IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
CHARLESTON DIVISION

UNITED STATES OF AMERICA v. **JONATHAN RAMACI**	CR. NO.: 2:22-cr-00993 18 U.S.C. § 2 18 U.S.C. § 1343 18 U.S.C. § 1349 18 U.S.C. § 1957 26 U.S.C. § 7206(1) 26 U.S.C. § 7203 18 U.S.C. § 981(a)(1)(C) 18 U.S.C. § 982(a)(1) 28 U.S.C. § 2461(c) **SUPERSEDING INDICTMENT**

BACKGROUND

1. The Defendant, **JONATHAN RAMACI**, at all times pertinent to this Superseding Indictment, was, and is, a resident of Charleston County, South Carolina.

2. **JONATHAN RAMACI,** at all times pertinent to this Superseding Indictment, was the founder and Chief Executive Officer of Elements of Genius, a Delaware corporation, which was incorporated with the Delaware Secretary of State on November 26, 2012. Elements of Genius was headquartered in Charleston County, South Carolina.

3. At all times pertinent to this Superseding Indictment, Elements of Genius was developing a wearable smart health device, called Wellnest. If developed successfully, Wellnest was represented as a device that would monitor a user's vital signs, remind them to take medication, and contact doctors, among other things.

4. To succeed in the development of the Wellnest, **JONATHAN RAMACI** created a board of directors and board of advisors for Elements of Genius. Moreover, **JONATHAN RAMACI** solicited investors to fund the development and planned manufacture of the Wellnest.

5. **JONATHAN RAMACI** also owns and controls a company named Mobile Life Labs LLC. Mobile Life Labs LLC is a South Carolina limited liability company. According to documents filed with the South Carolina Secretary of State, Mobile Life Labs is a single-member LLC controlled by **JOHNATHAN RAMACI**.

6. BPHAV LLC d/b/a Charleston Classics is a Wyoming limited liability company. In the documents filed with the Wyoming Secretary of State, BPHAV LLC's address is listed as an address in Charleston County, South Carolina. Haverly Ramaci, **JONATHAN RAMACI's** wife, is the managing member of BPHAV LLC. At all times pertinent to this Superseding Indictment, **JONATHAN RAMACI's** personal boat was registered to BPHAV LLC.

The Small Business Administration and Coronavirus Aid, Relief, and Economic Security Act

7. The United States Small Business Administration ("SBA") is an executive branch agency of the United States government that provided 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 enables and provides for loans through banks, credit unions, and other lenders. These loans have government-backed guarantees.

8. In March 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") to help businesses impacted by COVID-19 to continue paying their employees.

PPP Loans

9. One source of relief provided by the CARES Act was the authorization of up to $349 billion in forgivable loans to small businesses for job retention and certain other expenses through a program referred to as the Paycheck Protection Program ("PPP"). In or around April 2020, Congress authorized over $300 billion in additional PPP funding.

10. The PPP program provided forgivable loans to small businesses for job retention and certain other expenses. The PPP permitted participating third-party lenders to approve and disburse SBA-backed PPP loans to cover payroll, fixed debts, utilities, rent/mortgage, accounts payable and other bills incurred by qualifying businesses during, and resulting from, the COVID-19 pandemic. PPP loans were fully guaranteed by the SBA.

11. To obtain a PPP loan, a qualifying business had to submit a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications to be eligible to obtain the PPP loan, including that the business was in operation and either had employees for whom it paid salaries and payroll taxes or paid independent contractors. A business applying for a PPP loan was required to provide documentation showing its payroll expenses, such as filed federal income tax documents.

12. PPP loan applications were electronically submitted or caused to be submitted by the borrower and received through SBA servers located in Virginia and/or Oregon. Once approved, the business received the PPP loan proceeds via an electronic funds transfer from the third-party lender to a financial account under the control of the business.

13. The proceeds of a PPP loan could be used for certain specified items, such as payroll costs, costs related to the continuation of group health care benefits, or mortgage interest payments.

The proceeds of a PPP loan were not permitted to be used by the borrowers to purchase consumer goods, automobiles, personal residences, clothing, jewelry, to pay the borrower's personal federal income taxes, or to fund the borrower's ordinary day-to-day living expenses unrelated to the specified authorized expenses.

