FELICE JOHN VITI, Acting United States Attorney (#7007)
TODD C. BOUTON, Assistant United States Attorney (#17800)
Attorneys for the United States of America
Office of the United States Attorney
111 South Main Street, Suite 1800
Salt Lake City, Utah 84111-2176
Telephone: (801) 524-5682

IN THE UNITED STATES DISTRICT COURT

DISTRICT OF UTAH

UNITED STATES OF AMERICA, Plaintiff, vs. TIMOTHY GEORGE LOPEZ, Defendant.	Case No. 2:24-CR-00061-DBB STATEMENT BY DEFENDANT IN ADVANCE OF PLEA OF GUILTY AND PLEA AGREEMENT Judge David Barlow

I hereby acknowledge and certify that I have been advised of and that I understand the following facts and rights, and that I have had the assistance of counsel in reviewing, explaining, and entering into this agreement:

1. As part of this agreement with the United States of America, I intend to plead guilty to Counts 6 and 7 of the Indictment. My attorney has explained the nature of the charges against me, and I have had an opportunity to discuss the nature of the charges with my attorney. I understand the charges and what the United States is required to prove to convict me.

The elements of Counts 6 and 7 for *Wire Fraud in violation of 18 U.S.C. § 1343* are:

First: The defendant knowingly devised or intended to devise, or knowingly participated in, a scheme to defraud;

Second: The defendant acted with the specific intent to defraud;

Third: The defendant used or caused the use of interstate wire communications for the purpose of executing or attempting to execute the scheme to defraud; and

Fourth: The scheme employed false or fraudulent pretenses, representations, or promises that were material.

2. I know that the maximum possible penalty provided by law for Counts 6-7 of the Indictment, a violation of 18 U.S.C. § 1343, is a term of imprisonment of 20 years, a fine of $250,000, a term of supervised release of 3 years, and any applicable forfeiture. I understand that if I violate a term or condition of supervised release, I can be returned to prison for the length of time provided in 18 U.S.C. § 3583(e)(3).

a. Additionally, I know the Court is required to impose an assessment in the amount of $100 for each offense of conviction, pursuant to 18 U.S.C. § 3013. Furthermore, restitution to the victim of my offenses shall be ordered pursuant to 18 U.S.C. § 3663A.

b. I understand that, if I am not a United States citizen, I may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

3. I know that the sentencing procedures in this case and the ultimate sentence will be determined pursuant to 18 U.S.C. § 3553(a), and that the Court must consider, but is not bound by, the United States Sentencing Guidelines, in determining my sentence. I have discussed these procedures with my attorney. I also know that the final calculation of my sentence by the Court may differ from any calculation the United States, my attorney, or I may have made, and I will not be able to withdraw my plea if this occurs.

4. I know that I can be represented by an attorney at every stage of the proceeding, and I know that if I cannot afford an attorney, one will be appointed to represent me.

5. I know that I have a right to plead "Not Guilty" or maintain my earlier plea of "Not Guilty" and can have a trial on the charges against me.

6. I know that I have a right to a trial by jury, and I know that if I stand trial by a jury:

a. I have a right to the assistance of counsel at every stage of the proceeding.

b. I have a right to see and observe the witnesses who testify against me.

c. My attorney can cross-examine all witnesses who testify against me.

d. I have the right to testify and present evidence, to call witnesses to testify at trial, and I can obtain subpoenas to require the attendance and testimony of those witnesses. If I cannot afford to pay for the appearance of a witness and mileage fees, the United States will pay them.

e. I cannot be forced to incriminate myself, and I do not have to testify at any trial.

f. If I do not want to testify, the jury will be told that no inference adverse to me may be drawn from my election not to testify.

g. The United States must prove each and every element of the offense charged against me beyond a reasonable doubt.

h. It requires a unanimous verdict of a jury to convict me.

i. If I were to be convicted, I could appeal, and if I could not afford to appeal, the United States would pay the costs of the appeal, including the services of appointed counsel.

