Voluntariness

The defendant acknowledges that defendant is entering into this agreement and is pleading guilty freely and voluntarily without reliance upon any discussions between the attorney for the government and the defendant and defendant's attorney and without promise of benefit of any kind (other than the concessions contained herein), and without threats, force, intimidation, or coercion of any kind. The defendant further acknowledges defendant's understanding of the nature of the offense or offenses to which defendant is pleading guilty and the elements thereof, including the penalties provided by law, and defendant's complete satisfaction with the representation and advice received from defendant's undersigned counsel (if any). The defendant also understands that defendant has the right to plead not guilty or to persist in that plea if it has already been made, and that defendant has the right to be tried by a jury with the assistance of counsel, the right to confront and cross-examine the witnesses against defendant, the right against compulsory self-incrimination, and the right to compulsory process for the attendance of witnesses to testify in defendant's defense; but, by pleading guilty, defendant waives or gives up those rights and there will be no trial. The defendant further understands that if defendant pleads guilty, the Court may ask defendant questions about the offense or offenses to which defendant pleaded, and if defendant answers those questions under oath, on the record, and in the presence of counsel (if any), defendant's answers may later be used against defendant in a prosecution for perjury or false statement. The defendant also understands that defendant will be adjudicated guilty of the offenses to which defendant has pleaded and, if any of such offenses are felonies, may thereby be deprived of certain rights, such as the right to vote, to hold public office, to serve on a jury, or to have possession of firearms.

11. Factual Basis

Defendant is pleading guilty because defendant is in fact guilty. The defendant certifies that defendant does hereby admit that the facts set forth in the attached "Factual Basis," which is incorporated herein by reference, are true, and were this case to go to trial, the United States would be able to prove those specific facts and others beyond a reasonable doubt.

12. Entire Agreement

This plea agreement constitutes the entire agreement between the government and the defendant with respect to the aforementioned guilty plea and no other promises, agreements, or representations exist or have been made to the defendant or defendant's attorney with regard to such guilty plea.

13. Certification

The defendant and defendant's counsel certify that this plea agreement has been read in its entirety by (or has been read to) the defendant and that defendant fully understands its terms.

DATED this 3rd day of September 2026.

GREGORY W. KEHOE
United States Attorney

Roy A Swift

ROY A. SWIFT
Defendant

RACHEL S. ACOSTA
Assistant United States Attorney

Charles E Taylor

CHARLES E. TAYLOR, JR.
Attorney for Defendant

Hannah Watson

HANNAH WATSON
Assistant United States Attorney
Deputy Chief, Orlando Division

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED STATES OF AMERICA

v. CASE NO. 6:26-cr-69-PGB-NWH

ROY A. SWIFT

PERSONALIZATION OF ELEMENTS

Count One

First: Do you admit that two or more people, including yourself, in some way or manner, agreed to try to accomplish a common and unlawful plan to commit wire fraud, as charged in the indictment?

Second: Do you admit that you knew the unlawful purpose of the plan and willfully joined in it?

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FACTUAL BASIS

Beginning on a date unknown, but at least by July 4, 2020, and continuing to on or about September 25, 2021, the defendant, Roy A. Swift, and his wife, Andrea Frisby ("Frisby"), conspired to devise a scheme to defraud the United States Small Business Administration ("SBA") and obtain money from the United States by means of materially false and fraudulent pretenses. In so doing, the defendant submitted two fraudulent applications for Paycheck Protection Program ("PPP") loans and received a total of $37,500. In support of these loan applications, the defendant submitted fake Internal Revenue Service ("IRS") Schedule C tax forms[2]. In so doing, the defendant submitted multiple false claims against the United States, to the SBA, which is an agency of the United States, knowing that the claims were false and fraudulent.

Additionally, Frisby fraudulently obtained $52,966 in Economic Injury Disaster Loans ("EIDL") and PPP loans by making false statements during the

[2] Schedule C (Form 1040) is a form filed alongside a tax return to report business income and losses. The form is used by sole proprietors or independent contractors to calculate taxable net business profit.

application process. The defendant received some of these funds and signed documents supporting these applications.