14. Capital Trust Financial and Wells Fargo were third-party participating lenders in the PPP programs.

EIDL Loans

15. The SBA was authorized to provide Economic Injury Disaster Loan ("EIDL") loans to eligible small businesses, private non-profits, agricultural businesses, and religious institutions experiencing substantial financial disruptions due to the COVID-19 pandemic. The CARES Act also authorized the SBA to issue emergency advances of up to $10,000.00 depending on the number of employees a small business employed.

16. These funds could only be used to pay legitimate business expenses, such as wages, operating costs, rent or mortgage payments, and other business debt. An EIDL applicant seeking relief due to the COVID-19 pandemic was required to submit an online application to the SBA and provide information about the business, such as the number of employees, gross revenue for the 12-month period preceding January 31, 2020, and operating costs or cost of goods sold during that same period.

17. The information provided by the applicant was used by the SBA to determine the amount of the EIDL principal and emergency advance. Although supporting documentation was not required unless requested by SBA personnel during the EIDL evaluation process, the applicant had to certify under penalty of perjury that all information in the application was true and correct.

Applicants were warned that providing false statements to the SBA may result in criminal sanctions.

The Internal Revenue Service and Federal Tax Forms

18. The Internal Revenue Service ("IRS") was and is an executive branch agency of the United States Department of the Treasury responsible for the enforcement and administration of the tax laws of, and the collection of taxes owed to, the United States government.

19. Form 1040, United States Individual Income Tax Return ("Form 1040"), was and is an IRS form used to report an individual taxpayer's income, deductions, credits, and other matters relevant to the assessment of federal income tax due by the taxpayer to the United States.

20. Schedule 1, Additional Income and Adjustments to Income ("Schedule 1" or "Sch. 1"), was and is an IRS form used to report, among other items, an individual taxpayer's additional incomes, separate from the taxpayer's wages, and losses, such as income or loss resulting from the taxpayer's personal business.

21. Schedule C, Profit or Loss from Business ("Schedule C" or "Sch. C"), was and is IRS form used to calculate the profit or loss from an individual taxpayer's personal business, reported on Form 1040 or Schedule 1.

Counts 1 through 7
18 U.S.C. § 1343
(Wire Fraud)

THE GRAND JURY CHARGES:

22. Paragraphs 1 through 6 and 18 through 21 of this Superseding Indictment are incorporated herein by reference.

The Scheme to Defraud

23. From on or about January 2016 and continuing at least through 2021, in the District of South Carolina and elsewhere, the Defendant, **JOHNATHAN RAMACI**, knowingly devised and intended to devise a scheme and artifice to defraud investors and board members of Elements of Genius and to obtain money and property by means of false and fraudulent pretenses, representations and promises, and the concealment of material facts, by soliciting and receiving investor funds represented to be for the development of the Wellnest when, in fact, **JONATHAN RAMACI** was diverting investor funds for his own personal use, in violation of Title 18, United States Code, Section 1343.

Manner and Means of the Scheme to Defraud

24. It was part of the scheme that **JONATHAN RAMACI** raised money from investors to fund the product development and planned manufacture of the Wellnest device through his company Elements of Genius.

25. **JONATHAN RAMACI** created a board of directors and board of advisors for Elements of Genius to whom he would provide executive summaries that detailed progress relating to the development of the Wellnest device as well as updates on the financials of Elements of Genius, to include investor funds raised and spent.

26. **JONATHAN RAMACI**, and others acting on behalf of Elements of Genius, solicited investors for the Wellnest device. Throughout the time-period set forth in this Superseding Indictment, **JONATHAN RAMACI** and his company Elements of Genius raised more than four million dollars from investors.

27. At various times through the development of the Wellnest device, **JONATHAN RAMACI** represented to investors and board members to have contracts and/or agreements in place with companies that would carry and sell the Wellnest device when, in fact, there were no such contracts or agreements in place and/or the contracts or agreements with the companies had been cancelled.

28. Throughout the development of the Wellnest, **JONATHAN RAMACI** approached an engineering company about manufacturing the Wellnest. Sometime in 2019, **JONATHAN RAMACI** was advised by the engineering company that the Wellnest still required many hours of engineering design and electrical work before it could be manufactured. After being told the Wellnest needed more hours of engineering design and electrical work, **JONATHAN RAMACI** declined to finish the product; however, he continued to raise money from investors based on material misrepresentations and omissions.