7. If I plead guilty, I will not have a trial of any kind.

8. I know that 18 U.S.C. § 3742(a) sets forth the circumstances under which I may appeal my sentence. However, fully understanding my right to appeal my sentence, and in consideration of the concessions and/or commitments made by the United States in this plea agreement, I knowingly, voluntarily and expressly waive my right to appeal as set forth in paragraph 12 below.

9. I know that 18 U.S.C. § 3742(b) sets forth the circumstances under which the United States may appeal my sentence.

10. I know that under a plea of guilty the judge may ask me questions under oath about the offense. The questions, if asked on the record and in the presence of counsel, must be answered truthfully and, if I give false answers, I can be prosecuted for perjury.

11. I stipulate and agree that the following facts accurately describe my conduct. These facts provide a basis for the Court to accept my guilty plea:

> From on or about March 25, 2021 to at least June 22, 2021, in the District of Utah and elsewhere, I, Timothy George Lopez, knowingly participated in a scheme and artifice to defraud, and to obtain money through the use of false and fraudulent pretenses, representations, and promises, and in so doing, I used interstate wires, including monetary transfers and two

electronically submitted Paycheck Protection Program (PPP) Loan Applications.

Counts 6 and 7

On or about March 25, 2021, and April 13, 2021, I knowingly participated in the submission of two separate PPP Loan Applications for approximately $20,211 and $28,296, respectively, on behalf of my purported sole proprietorship, "Timothy Lopez" (the "Lopez Business") to the United States Small Business Administration ("SBA") through DreamSpring Finance ("DreamSpring"), a nonprofit, small-business financing organization headquartered in New Mexico.

In execution and furtherance of the scheme and artifice to defraud, I knowingly participated in making, the following false, fraudulent, and material representations to Dreamspring and the SBA in both the March 25, 2021 and the April 13, 2021 PPP Loan Applications submitted on my behalf:

a. That I was the sole proprietor of a business called "Timothy Lopez" which had been in operation as of February 15, 2020;

b. The 2020 IRS 1040 Tax Form Schedule C submitted along with the PPP Loan Application(s) accurately reflected that the Lopez Business had approximately $138,543 in gross receipts or sales, and $97,015 in gross income in 2020; when in fact, it did not; and

c. The information provided in the PPP-Loan application(s) and the information provided in all supporting documents and forms was true and accurate in all material respects; when in fact, it was not.

I knew that if I had not made, or knowingly participated in making, the above false, fraudulent, and material representations to DreamSpring and the SBA, the SBA would not have approved my PPP Loans. But because of those false, fraudulent, and material representations, DreamSpring and the SBA approved both of my PPP Loans.

I also know that because of the above false, fraudulent, and material representations to DreamSpring and SBA: (a) on or about April 21, 2021, the United States Treasury deposited approximately $20,211 in PPP Loan funds into my Bancorp Bank Account in Utah ending in x2958; and (b) on or about

June 22, 2021, the United States Treasury deposited approximately $28,296 into my Bancorp Bank Account in Utah ending in x2958.

I admit that my conduct violated 18 U.S.C. § 1343 and constituted the crime of wire fraud.

Halee Mehlbauer's Involvement with Lopez's PPP Loan Applications and with Other PPP Loan Applications

Several years ago, I became acquainted with my codefendant Halee Ann Mehlbauer ("Mehlbauer"). For some time, I was dating Mehlbauer's mother, and Mehlbauer, her mother, and I resided in the same house.

In or around March 2020, Mehlbauer told me and her mother that she was "getting some money for some loans . . . ." Her mother asked Mehlbauer to get her some money. And I went along with the scheme.

Mehlbauer completed and submitted the two PPP Loan applications referenced above for me. She submitted them both on her computer without my direct help. Mehlbauer also set up a bank account for me to receive the PPP Loan funds. I did give Mehlbauer my "bluedumpdog@yahoo.com" email address to use for the loan applications.