Background

The Coronavirus Aid, Relief and Economic Security ("CARES") Act

The SBA is an executive-branch agency of the United States government that provides support to entrepreneurs and small businesses. The mission of the SBA is to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters. As part of this effort, the SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans had government-backed guarantees.

The CARES Act is a federal law passed in March 2020 that provided $2.2 trillion dollars in emergency financial assistance to the millions of Americans who were suffering the economic effects caused by COVID-19. The provisions of the CARES Act, in conjunction with an officially declared disaster by the United States Government, allowed the SBA to offer PPP loans and EIDL to individuals who met certain parameters under the CARES Act.

The Paycheck Protection Program

Among its various provisions, the CARES Act authorized the SBA to guarantee loans under the PPP, and the full principal amount and interest of the loans could qualify for forgiveness if the business spent the loan proceeds on approved expense items within a designated period of time and used a certain percentage of the PPP loan proceeds for payroll expenses. Borrowers were required to use PPP loan proceeds only for enumerated purposes, including payroll costs, rent and utilities, and mortgage interest payments. Knowing misuse of PPP funds would subject borrowers to additional liability, such as charges for fraud.

Under the PPP, the maximum loan amount was the lesser of $10 million or an amount calculated using a payroll-based formula specified in the CARES Act. The payroll-based formula considered the borrower's total payroll costs from the preceding twelve months for all domestic employees. Once an average monthly payroll cost was established, the borrower would multiply that figure by 2.5 to arrive at a total maximum PPP loan amount. This payroll-based formula expressly excluded the compensation of an individual employee in excess of an annual salary of $100,000, prorated as necessary, and, with limited exceptions, businesses with more than 500 employees did not qualify to obtain PPP loans.

To apply for a PPP loan, a potential borrower electronically submitted an SBA Form 2483 with supporting payroll documentation to a financial institution that would administer the loan and serve as custodian of the funds. On the SBA Form 2483, an authorized representative of the business was required to certify information regarding business operations. Those certifications included that: (i) the applicant was in operation on February 15, 2020, and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on a Form 1099-MISC; (ii) current economic uncertainty made the loan request necessary to support the applicant's ongoing operations; and (iii) the PPP funds would be used to retain workers and to maintain payroll or pay other qualifying expenses.

Further, when submitting the SBA Form 2483, the authorized representative certified his/her understanding that, should the PPP funds be knowingly used for unauthorized purposes, the United States could hold him/her legally liable, including for charges of fraud. The applicant was also required to certify the truth and accuracy of any information provided on the SBA Form 2483 and in all supporting documents, including any documents submitted to verify the applicant's payroll expenses. Such supporting documents could include payroll processor records, bank records, wage records, payroll tax filings with the IRS, or other records sufficient to demonstrate the qualifying payroll amount.

Finally, the applicant was required to certify the following warning regarding false statements and other criminal penalties:

> I understand that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including under 18 U.S.C. §§ 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to $250,000; under 15 U.S.C. § 645 by imprisonment of not more than two years and/or a fine of not more than $5,000; and, if submitted to a federally insured institution, under 18 U.S.C. § 1014 by imprisonment of not more than thirty years and/or a fine of not more than $1,000,000.

The SBA oversaw the PPP, but PPP loan applications would then be processed by participating lenders. If a PPP loan application was approved, the participating lender funded the PPP loan using its own monies, which were 100% guaranteed by the SBA. Data from the application, including information from the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender to the SBA in the course of processing the loan.

The financial institutions used by the SBA for payment of the PPP loans were numerous and included: Benworth Capital, Harvest Small Business Finance, and Lendistry Small Business Lending, among others.

Economic Injury Disaster Loan Program

Another source of relief from the March 2020 CARES Act was the SBA EIDL, which provided up to $2 million of financial assistance (actual loan amounts are based on amount of economic injury) to small businesses or private, non-profit organizations that suffered substantial economic injury as a result of the COVID-19 pandemic. The EIDL program provided emergency working capital to help meet necessary financial obligations the business or private, non-profit organization could have met had the disaster not occurred. It provided relief from economic injury caused directly by the disaster and permitted borrowers to maintain a reasonable working capital position during the period affected by the disaster. EIDL was not intended to replace lost revenues or lost profits.