29. During the time period set forth in this Superseding Indictment, **JONATHAN RAMACI** represented to investors and board members that the money being raised for Elements of Genius was being used to develop the Wellnest.

30. During the time period set forth in this Superseding Indictment, **JONATHAN RAMACI** further represented and/or implied to investors, board members, and purported employees that he was not taking a salary from Elements of Genius.

31. On or about March 2019, **JONATHAN RAMACI** provided an unaudited expense by vendor sheet to at least two board members and investors, which showed, among other expenses, less than $50 being sent to himself and $254,447.13 being sent to an entity called Mobile Life Labs LLC between April 1, 2016 to March 1, 2019.

32. At no time prior to March 2019 did **JONATHAN RAMACI** disclose to the board of directors and/or board of advisors that Mobile Life Labs is a single member LLC controlled by **JONATHAN RAMACI.**

33. It was further part of the scheme that **JONATHAN RAMACI** paid personal expenses, to include his personal credit card and personal residence rent, from the Elements of Genius' Wells Fargo Account ending in 1069.

34. It was further part of the scheme that **JONATHAN RAMACI** did not report and/or did not accurately report as income on his yearly taxes the funds he diverted to Mobile Life Labs and/or the personal expenses he paid out of Elements of Genius' Wells Fargo Account ending in 1069. Moreover, **JONATHAN RAMACI** did not submit Form 1099s to the IRS for the funds sent to Mobile Life Labs and/or the personal expenses.

35. Through the scheme described above, **JONATHAN RAMACI** fraudulently diverted at least $600,000.00 in funds from Elements of Genius' Wells Fargo Account ending in 1069 to Mobile Life Labs' PNC Bank Account ending in 5352 for his own personal use.

36. Moreover, through the scheme described above, **JONATHAN RAMACI** fraudulently paid at least $300,000.00 in personal expenses directly out of Elements of Genius' Wells Fargo Account ending in 1069.

37. On or about the dates specified below in the District of South Carolina, and elsewhere, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice

described above, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, the writings, signs, and signals, further described below, on or about the dates specified:

Count	Date	Amount	Description of Wire Communication
1	11/19/2018	$10,000.00	Wire transfer from Elements of Genius Wells Fargo Account ending in 1069 to Mobile Life Labs PNC Bank Account ending in 5352.
2	10/9/2019	$447.25	Electronic payment transaction from Elements of Genius Wells Fargo Account ending in 1069 to HC, an entity known to the Grand Jury.
3	10/16/2019	$10,000.00	Wire transfer from Elements of Genius Wells Fargo Account ending in 1069 to Mobile Life Labs PNC Bank Account ending in 5352.
4	5/28/2020	$5,000.00	Payment to RB, an individual known to the Grand Jury via wire transaction from Elements of Genius Wells Fargo Account ending in 1069.
5	9/8/2020	$5,237.57	Payment of **JONATHAN RAMACI**'s personal Chase credit card account ending in 2541 from Elements of Genius Wells Fargo Account ending in 1069.
6	8/9/2021	$15,065.94	Wire transfer from Elements of Genius Wells Fargo Account ending in 1069 to Mobile Life Labs PNC Bank Account ending in 5352.
7	9/7/2021	$4,077.23	Payment of **JONATHAN RAMACI**'s personal Chase credit card account ending in 2541 from Elements of Genius Wells Fargo Account ending in 1069.

All in violation of Title 18, United States Code, Section 1343.

Counts 8 through 10
18 U.S.C. § 1343
(Wire Fraud)

THE GRAND JURY FURTHER CHARGES:

38. The factual allegations of paragraphs 1 through 17 of this Superseding Indictment are re-alleged as though fully set forth herein.

The Scheme to Defraud

39. From on or about April 2020 to the present, in the District of South Carolina and elsewhere, the Defendant, **JONATHAN RAMACI,** as a principal and/or aider and abettor, knowingly devised and intended to devise a scheme to defraud the Small Business Administration and its approved third-party lenders, and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and the concealment of material facts, and during such period, knowingly transmitted and caused to be transmitted in interstate commerce, by means of wire communications, certain electronic signals, for the purpose of executing the scheme and artifice to defraud relating to the fraudulent applications for, and receipt of, EIDL and PPP loan funds, in violation of Title 18, United States Code, Section 1343.