Mehlbauer also told me that she submitted some tax documents with the loan applications for my two PPP Loans. But I did not help her prepare the tax documents. My Social Security Number listed on the tax documents was correct, but I do not know where the Employer Identification Number came from. When Mehlbauer submitted the two loan applications for me, I did not know what business she used for the applications. Sometime later, however, she told me that she had used a "food truck business" for the applications. I do not recognize the digital signatures on the applications for my two PPP Loans. I never had a mobile food services business. I never had employees. And I have never had a business that made over $138,000 a year.

I do not recall filing a tax return in 2020. I did not give Mehlbauer permission to file a tax return in my name. Nor did I give her permission to register or create a business in my name.

When Mehlbauer submitted the two PPP Loan applications for me, I did know that I was supposed to split some of the money with Mehlbauer. And I did share some of it with her.

Besides giving some of the PPP Loan money to Mehlbauer, I also gave some of the money to my then-girlfriend (Mehlbauer's mother). I bought some furniture with the money. I paid down some of my debts with the money. And I used some of the PPP Loan funds to buy groceries and other things. I did not use the PPP Loan money for payroll for any business.

By the time I received the PPP Loan funds, I knew that the money was intended to help people with small businesses during the COVID pandemic and that Mehlbauer "wasn't doing a good thing." When I received the PPP Loan money, I knew that I did not have any business at the time. And I knew that I was not entitled to receive any of the PPP Loan money.

At some point, Mehlbauer applied on my behalf for forgiveness of my two PPP Loans. She told me that both of my two PPP Loans were forgiven.

Mehlbauer told me that "she got Rick [Bolton] a $98,000 loan." But she did not tell me how she got Bolton the loan. At the time, Mehlbauer had been dating and living with Bolton and had three children with him.

Mehlbauer also obtained one or two PPP Loans in her mother's name. But Mehlbauer spent most of that money on herself.

I do not know if Mehlbauer applied for any PPP Loans in her own name. But she did not have any formal business that I knew of. She did sell some things (thrift-like items) online. Except for one single week, I never knew Mehlbauer to have a 9-to-5-type job.

12. The only terms and conditions pertaining to this plea agreement between me and the United States are as follows:

a. **Guilty Plea.** I will plead guilty to Counts 6 and 7 of the Indictment.

b. **Relevant Conduct.** I understand and agree that the Presentence Report may include descriptions of conduct I engaged in which either was not charged against me, will not be pleaded to by me, or both. I understand and agree that the Court may take these facts into consideration in sentencing.

c. **Mitigating Role in the Offense.** The United States agrees that I was a minor participant in the criminal activity, and agrees to recommend that I be given a 2-level reduction in my base offense level pursuant to U.S.S.G. § 3B1.2(b). I understand that the Court is not bound by the United States' recommendation.

d. **Acceptance of Responsibility**. The United States agrees to recommend that my offense level under the U.S. Sentencing Guidelines be decreased by two levels for acceptance of responsibility pursuant to Sentencing Guideline § 3E1.1(a) if, in the opinion of the United States, I clearly demonstrate acceptance of responsibility for my offense [or offenses], up to and including at the time of sentencing, as set forth in § 3E1.1 of the Sentencing Guidelines. In addition, the United States agrees to move for an additional one-level reduction in the offense level, in accordance with Sentencing Guideline § 3E1.1(b), if I qualify for a two-level reduction under § 3E1.1(a) and the offense level is 16 or greater prior to receiving the two-level reduction.

e. **No Further Prosecution.** The United States also agrees not to seek additional charges against me for alleged criminal conduct known to the United States Attorney's Office for the District of Utah at the time of the plea.