Through the SBA online portal, EIDL applicants could submit personal and business information in support of each EIDL application. Borrowers did not have to submit any supporting or substantiating documentation with their application. The application process involved filling out data fields relating to the size of the affected business entity, the ownership of the business, the number of employees working for the business, and gross business revenues realized in the 12 months prior to COVID-

19's impact on the national economy. The business must have existed in an operational condition on or before February 1, 2020.

EIDL applications required a certification that "any false statement or misrepresentation to SBA may result in criminal, civil or administrative sanctions including, but not limited to fines and imprisonment, or both, under 15 U.S.C. § 645, 18 U.S.C. § 1001, 18 U.S.C. § 1014, 18 U.S.C. § 1040, 18 U.S.C. § 3571, and any other applicable laws."

The EIDL application information submitted by the applicant was then used by SBA systems to calculate the amount of money the business was eligible to receive in the form of a loan. However, in conjunction with the submission of an EIDL application, by having simply clicked on and checked a box within the online application, an applicant could request and then receive an EIDL Advance for up to $10,000, which was based upon the number of employees claimed. The EIDL Advance did not have to be repaid.

The SBA Office of Disaster Assistance ("ODA"), headquartered in Washington, D.C., was responsible for the EIDL program. The ODA has authority over all loans created and disbursed under the EIDL program. EIDL principal proceeds and available Cash Advance Grants (up to $10,000) were solely funded by the SBA and disbursed from government-controlled accounts maintained with the U.S. Treasury at Federal Reserve Banks throughout the United States.

Pursuant to the provisions governing the EIDL program, loan proceeds were required to be used on certain permissible business expenses. The EIDL funds could be used by the afflicted business to pay fixed debts, payroll, accounts payable, and other bills that could have been paid absent the impact of COVID-19.

As references above, applicants were not required to provide documents to the SBA. The SBA relied 100% on the truthfulness of an applicant's submission.

Chronology of the Fraudulent CARES Act Loans

Frisby's EIDL 4523378200

On July 15, 2020, Frisby applied for an EIDL on behalf of the business entity, "Frisby Productions." The entire application process was conducted online or via email and telephone. Although Frisby registered Frisby Productions with the Tennessee Secretary of State in 2010, Frisby Productions was dissolved in 2011. Frisby then registered Frisby Productions with the Florida Secretary of State in October 2021, *after* the receipt of her EIDL and PPP loans. Frisby's daughter, A.K., was listed as the manager for Frisby Productions. Frisby included in this application an IRS Schedule C as supporting documentation of Frisby Productions' operations.

The IRS did not receive a Schedule C from Frisby in 2019 or 2020, which is used by small business owners, sole proprietors, and self-employed individuals to report income and expenses from small business operations. Thus, the Schedule C provided by Frisby in support of her application was fraudulent.

Additionally, Florida Department of Revenue wage records revealed Frisby did not report income outside of VA employment from 2018 to 2021. Given that the business was not registered from 2011 to October of 2021, the IRS did not receive a Schedule C from Frisby in 2019 or 2020, and there are no wage records to support income from Frisby Productions, there is no indication that Frisby Productions was active or generating profits before February 15, 2020, which was an SBA eligibility requirement to receive EIDL and PPP loans.

In her EIDL application, Frisby provided the following materially false information: (1) the business made $40,000 in gross revenue in 2019; (2) the business had seven employees; (3) the monthly revenue was $3,333.33 and monthly sales were $3,333.33. Those statements were false and intended to induce the SBA to approve her loan application and disburse funds to her account.

On August 6, 2020, Frisby signed a loan authorization and agreement, which stated that any "false statement or misrepresentation to SBA may result in criminal, civil, or administrative sanctions . . ." As a result of her application, on August 11, 2020, the SBA disbursed $11,300 into Frisby's Navy Federal Credit Union ("NFCU") checking account ending in 8474.

After disbursement, the SBA reached out to Frisby to request a missing document, called a certificate, which stated that the business partners for Frisby Productions held a meeting, during which the terms of the EIDL were discussed, the members agreed to the terms, accepted the loan amount, and authorized an individual (Frisby) to sign for the loan.