Manner and Means of the Scheme to Defraud

40. It was part of the scheme that **JONATHAN RAMACI** did submit multiple EIDL and PPP loan applications on behalf of various entities, including but not limited to, Elements of Genius, Mobile Life Labs, and himself individually.

41. In submitting these EIDL and PPP loan applications, **JONATHAN RAMACI** made representations to the SBA pertaining to the gross revenues, costs of goods sold, number of employees, and/or percentage of ownership he had in each of the companies. These

representations were materially false and/or were inconsistent throughout the various EIDL and PPP loan applications.

42. It was further part of **JONATHAN RAMACI's** scheme that in the application and receipt of an EIDL loan for Elements of Genius, **JONATHAN RAMACI** applied for an advance/grant from the SBA. In requesting this advance, **JONATHAN RAMACI** made materially false representations regarding the number of employees Elements of Genius employed to induce the SBA to fund the maximum amount allowed for the grant.

Count 8
EIDL Loan – Elements of Genius

43. The factual allegations of paragraphs 1 through 17 and 39 through 42 of this Superseding Indictment are re-alleged as though fully set forth herein.

44. On or about June 2, 2020, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice described above and/or attempting to do so, and by means of materially false and fraudulent pretenses, representations, promises, and the concealment of material facts, specifically the misrepresentation of Elements of Genius' gross revenue for the twelve-month period preceding January 31, 2020 on an EIDL loan application submitted to the SBA, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, and signals; that is a, $149,900.00 wire from the U.S. Treasury on behalf of the SBA of EIDL funds to Elements of Genius' bank account ending in 1069 at Wells Fargo Bank.

All in violation of Title 18, United States Code, Sections 1343 and 2.

Count 9
EIDL Loan – Mobile Life Labs

45. The factual allegations of paragraphs 1 through 17 and 39 through 42 of this Superseding Indictment are re-alleged as though fully set forth herein.

46. On or about June 24, 2020, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice described above and/or attempting to do so, and by means of materially false and fraudulent pretenses, representations, promises, and the concealment of material facts, specifically, the misrepresentation of Mobile Life Labs' gross revenue for the twelve-month period preceding January 31, 2020 on an EIDL loan application submitted to the SBA, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, and signals; that is, a $33,900.00 wire from the U.S. Treasury on behalf of the SBA of EIDL funds to Mobile Life Labs' bank account ending in 5352 at PNC Bank.

47. It was further part of the scheme that once the EIDL loan funds were deposited in Mobile Life Labs' PNC Bank Account ending in 5352, **JONATHAN RAMACI** did cause the funds to be spent on non-qualifying, non-business-related purposes, in violation of the EIDL loan program including, but not limited to, payment of personal credit card expenses, retail expenses, and rent for his personal residence.

All in violation of Title 18, United States Code, Sections 1343 and 2.

Count 10
Jonathan Ramaci PPP Loan Application

48. The factual allegations of paragraphs 1 through 21 and 39 through 42 of this Superseding Indictment are re-alleged as though fully set forth herein.

49. On or about March 19, 2021, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice

described above and/or attempting to do so, and by means of materially false and fraudulent pretenses, representations, promises, and the concealment of material facts, specifically, the submission of a falsified Schedule C with a PPP loan application, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, and signals; that is, a $19,540.00 wire from Capital Trust Financial, a lender approved by the SBA to issue PPP loans, of PPP loan funds to Mobile Life Labs' bank account ending in 5352 at PNC Bank.

50. It was also part of the scheme that once the PPP loan funds were deposited in Mobile Life Labs' PNC bank account ending in 5352, **JONATHAN RAMACI** did cause the funds to be spent on non-qualifying, non-business-related purposes, in violation of the PPP loan program, including, but not limited to, payment of personal credit card expenses, retail expenses, and rent for his personal residence.

All in violation of Title 18, United States Code, Sections 1343 and 2.

Counts 11 through 13
18 U.S.C. §§ 1343 and 1349
(Wire Fraud/Attempted Wire Fraud)

THE GRAND JURY FURTHER CHARGES:

51. The factual allegations of paragraphs 1 through 17 of this Superseding Indictment are re-alleged as though fully set forth herein.