f. **Appeal Waiver.**

(1) Fully understanding my limited right to appeal my sentence, as explained above in paragraph 8, and in consideration of the concessions and/or commitments made by the United States in this plea agreement, I knowingly, voluntarily, and expressly waive my right to appeal any sentence imposed upon me, and the manner in which the sentence is determined, on any of the grounds set forth in 18 U.S.C. § 3742 or on any ground whatever, except I do not waive my right to appeal (1) a sentence above the maximum penalty provided in the statute of conviction as set forth in paragraph 2 above; and (2) a sentence above the high-end of the guideline range as determined by the district court at sentencing, or, in the event that no such determination is made by the district court, a sentence above the high-end of the guideline range as set forth in the final presentence report. I also knowingly, voluntarily, and expressly waive any argument (1) that the statute(s) to which I am pleading guilty is/are unconstitutional or (2) that my admitted conduct does not fall within the scope of the statute(s).

(2) I also knowingly, voluntarily, and expressly waive my right to challenge my sentence, and the manner in which the sentence is determined, and my conviction, in any collateral review motion, writ or other procedure, including but not limited to a motion brought under 28 U.S.C. § 2255, except on the issue of ineffective assistance of counsel. This waiver includes any motion for modification of my sentence under 18 U.S.C. § 3582(c)(2).

(3) I understand that this waiver of my appeal and collateral review rights concerning my sentence shall not affect the United States' right to appeal my sentence pursuant to18 U.S.C. § 3742(b). However, I understand that the United States agrees that if it appeals my sentence, I am released from my waiver.

(4) I further understand and agree that the word "sentence" appearing throughout this waiver provision is being used broadly and applies to all aspects of the

Court's sentencing authority, including, but not limited to: (1) sentencing determinations; (2) the imposition of imprisonment, fines, supervised release, probation, and any specific terms and conditions thereof; and (3) any orders of restitution.

g. **Rule 410 Waiver.** If the Court finds that I failed to fulfill my obligations under this plea agreement, or if I withdraw my plea of guilty, I agree that this agreement, my statements pursuant to this agreement, or any leads derived therefrom, shall be admissible at any trial, hearing, or other proceeding.

h. **Presentence Report and Financial Information.** I agree to provide truthful and complete information, including financial information, as requested by the probation office for the preparation of my presentence report and for determination of the conditions of my supervised release. I also consent to allowing the United States Attorney's Office to run a credit check on me. I consent to being placed on the Treasury Offset Program and State Finder.

i. **Restitution.**

(1) I agree that I am subject to mandatory restitution because my case falls within the provisions of 18 U.S.C. § 3663A(a)(1) and (c)(1) based on an offense described in § 3663A(c)(1) that gave rise to this plea agreement. My attorney has explained what mandatory restitution means.

Under 18 U.S.C. § 3663(a)(3), I agree to pay restitution, in the amount of $48,507, to the United States Small Business Administration at:

SBA Loan Number
Court Ordered Restitution
SBA/DFC, 721 19th St, 3rd Floor, Room 301
Denver, CO 80202.

This restitution amount is based on the full amount of Paycheck Protection Program Loan funds that I received from Loan Nos. x8706 and x8904 ($48,507).

I agree to pay this specific restitution, joint and several with any codefendants, and agree that this amount should not be reduced or increased through apportionment of liability under 18 U.S.C. § 3664(h).

(2) I understand that the amount of restitution and the schedule of payments will be determined as a part of the sentencing proceedings in accordance with the provisions of 18 U.S.C. § 3664. I agree to pay all restitution as ordered by the Court. I agree that the payment and enforcement of my restitution order is governed by 18 U.S.C. § 3664, and my lawyer has explained the consequences of an order of restitution.