In response, Frisby submitted a certificate to the SBA which stated that Frisby Productions accepted an EIDL loan for the amount of $50,000 ". . . to use the funds for operational expenses of this LLC during the Covid-19 economic hardship." The letter was signed by the purported managing members, listed as Frisby and the defendant, and it was dated March 20, 2021 (although the loan was accepted and disbursed in August 2020).

Frisby Productions LLC accepts a Covid-19 EIDL Loan for the amount of $50,000 via SBA Loan Application Number 9172598501, and to use the funds for operational expenses of this LLC during the Covid-19 economic hardship.

The managing members of this Limited Liability Company are authorized to perform the acts to carry out this company resolution.

Andrea Frisby
Managing Member Signature

3/20/2021
Date

Andrea Frisby
Printed Name

Roy Swift
Managing Member Signature

3/21/2021
Date

Roy Swift
Printed Name

Handwriting analysis confirms the signature purporting to be the defendant's signature is consistent with his handwriting.

On July 15, 2021, Frisby applied to SBA for a Targeted EIDL Advance and Supplemental EIDL Advance. On these applications, she requested to change the number of employees on her application from seven to ten. Both the Targeted EIDL Advance and Supplemental EIDL Advance were denied by SBA, with the reason listed as "suspected fraud" and "not in a low-income community."

On August 25, 2021, Frisby attempted to modify her loan application to be considered for a $73,000 EIDL. In support of this application, Frisby submitted a Resolution and Certification of Frisby Productions, LLC, which listed herself as the owner and the defendant as a board member. SBA declined this application on January 6, 2022.

The balance of checking account 8474, to which the EIDL was disbursed, was approximately $1,544 on August 10, 2020. On August 11, 2020, $11,300 was deposited by SBA into checking account 8474 and was comingled with Frisby's preexisting funds.

By August 25, 2020, the EIDL funds were withdrawn from checking account 8474, of which approximately $5,830 was transferred to the defendant's NFCU checking account 3576, approximately $1,000 was transferred to A.K.'s NFCU checking account 3544, and approximately $400 was transferred to a NFCU account held by a family member of Frisby, R.K. The remaining amount was spent at fast food restaurants, grocery stores, and gas stations, or to make credit card payments, utility payments, and insurance payments, among other things. By August 26, 2020, the balance of checking account 8474 was approximately $52.

<u>Defendant's PPP Loan 8607</u>

On March 17, 2021, the defendant submitted a fraudulent PPP application for which he received a disbursement of $18,750 on April 22, 2021. The entire application process was conducted online or via email and telephone. Similar to Frisby's application, the defendant claimed ownership of a business named after himself, with his personal information as contact information for the business. The defendant certified that he was the owner of the business, that had one employee, and that he would use the loan for payroll costs. He listed his social security number as the business's tax identification number and his home address as the business address. He listed his personal email address on the application. The defendant also submitted a falsified Schedule C in support of his application, which had never been submitted to the IRS. Additionally, Florida Department of Revenue wage records revealed the defendant did not report income for himself or this business from 2018 to 2021.

Given that the business was not registered, the IRS did not receive a Schedule C in 2019 or 2020, and there are no wage records to support income from Roy Swift LLC, there is no indication that Roy Swift LLC was active or generating profits before February 15, 2020, which was an SBA eligibility requirement to receive EIDL and PPP Loans.

In his PPP application, the defendant provided the following materially false information: (1) the business made $90,000 in gross revenue in 2020; (2) the business had one employee; and (3) the monthly revenue was $7,500. Those statements were false and intended to induce the SBA to approve his loan application and disburse funds to his account.

The funds were disbursed into an account that was jointly-held with Frisby. The beginning balance of checking account 3576 was approximately $101 on March 9, 2021. On March 31, 2021, the lender deposited $18,750 into checking account 3576, which was comingled with the defendant's preexisting funds.

From March 9, 2021, to April 8, 2021, approximately $22,406 was deposited into checking account 3576, of which approximately $3,656 came from sources other than the PPP loan. During the same time period, approximately $22,289 was withdrawn from checking account 3576, of which approximately $8,800 was transferred to Frisby's NFCU checking account 8474, approximately $4,000 was transferred to savings account 3505, approximately $500 was transferred to a NFCU account held by R.K., approximately $1,562 was spent at the Hard Rock Casino in Tampa, Florida, approximately $1,408 was spent on what appears to be sky diving, and the remaining funds were spent on mortgage payments, loan payments, at grocery stores, and at fast food restaurants, among other things. By April 8, 2021, the balance of checking account 3576 was approximately $219.