The Scheme to Defraud

52. From on or about April 2020 to the present, in the District of South Carolina and elsewhere, the Defendant, **JONATHAN RAMACI,** as a principal and/or aider and abettor, knowingly devised and intended to devise a scheme to defraud the Small Business Administration and its approved third-party lenders, and to obtain money and property by means of materially

false and fraudulent pretenses, representations, promises, and the concealment of material facts, and during such period, knowingly transmitted and caused to be transmitted in interstate commerce, by means of wire communications, certain electronic signals, for the purpose of executing and/or attempting to execute the scheme and artifice to defraud relating to the fraudulent applications for, and receipt of, EIDL and PPP loan funds, in violation of Title 18, United States Code, Sections 1343 and 1349.

Manner and Means of the Scheme

53. It was part of the scheme that **JONATHAN RAMACI** did submit multiple EIDL and PPP loan applications on behalf of various entities, including but not limited to, Elements of Genius, Mobile Life Labs, himself individually, and BPHAV LLC.

54. In submitting these EIDL and PPP loan applications, **JONATHAN RAMACI** made representations to the SBA pertaining to the gross revenues, costs of goods sold, number of employees, and/or percentage of ownership he had in each of the companies. These representations were either materially false and/or were inconsistent throughout the various EIDL and PPP loan applications.

Count 11
BPHAV LLC EIDL Application

55. The factual allegations of paragraphs 1 through 17 and 52 through 54 of this Superseding Indictment are re-alleged as though fully set forth herein.

56. On or about January 17, 2021, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice described above and/or attempting to do so, and by means of materially false and fraudulent pretenses, representations, promises, and the concealment of material facts, specifically, the misrepresentation of the gross revenue and cost of goods sold for BPHAV LLC for the twelve-

month period preceding January 31, 2020, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, and signals; that is, the submission of an EIDL loan application to the SBA for BPHAV LLC d/b/a Charleston Classics.

All in violation of Title 18, United States Code, Sections 1343, 1349, and 2.

<u>Count 12</u>
Elements of Genius PPP Application

57. The factual allegations of paragraphs 1 through 21 and 52 through 54 of this Superseding Indictment are re-alleged as though fully set forth herein.

58. On or about April 20, 2020, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice described above and/or attempting to do so, and by means of materially false and fraudulent pretenses, representations, promises, and the concealment of material facts, specifically, the submission of fraudulent Form 1099s, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, and signals; that is, the submission of a PPP loan application to Wells Fargo, an approved lender by the SBA, to issue a PPP loan, for Elements of Genius.

All in violation of Title 18, United States Code, Sections 1343, 1349, and 2.

<u>Count 13</u>
Elements of Genius PPP Application

59. The factual allegations of paragraphs 1 through 21 and 52 through 54 of this Superseding Indictment are re-alleged as though fully set forth herein.

60. On or about March 14, 2021, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, for the purpose of executing the scheme and artifice described above and/or attempting to do so, and by means of materially false and fraudulent

pretenses, representations, promises, and the concealment of material facts, specifically, the submission of a falsified Form 944 for the tax year 2019, did transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain writings, signs, and signals; that is, the submission of a PPP loan application to Wells Fargo, an approved lender by the SBA, to issue a PPP loan, for Elements of Genius.

All in violation of Title 18, United States Code, Sections 1343, 1349, and 2.

Count 14
18 U.S.C. § 1957
(Money Laundering)

THE GRAND JURY FURTHER CHARGES:

61. The factual allegations of paragraphs 1 through 17, 39 through 42, 49, and 50 of this Superseding Indictment are re-alleged as though fully set forth herein.

62. That on or about April 29, 2021, in the District of South Carolina, the Defendant, **JONATHAN RAMACI**, did knowingly engage in a monetary transaction, by through and to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than $10,000.00, that is **JONATHAN RAMACI** wired $40,000.00 from Mobile Life Labs' PNC bank account ending in 5352 to a bank account in the name of RB, a person known to the grand jury, at USAA ending in 9289, knowing such property had been derived from a specific unlawful activity, that is, wire fraud, in violation of Title 18, United States Code, Section 1343.

All in violation of Title 18, United States Code, Sections 1957 and 2.

Counts 15 to 17
26 U.S.C. § 7206(1)
(Filing a False Individual Income Tax Return)

THE GRAND JURY FURTHER CHARGES:

63. The factual allegations of paragraphs 1 through 6, 18 through 21, and 23 through 36 of this Superseding Indictment are re-alleged as though fully set forth herein.