(3) I understand and agree that payment of any restitution owed, pursuant to the schedule set by the Court at sentencing, should be a condition of any term of probation or supervised release imposed upon me. I know that if I fail to pay restitution as ordered, the failure can be considered a violation of probation or supervised release and, pursuant to 18 U.S.C. § 3614, the Court can resentence me to any sentence which might originally have been imposed in my case.

j. **Forfeiture.**

(1) I agree to the entry of a forfeiture money judgment of $48,507. This amount is the value of property that facilitated, was involved in, or that I obtained from my offense that is not available for forfeiture because of my acts or omissions. I agree that such property: 1) cannot be located upon the exercise of due diligence; 2) has been transferred or sold to, or deposited with, a third party; 3) has been placed beyond the court's jurisdiction; 4) has been substantially diminished in value; or 5) has been commingled with other property which cannot be divided without difficulty as provided by 21 U.S.C. § 853(p). Payments toward the forfeiture money judgment shall be made to: United States Marshals Service, ATTN: Asset Forfeiture Coordinator, 333 Lomas Blvd NW Suite 180, Albuquerque, New Mexico 87102.

(2) I acknowledge that this property is subject to forfeiture under 18 U.S.C. § 981(a)(1)(C), 28 U.S.C. § 2461(c), and 21 U.S.C. § 853(p).

(3) I consent to entry of any orders, judgments, or declarations of forfeiture regarding such property and waive the requirements (including notice of the forfeiture) of 19 U.S.C. §§ 1607-1609; 18 U.S.C. §§ 981, 983, and 985; the Code of Federal Regulations; and Rules 11 and 32.2 of the Federal Rules of Criminal Procedure. I consent to any criminal forfeiture order becoming final as to me upon its entry.

(4) I waive any claims I may have against the government, its officers, employees, and agents regarding the seizure, forfeiture, storage, and disposal of the property.

(5) I waive any constitutional or statutory challenges to the forfeiture, including that it is an excessive fine or punishment.

13. I understand and agree that this plea agreement is solely between me and the United States Attorney for the District of Utah and does not bind any other federal, state, or local prosecuting, administrative, or regulatory authorities.

14. I understand that I have a right to ask the Court any questions I wish to ask concerning my rights about these proceedings and the plea.

* * * *

I make the following representations to the Court:

1. I am 63 years of age. My education consists of 12th. I can read and understand English.

2. This Statement in Advance contains all terms of the agreements between me and the United States; if there are exceptions, the Court will be specifically advised, on the record, at the time of my guilty plea of the additional terms. I understand the United States and I cannot have terms of this plea agreement that are not disclosed to the Court.

3. No one has made threats, promises, or representations to me that have caused me to plead guilty, other than the provisions set forth in this agreement.

4. Neither my attorney nor the United States has promised me that I would receive probation or any other form of leniency because of my plea.

5. I have discussed this case and this plea with my lawyer as much as I wish, and I have no additional questions.

6. I am satisfied with my lawyer.

7. My decision to enter this plea was made after full and careful thought; with the advice of counsel; and with a full understanding of my rights, the facts and circumstances of the case and the consequences of the plea. I was not under the influence of any drugs, medication, or intoxicants when I made the decision to enter the plea, and I am not now under the influence of any drugs, medication, or intoxicants.

8. I have no mental reservations concerning the plea.

9. I understand and agree to all the above. I know that I am free to change or delete anything contained in this statement. I do not wish to make changes to this agreement because I agree with the terms and all the statements are correct.

DATED this 28 day of Feb, 2025.

TIMOTHY GEORGE LOPEZ
Defendant

I certify that I have discussed this plea agreement with the defendant, that I have fully explained his rights to him, and that I have assisted him in completing this written agreement. I believe that he is knowingly and voluntarily entering the plea with full knowledge of his legal rights and that there is a factual basis for the plea.

DATED this 28 day of Feb, 2025.

STEPHEN R. MCCAUGHEY
Attorney for Defendant

I represent that all terms of the plea agreement between the defendant and the United States have been, or will be at the plea hearing, disclosed to the Court, and there are no undisclosed agreements between the defendant and the United States.

DATED this 28th day of February, 2025.

FELICE JOHN VITI
Acting United States Attorney

TODD C. BOUTON
Assistant United States Attorney