The beginning balance of savings account 3505 was approximately $6 on March 9, 2021. On April 2, 2021, approximately $4,000 of PPP funds were transferred from checking account 3576 into savings account 3505. From March 9, 2021, to May 8, 2021, approximately $5,801 was deposited into savings account 3505, of which approximately $1,801 came from sources other than PPP loans. During the same time period, approximately $5,120 was withdrawn from savings account 3505, of which approximately $2,500 was transferred back to checking account 3576, approximately $2,017 was withdrawn in cash in Las Vegas, Nevada, and approximately $600 was transferred to Frisby's checking account 8474. By May 8, 2021, the balance of savings account 3505 was approximately $687.

The defendant then submitted a loan forgiveness application to the lender for loan 8607, which stated $18,750 of the $18,750 PPP loan was spent on payroll costs. PPP loan 8607 was forgiven on August 13, 2021.

Frisby's PPP Loan 8800

On April 15, 2021, Frisby applied for PPP loan 8800 on behalf of the fictitious business entity "Andrea Frisby". She listed her Social Security Number ("SSN") as the business' Tax Identification Number ("TIN"), and she listed the address of her residence and her personal email address as the business's contact information.

According to the Florida Secretary of State and Tennessee Secretary of State, no business entity entitled "Andrea Frisby" was ever registered with either state. Again, the IRS did not receive a Schedule C from Frisby in 2019 or 2020, and Florida Department of Revenue wage records revealed Frisby did not report income outside of VA employment from 2018 to 2021. Due to the lack of a registered business, lack of a filed Schedule C with IRS, and lack of additional wages reported to the state of Florida, there is no indication that a business named, "Andrea Frisby," or owned by Frisby was active and producing a profit before February 15, 2020.

On July 13, 2021, the lender deposited $20,833 into savings account 9442, which was comingled with Frisby's preexisting funds. From July 13, 2021, to September 25, 2021, approximately $20,750 was withdrawn from savings account 9442, of which approximately $12,366 was transferred into Frisby's NFCU checking account 8474, approximately $6,384 was used to pay off Frisby's NFCU More Rewards American Express Card ending in 8219, $650 was transferred to NFCU accounts held by the defendant, $1,051 was transferred to a NFCU account held by R.K., and $300 was transferred to a NFCU account held by Ry.K. (another family member of Frisby). By September 25, 2021, the balance of savings account 9442 was approximately $159.

Frisby submitted a loan forgiveness application to Benworth Capital for loan 8800, which falsely stated $20,830 of the $20,833 PPP loan was spent on payroll costs. PPP loan 8800 was forgiven on August 24, 2021.

Defendant's PPP Loan 8805 (Count Five)

The defendant applied for PPP loan 8805 on April 9, 2021. The entire application process was conducted online or via email and telephone. On this application, the identifying information for the defendant and a business in his name are the same as the defendant's first application for loan number 8607 (Count Four). The defendant stated in the application that the PPP loan would be used for payroll costs. In this application, the defendant submitted two different Schedule C, each with a different style and color of font. Both versions had the same business information and reported gross income of $90,000 in cash. One version listed $15,000 in additional expenses, which brought the net profit down to $60,500. The defendant also provided bank statements for NFCU savings account 3505 for January 2020, and February 2020.

In his PPP application, the defendant provided the following materially false information: (1) the business made $90,000 in gross revenue in 2020; (2) the business had one employee; and (3) the monthly revenue was $7,500. Those statements were false and intended to induce the SBA to approve his loan application and disburse funds to his account.

