

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

**05/25/2021**

Nathan Ochsner, Clerk of Court

**UNITED STATES OF AMERICA**

**v.**

**JOSHUA THOMAS ARGIRES**

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§  
§

**Criminal No. 4:21-cr-275**

**INFORMATION**

The United States Attorney charges:

**INTRODUCTION**

At all times material herein:

**A. The Defendant**

1. JOSHUA THOMAS ARGIRES, was a resident of Houston, Texas, in the Southern District of Texas.

**B. Overview of the Paycheck Protection Program**

2. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted in or around March 2020 and designed to provide emergency financial assistance to the millions of Americans who are suffering the 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 Paycheck Protection Program (“PPP”). In or around April 2020, up to \$310 billion in additional PPP funding was authorized by Congress.

3. The PPP allowed qualifying small businesses and other organizations to receive loans with a maturity of 2 years and an interest rate of 1%. PPP loan proceeds were to be used by

businesses on payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal to be forgiven if businesses spent the proceeds on these expenses within a set period of time and used a certain portion of the PPP loan funds towards payroll expenses. The amount of PPP funds a business could receive was determined by the number of employees employed by the business and their average payroll costs for a period of eight weeks. Businesses applying for a PPP loan had to provide documentation showing their payroll expenses.

4. A PPP loan application had to be processed by a participating lender. If a PPP loan application was approved, the participating lender funded the PPP loan using its own monies, which were 100% guaranteed by the Small Business Administration (“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.

5. PPP loan proceeds had to be used by the business on certain permissible expenses—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 spent 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.

### **C. Relevant Banks and Lenders**

6. Credit Union 1 was a federally insured financial institution and a member of the federal home loan bank system. Credit Union was is an approved SBA lender and has participated as a lender in the PPP. Credit Union 1 received a PPP loan application on behalf of Texas Barbecue, LLC (“Texas Barbecue”).

### **D. Overview of the Scheme**

7. In or around April 2020, ARGIRES submitted a materially fraudulent PPP loan

application to Credit Union 1. In this application, ARGIRES misrepresented the number of employees and payroll expenses of the entity seeking the loans, and made numerous other false and misleading statements.

**E. Purposes of the Scheme**

8. The purpose of the scheme was to enrich ARGIRES by enabling ARGIRES to obtain money from the federal government that would not have been provided to him if he had provided truthful information on the PPP loan application.

**F. Execution of the Scheme**

9. It was part of the scheme that on or about April 20, 2020, in the Southern District of Texas, Defendant submitted a PPP application to Credit Union 1 on behalf of an entity called Texas Barbecue (“Credit Union 1 PPP Application”). Defendant’s submission of the Credit Union 1 PPP application caused a wire to be sent from the Southern District of Texas to a location outside of the State of Texas. This application sought a PPP loan in the amount of \$956,250. This application contained several false and fraudulent statements, including the following:

- a. The application identified ARGIRES as the 51% owner of Texas Barbecue.
- b. The application listed a business address of 1319 Richmond Avenue, Unit 667573, Houston, Texas, 77006, which postal records show is a post office box that was used by ARGIRES in his personal capacity and by an associate of Defendant, and was listed as the business address for certain other business entities.
- c. The application claimed that Texas Barbecue had 51 employees and an average monthly payroll of \$382,500. In reality, Texas Barbecue was not an active company in the State of Texas. It had no payroll and no employees.

10. The Credit Union 1 PPP Application was approved, and Credit Union 1 funded the loan.

11. On or about May 8, 2020, Credit Union 1 deposited the loan amount of \$956,600 into Texas Barbecue's bank account controlled by Defendant at Credit Union 1.

12. On May 19, 2020, Defendant instructed Credit Union 1 to send a wire transfer of \$191,250 from Texas Barbecue's Credit Union 1 account to into Defendant's cryptocurrency account in the name of Texas Barbecue at Coinbase, Inc. ("Coinbase"), an online platform that allows account holders to buy and sell cryptocurrencies. This transfer was initiated by Defendant from a location in Houston, in the Southern District of Texas. This transfer was followed by four other wire transfers in the same amount, each executed approximately one week apart, resulting in the transfer of \$956,250 from Texas Barbecue's Credit Union 1 account into Texas Barbecue's Coinbase account.

13. Some of this money appears to have been invested in cryptocurrency, which generated a profit. No funds were transferred out of the Coinbase account. The fraudulently obtained money was not utilized for payroll expenses or for any other legitimate purpose authorized by the PPP.

**COUNT 1**

**ENGAGING IN A MONETARY TRANSACTION IN CRIMINALLY DERIVED  
PROPERTY  
(18 U.S.C. § 1957)**

14. The allegations in paragraphs 1-20 are incorporated by reference as if set forth fully herein.

15. On or about May 19, 2020, in the Southern District of Texas, the defendant,

**JOSHUA ARGIRES,**

knowingly engaged and attempted to engage in a monetary transaction in criminally derived property of a value greater than \$10,000, and which was derived from the specified unlawful activity of wire fraud, namely, the Defendant caused the transfer of \$191,250 in criminally derived proceeds from an account at Credit Union 1 to an account at Coinbase.

All in violation of Title 18, United States Code, Section 1957.

**NOTICE OF FORFEITURE**  
(18 U.S.C. § 982(a)(1))

Pursuant to Title 18, United States Code, Section 982(a)(1), the United States gives notice to the Defendant,

**JOSHUA ARGIRES,**

that upon conviction of Count One of this Information, all property, real or personal, involved in money laundering offenses or traceable to such property, is subject to forfeiture.

**Property Subject to Forfeiture**

The property subject to forfeiture includes, but is not limited to, the following:

1. \$997,486.61 seized from the Defendant's Coinbase Account on or about July 6, 2020.

JENNIFER LOWERY  
Acting United States Attorney



By: Jim McAlister  
Assistant United States Attorney  
Southern District of Texas

DANIEL S. KAHN  
Acting Chief, Fraud Section

By: /s/ Kelly Lyons  
Kelly Lyons  
Trial Attorney  
Timothy A. Duree  
Assistant Deputy Chief Criminal Division,  
Fraud Section

UNITED STATES DISTRICT COURT

Southern

DISTRICT OF

Texas

WAIVER OF INDICTMENT

United States of America

v.

Case Number: **4:21-cr-275**

JOSHUA THOMAS ARGIRES

Defendant(s)

I, JOSHUA THOMAS ARGIRES, the above-named defendant, who is accused of

ENGAGING IN A MONETARY TRANSACTION IN CRIMINALLY DERIVED PROPERTY  
(18 U.S.C. § 1957)

Being advised of the nature of the charge(s), the proposed information, and of my rights, hereby  
waived in open court on \_\_\_\_\_ prosecution by indictment and consent  
*Date*  
that the proceeding may be by information rather than by indictment.

\_\_\_\_\_  
Defendant

\_\_\_\_\_  
Counsel for Defendant

Before: \_\_\_\_\_  
Judicial Officer