

USAO#2020R01195/FMC

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

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MAR 16 2022

AT 8:30
WILLIAM T. WALSH
CLERK

UNITED STATES OF AMERICA	:	Hon. Zahid N. Quraishi
	:	
v.	:	Crim. No. 22-188
	:	
JORDAN C. LARKINS	:	18 U.S.C. § 1343 18 U.S.C. §
	:	1344 18 U.S.C. § 1957
	:	

INFORMATION

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

Count One
(Wire Fraud)

1. At all times as relevant to this Information:
 - a. Defendant JORDAN C. LARKINS (“LARKINS”) resided in Edison and Somerset, New Jersey.
 - b. LARKINS owned and controlled a series of purported businesses through which he submitted applications for federal COVID-19 emergency relief funds, including Silver Star Advisors, Inc. (“Silver Star”), a Wyoming corporation.
 - c. Victim Lender 1 was a financial institution as defined in 18 U.S.C. § 20 that was headquartered in New Jersey.
 - d. The Victim Lenders, including Victim Lender 1, were three separate financial institutions as defined in 18 U.S.C. § 20 that each served as a

lender for the Paycheck Protection Program described below.

e. Bank 1 was a financial institution headquartered in Boston, Massachusetts.

The Paycheck Protection Program (“PPP”) and Economic Injury Disaster Loan Program (“EIDL”)

f. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or about March 2020 designed to provide emergency financial assistance to millions of Americans suffering economic effects caused by the COVID-19 pandemic. 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 PPP. In or about April 2020, Congress authorized over \$300 billion in additional PPP funding.

g. To obtain a PPP loan, a qualifying business was required to submit a PPP loan application, which is signed by an authorized representative of the business. The 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. In the loan application, the small business must state, among other things, its average monthly payroll expenses and number of employees. These figures were used to calculate the amount of money the business was eligible to receive under the PPP. In addition, businesses applying for a PPP loan were required to provide documentation showing their payroll expenses.

h. A PPP loan application had to be processed by a participating lender. If a loan application was approved, the participating lender funded the loan using its own money, which was 100% guaranteed by U.S. Small Business Administration (the "SBA"). Data from the application, including information about 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.

i. PPP loan proceeds had to be used by the business on certain permissible expenses such as payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be entirely forgiven if the business used the loan proceeds on these expense items within a designated period of time after receiving the proceeds and used a certain amount of the PPP loan proceeds on payroll expenses.

j. The Economic Injury Disaster Loan ("EIDL") program was an SBA program that provided low-interest financing to small businesses, renters, and homeowners in regions affected by declared disasters.

k. The CARES Act authorized the SBA to provide EIDLs of up to \$2 million to eligible small businesses that were experiencing substantial financial disruption due to the COVID-19 pandemic.

l. In order to obtain an EIDL, a qualifying business was required to submit an application to the SBA and provide information about its operations, such as the number of employees, gross revenues for the 12-month period preceding the disaster, and cost of goods sold in the 12-month period

preceding the disaster. In the case of EIDLs for COVID-19 relief, the 12-month period constituted the 12 months preceding January 31, 2020. In addition, the business entity must have existed in an operational condition on February 1, 2020.

m. The amount of the EIDL was determined based, in part, on the information the applicant provided regarding the revenue, employees, and cost of goods of the company. The SBA directly issued any funds disbursed under an EIDL to the applicant company. A company was permitted to use EIDL funds for payroll expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage payments. If an applicant also obtained a loan under the PPP, the applicant company was prohibited from using EIDL funds for the same purpose as the PPP funds.

The Scheme to Defraud

2. Beginning at least as early as in or about May 2020, through in or about July 2020, in the District of New Jersey and elsewhere, defendant

JORDAN C. LARKINS

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud the SBA and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

Goal of the Scheme to Defraud

3. The goal of the scheme was for LARKINS to enrich himself by fraudulently obtaining federal COVID-19 emergency relief funds from the SBA that

were meant for distressed small businesses by submitting fraudulent loan applications.

Manner and Means of Scheme to Defraud

4. It was part of the scheme that:

a. From in or about May 2020 through in or about July 2020, LARKINS submitted at least 11 fraudulent EIDL loan applications to the SBA on behalf of several purported businesses that LARKINS controlled, including Silver Star. On these loan applications, which sought a total of approximately \$923,900 in EIDL funds, LARKINS falsified various information, including the number of employees, the federal tax returns for his purported businesses, payroll documents, and bank records. LARKINS obtained a total of approximately \$923,900 in EIDL funds and then misused the loan proceeds, including by making cash withdrawals, transferring funds to a foreign bank account, and for various personal expenses.

b. On or about May 20, 2020, LARKINS submitted an EIDL application to the SBA for Silver Star seeking a loan for approximately \$149,900 (the "Silver Star EIDL Application"). Larkins submitted the Silver Star EIDL Application in his name and listed himself as the owner of Silver Star.

c. The Silver Star EIDL Application and its supporting documents contained materially false and fraudulent information, including the number of employees, the federal tax returns for Silver Star, the purported annual gross revenue for the business for the 12-month period prior to the disaster (*i.e.*, January 31, 2019 through January 31, 2020), and bank account balances.

d. Through the Silver Star EIDL Application, LARKINS fraudulently caused the SBA to disburse approximately \$149,900 in EIDL proceeds on or about July 14, 2020 via an interstate wire transfer through the District of New Jersey to a bank account at Bank 1 that LARKINS controlled (the “LARKINS Bank Account”).

e. After fraudulently obtaining \$149,900 in EIDL funds from the SBA, LARKINS made a series of cash withdrawals and various transfers for personal expenses from the LARKINS Bank Account.