64. During calendar years 2019, 2020, and 2021, the Defendant, **JONATHAN RAMACI**, fraudulently diverted at least $154,717 in funds from Elements of Genius' Wells Fargo Account ending in 1069 to Mobile Life Labs' PNC Bank Account ending in 5352 for his own personal use and fraudulently paid at least $250,301 in personal expenses directly out of Elements of Genius' Wells Fargo Account ending in 1069, as set forth below:

Year	Diverted Funds	Personal Expenses Paid	Total
2019	$80,000	$35,997	$115,997
2020	$52,000	$134,244	$186,244
2021	$22,717	$80,060	$102,777

65. On or about each approximate date set forth below, in the District of South Carolina, and elsewhere, the Defendant, **JONATHAN RAMACI**, did willfully make, subscribe, and file with the IRS false Forms 1040 and accompanying schedules, for calendar years 2019, 2020, and 2021, each of which was verified by a written declaration that it was made under the penalties of perjury, and each of which **JONATHAN RAMACI** did not believe to be true and correct as to every material matter. The returns were false and fraudulent as to material matters, in that they represented, among other falsities, that **JONATHAN RAMACI** earned income in the amounts set forth below, whereas **JONATHAN RAMACI** then and there knew and believed his income was greater than those amounts:

Count	Tax Year	Date Return Filed (On or about)	Materially False Statement(s)
15	2019	July 17, 2023	a. Sch. C, Ln. 1, Gross Receipts ($86,825) b. Sch. 1, Ln. 3, Business Income ($34,457) c. Form 1040, Ln. 7(a), Other Income ($34,457) d. Form 1040, Ln. 7(b), Total Income ($34,457)
16	2020	February 13, 2021	a. Sch. C, Ln. 1, Gross Receipts ($20,000) b. Sch. 1, Ln. 3, Business Income ($20,000) c. Form 1040, Ln. 8, Other Income ($31,261) d. Form 1040, Ln. 9, Total Income ($31,261)
17	2021	March 2, 2022	a. Sch. C, Ln. 1, Gross Receipts ($41,000) b. Sch. 1, Ln. 3, Business Income ($18,844) c. Form 1040, Ln. 8, Other Income ($30,083) d. Form 1040, Ln. 9, Total Income ($30,083)

All in violation of Title 26, United States Code, Section 7206(1).

Counts 18 and 19
26 U.S.C. § 7203
(Failure to File an Individual Income Tax Return)

THE GRAND JURY FURTHER CHARGES:

66. The factual allegations of paragraphs 1 through 6, 18 through 21, and 23 through 36 of this Superseding Indictment are re-alleged as though fully set forth herein.

67. During calendar years 2017 and 2018, the Defendant, **JONATHAN RAMACI,** was married and under the age of sixty-five.

68. Married individuals, under the age of sixty-five, in the United States or who were citizens of the United States, receiving gross income of at least $22,050 during calendar 2017, or $25,300 during calendar year 2018, were required to file with the IRS an income tax return for each of those years, respectively.

69. All individuals, in the United States or who were citizens of the United States, receiving net earnings from self-employment of at least $400 during calendar year 2017, or $400 for calendar year 2018, were required to file with the IRS an income tax return for each of those years, respectively.

70. During calendar years 2017 and 2018, the Defendant, **JONATHAN RAMACI**, fraudulently diverted at least $416,000 in funds from Elements of Genius' Wells Fargo Account ending in 1069 to Mobile Life Labs' PNC Bank Account ending in 5352 for his own personal use and fraudulently paid at least $228,678 in personal expenses directly out of Elements of Genius' Wells Fargo Account ending in 1069, as set forth below:

Year	**Diverted Funds**	**Personal Expenses Paid**	**Total**
2017	$286,000	$201,640	$487,640
2018	$130,000	$27,038	$157,038

71. The Defendant, **JONATHAN RAMACI**, having received gross income of more than the established IRS filing thresholds for calendar years 2017 and 2018, was required by law, following the close of, and on or before the filing deadline for, those years, to file with the IRS income tax returns, stating specifically the items of his gross income and any deductions and credits to which he was entitled.