PPP loan 8805 was deposited into the defendant's NFCU checking account 3576. The beginning balance of checking account 3576 was approximately $219 on April 9, 2021. On April 22, 2021, the lender deposited $18,750 into checking account 3576, which was comingled with the defendant's preexisting funds. From April 9, 2021, to June 8, 2021, approximately $35,091 was deposited into checking account 3576, of which approximately $2,000 of PPP funds were transferred from the defendant's savings account 3505, and approximately $14,341 came from sources other than PPP loans. During this time period, approximately $33,533 was withdrawn from checking account 3576, of which approximately $1,510 was transferred to Frisby's checking account 8474, approximately $7,640 was withdrawn from ATMs in Orlando, Florida, Des Plaines, Illinois, and Robinsonville, Mississippi, approximately $5,000 was withdrawn in cash, and approximately $6,235 was spent at casinos, including the Hard Rock Casino in Tampa, Florida, Four Queens, Las Vegas, Nevada, and The Lodge Casino, Black Hawk, Colorado. The remaining funds were spent on mortgage payments, loan payments, at grocery stores, and at fast-food restaurants, among other things. By June 8, 2021, the balance of checking account 3576 was approximately $736.

The defendant submitted a loan forgiveness application for loan 8805, which stated $18,750 of the $18,750 PPP loan was spent on payroll costs. PPP loan 8805 was forgiven August 13, 2021. The total amount the defendant received for the loans submitted in his name was $37,500.

Frisby's PPP Loan 9000

Frisby applied for PPP loan 9000 on May 20, 2021. On this application, the identifying information for Frisby and the business, "Andrea Frisby," are the same as the first application for loan number 8800. Frisby stated that the PPP loan would be used for payroll costs. Frisby's initials and signature appear in the certification of the PPP loan application.

In this application, Frisby submitted a copy of a fraudulent Schedule C and bank statements for NFCU checking account 8474 for January and February 2020. The Schedule C submitted in this application was the same as the Schedule C submitted for loan 8102.

PPP loan 9000 was deposited into Frisby's NFCU checking account 8474. On June 7, 2021, the balance of checking account 8474 was approximately $204. On June 8, 2021, $20,833 was deposited into checking account 8474 with the description "PPP 2nd," which was comingled with her preexisting funds. From June 7, 2021, to September 25, 2021, approximately $44,254 was deposited into checking account 8474. Approximately $12,366 was transferred from savings account 9442, which contained funds from PPP loan 8800, and approximately $11,055 came from sources other than PPP loans.

From June 7, 2021, to September 25, 2021, approximately $44,564 was withdrawn from checking account 8474, of which the following transfers were made: $10,287 to a NFCU account held by R.K.; $4,899 to a NFCU account held by the defendant; $1,500 to a NFCU account held by A.K.; and $590 to a NFCU account held by Ry.K. Approximately $5,214 was withdrawn from ATMs in Michigan, Illinois, and Wisconsin. The remaining funds were spent on travel expenses, including purchases of airline tickets, hotels, Airbnb, car rentals, credit card payments, fast food restaurants, Amazon Inc., grocery stores, on insurance, credit cards, utility payments, and telephone bill payments, among other things. These expenditures were not legitimate business expenses or in any way associated with payroll. By September 25, 2021, the balance of checking account 8474 was approximately $40.

Frisby submitted a loan forgiveness application for loan 9000, which stated $20,833 of the $20,833 PPP loan was spent on payroll costs. PPP loan 9000 was forgiven August 9, 2021.

J.C. Interview – Defendant's Supervisor

J.C. was the defendant's supervisor since 2022, and J.C. has known the defendant since 2017. J.C. said that defendant and his wife were always looking for a "con" to easily make money. The defendant bragged to other employees that he and his wife participated in slip and fall schemes and tax evasion. The defendant also talked about receiving PPP loans for a business that he and his wife pretended to own, though J.C. was not sure what kind of business.

Subpoena Duces Tecum

A grand jury subpoena was personally served on the defendant requesting any documents supporting an operational business during 2019-2020. On June 30, 2025, the defendant confirmed he did not have any documents responsive to the subpoena. The defendant also said that he wanted to talk to law enforcement to "get things off his chest" but a substantive interview never occurred.

The defendant does not admit to the factual assertions contained in paragraphs 21(a)-21(i), 21(t)-21(u), and the total loss amount in 22(mm).

The above is merely a summary of some of the events, some of the persons involved, and other information relating to this case. It does not include, nor is it intended to include, all the events, persons involved, or other information relating to this case.