5. On or about July 14, 2020, for the purpose of executing and attempting to execute the scheme and artifice to defraud, in the District of New Jersey and elsewhere, defendant

JORDAN C. LARKINS

knowingly and intentionally transmitted and caused to be transmitted by means of wire communications in interstate commerce certain writings, signs, signals, pictures, and sounds, namely a wire transfer of approximately \$149,900 in EIDL funds from the SBA into the LARKINS Bank Account at Bank 1.

In violation of Title 18, United States Code, Section 1343.

Count Two
(Bank Fraud)

6. The allegations set forth in Paragraphs 1 through 5 of Count One of this Information are realleged here.

7. From on or about June 1, 2020, through on or about June 29, 2020 in the District of New Jersey and elsewhere, defendant

JORDAN C. LARKINS

knowingly and intentionally executed and attempted to execute a scheme and artifice to defraud financial institutions, namely the Victim Lenders, and to obtain money, funds, and credits, assets, and other property owned by, and under the control of, the Victim Lenders by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

Goal of the Scheme to Defraud

8. The goal of the scheme was for LARKINS to enrich himself by fraudulently obtaining federal COVID-19 emergency relief funds from the Victim Lenders that were meant for distressed small businesses by submitting fraudulent loan applications.

Manner and Means of Scheme to Defraud

9. It was part of the scheme that:

a. From on or about June 1, 2020 through on or about June 29, 2020, LARKINS submitted three separate applications to the Victim Lenders on behalf of his purported businesses, including Silver Star. On these loan

applications, which sought a total of approximately \$717,570 in PPP funds, LARKINS falsified various information, including the number of employees, the federal tax returns for his purported businesses, payroll documents, and bank records. LARKINS obtained a total of approximately \$717,570 in PPP funds and then misused the loan proceeds, including by making cash withdrawals, transferring funds to a foreign bank account, and for various personal expenses.

b. On or about June 1, 2020, LARKINS submitted a PPP application to Lender 1 for Silver Star seeking a loan for approximately \$280,830 (the “Silver Star PPP Application”). Larkins submitted the Silver Star PPP Application in his name and listed himself as the owner of Silver Star.

c. The Silver Star PPP Application and the supporting documents contained materially false or fraudulent information, including the number of employees, the average monthly payroll, the federal tax returns for Silver Star, and bank account information.

d. LARKINS’ Silver Star PPP Application caused Victim Lender 1 to disburse approximately \$280,830 in PPP loan proceeds on or about June 3, 2020, into the LARKINS Bank Account.

e. After fraudulently obtaining \$280,830 in PPP funds from Victim Lender 1, on or about the same day the PPP funds were deposited, LARKINS transferred the full loan amount into another account at Bank 1 (the “LARKINS Bank Account 2”). He then made a series of cash withdrawals and transferred funds to a foreign bank account in Ghana.

10. On or about June 3, 2020, for the purpose of executing and attempting to execute the scheme and artifice to defraud, in the District of New Jersey and elsewhere, defendant

JORDAN C. LARKINS

knowingly and intentionally executed and attempted to execute a scheme and artifice to defraud Victim Lender 1, the deposits of which were insured by the Federal Deposit Insurance Corporation, and to obtain money, funds, credits, assets, and other property owned by, and under the control of, Victim Lender 1 by means of materially false and fraudulent pretenses, representations, and promises, that is, \$280,830 in PPP loan proceeds.

In violation of Title 18, United States Code, Section 1344.

Count Three
(Money Laundering)

11. The allegations set forth in Paragraphs 1 through 10 of Counts One and Two of this Information are realleged here.

12. On or about June 11, 2020, in the District of New Jersey and elsewhere, defendant

JORDAN C. LARKINS

knowingly engaged in the following monetary transaction by, through and to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a greater value than \$10,000, that is, the transfer approximately \$51,000 from the LARKINS Bank Account 2 to a bank account located in Ghana, such property having been derived from a specified unlawful activity, that is, bank fraud.

In violation of Title 18, United States Code, Section 1957.

FORFEITURE ALLEGATION AS TO COUNTS ONE THROUGH THREE

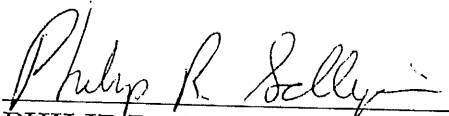
1. As a result of committing the offenses alleged in Counts One through Three of the Information, LARKINS shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(2), any property constituting or derived from proceeds obtained directly or indirectly as a result of such offenses.

SUBSTITUTE ASSETS PROVISION
(Applicable to All Forfeiture Allegations)

2. If by any act or omission of the defendant any of the property subject to forfeiture:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- 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 divided without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C §2461(c), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described above.


PHILIP R. SELLINGER
United States Attorney

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District of New Jersey

UNITED STATES OF AMERICA

v.

JORDAN C. LARKINS

INFORMATION FOR

18 U.S.C. §§ 1343, 1344, and 1957

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