72. Knowing and believing all the foregoing, the Defendant, **JONATHAN RAMACI**, on or about the established filing deadlines for the calendar years 2017 and 2018, set forth below, in the District of South Carolina, and elsewhere, did willfully fail to file with the IRS an income tax return for either year:

Count	Calendar Year	Filing Deadline
18	2017	October 15, 2018
19	2018	April 15, 2019

All in violation of Title 26, United States Code, Section 7203.

<u>Counts 20 through 24</u>
26 U.S.C. § 7203
(Failure to File a Corporate Income Tax Return)

THE GRAND JURY FURTHER CHARGES:

73. The factual allegations of paragraphs 1 through 6, 18 through 21, and 23 through 36 of this Superseding Indictment are re-alleged as though fully set forth herein.

74. During calendar years 2017, 2018, 2019, 2020, and 2021, the Defendant, **JONATHAN RAMACI,** was the Chief Executive Officer and Founder of Elements of Genius, a corporation not expressly exempt from tax, with its principal place of business in Charleston County, South Carolina.

75. All corporation in the United States, unless expressly exempt from tax, were required to file with the IRS an income tax return for each calendar year, regardless of whether they received taxable income during the year.

76. **JONATHAN RAMACI**, as a result of his position at and control of Elements of Genius, was required by law, after the close of, and on or before the filing deadline for, calendar years 2017, 2018, 2019, 2020, and 2021, to file with the IRS income tax returns, for and on behalf of the corporation, stating specifically the items of the corporation's gross income and the deductions and credits allowed by law. Knowing and believing all the foregoing, **JONATHAN RAMACI**, on or about the filing deadlines for calendar years 2017, 2018, 2019, 2020, and 2021,

set forth below, in the District of South Carolina, and elsewhere, did willfully fail file with the IRS an income tax return for each of those years.

Count	Calendar Year	Filing Deadline
20	2017	April 17, 2018
21	2018	April 15, 2019
22	2019	July 15, 2020
23	2020	April 15, 2021
24	2021	April 18, 2022

All in violation of Title 26, United States Code, Section 7203.

FORFEITURE

WIRE FRAUD/ATTEMPTED WIRE FRAUD:

Upon conviction to violate Title 18, United States Code, Sections 1343 and 1349 as charged in this Superseding Indictment, the Defendant, **JONATHAN RAMACI**, shall forfeit to the United States, any property, real or personal, which constitutes, is traceable, or is derived from proceeds traceable to such violations.

MONEY LAUNDERING:

Upon conviction to violate of Title 18, United States Code, Section 1957 as charged in this Superseding Indictment, the Defendant, **JONATHAN RAMACI**, shall forfeit to the United States any property, real or personal, constituting, derived from or traceable to proceeds the Defendant obtained directly or indirectly as a result of such offense, and any property, real or personal, involved in a transaction or attempted transaction in violation of 18 U.S.C. § 1957.

PROPERTY:

Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), and Title 28, United States Code, Section 2461(c), the property subject to forfeiture includes, but is not limited to, the following:

A. Proceeds/Forfeiture Judgment:

A sum of money equal to all proceeds the Defendant obtained, directly or indirectly, from the offenses charged in the Superseding Indictment, that is, a minimum of approximately $851,461.00 in United States currency, and all interest and proceeds traceable thereto, and/or such sum that equals all property which constitutes or is derived from proceeds traceable to his violations of 18 U.S.C. §§ 1343 and 1349.

B. Money Laundering /Forfeiture Judgment:

A sum of money equal to all property involved in the money laundering offense charged in the Superseding Indictment, and all interest and proceeds traceable thereto, for which the Defendant is liable as the result of his violation of 18 U.S.C. § 1957.

C. Vehicle:

2017 Alfa Romeo Giulia
VIN: ZARFAECN7H7555208
Asset ID: 23-FBI-000900

SUBSTITUTE ASSETS:

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the Defendant-

A. Cannot be located upon the exercise of due diligence;
B. Has been transferred or sold to, or deposited with, a third person;
C. Has been placed beyond the jurisdiction of the court;
D. Has been substantially diminished in value; or
E. Has been commingled with other property which cannot be subdivided without difficulty;

it is the intention of the United States, pursuant to Title 18, United States Code, Section 982(b)(1), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the Defendant up to the value of the forfeitable property.

Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), and Title 28, United States Code, Section 2461(c).

A True BILL

[redacted]

FOREPERSON

ADAIR F. BOROUGHS
UNITED STATES ATTORNEY

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