

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 21-8094-WM

UNITED STATES OF AMERICA

vs.

YANSEL JIMENEZ BLANCO,

Defendant.

_____ /

CRIMINAL COVER SHEET

1. Did this matter originate from a matter pending in the Central Region of the United States Attorney's Office prior to August 9, 2013 (Mag. Judge Alicia Valle)? Yes ___ No X
2. Did this matter originate from a matter pending in the Northern Region of the United States Attorney's Office prior to August 8, 2014 (Mag. Judge Shaniek Maynard)? Yes ___ No X
3. Did this matter originate from a matter pending in the Central Region of the United States Attorney's Office prior to October 3, 2019 (Mag. Judge Jared Strauss)? Yes ___ No X

Respectfully submitted,

ARIANA FAJARDO ORSHAN
UNITED STATES ATTORNEY

BY:



Susan R. Osborne
Assistant United States Attorney
Court No. A5500797
500 South Australian Ave, Suite 400
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TEL (561) 209-1003

AFFIDAVIT

I, Julian Washington, depose and say under penalty of perjury:

Agent's Background

1. I have been employed as a Special Agent with the Federal Bureau of Investigation ("FBI") since July 2019. I am currently assigned to the Complex Financial Crimes Squad of the FBI's Miami Division, out of the West Palm Beach Resident Agency, which investigates violations of federal laws, including wire fraud, mail fraud, financial institution fraud, aggravated identity theft and money laundering.

2. During my employment with the FBI, I have conducted numerous investigations of criminal enterprises and individuals involved in violations of federal laws, including fraud, money laundering, bank robbery, and organized crime. After being assigned to the Complex Financial Crimes Squad, I have investigated individuals who committed various types of fraud offenses. During such investigations, I conducted physical and electronic surveillance, reviewed bank account records and other financial records, and executed search and arrest warrants. I received significant amounts of formal training in various aspects of federal criminal investigations including physical surveillance, legal statutes and procedures, money laundering techniques, confidential human source management, electronic surveillance techniques, and federal wiretap operation.

3. The facts set forth in this affidavit are based upon my personal observations, my training and experience, and information I obtained from various law enforcement agents and others. Because this affidavit is being submitted for the limited purpose of establishing probable cause, I have not included in this affidavit every detail of the

investigation. Rather, I have set forth facts that I believe are sufficient to establish probable cause for the issuance of the requested seizure warrants.

Investigative Background

4. Since October 2020, the FBI has been investigating YANSEL JIMENEZ BLANCO ("JIMENEZ BLANCO") for submitting a false and fraudulent application for a Paycheck Protection Program ("PPP") loan backed by the Small Business Administration on behalf of his business, Yansel Trucking LLC ("Yansel Trucking").

5. The PPP loan application, which was submitted to Celtic Bank through Blue Vine Bank's online portal on June 7, 2020 sought \$487,500 in loan proceeds, all of which was approved and was disbursed as discussed in further detail below.

6. The investigation has revealed that the PPP loan application submitted on behalf of Yansel Trucking LLC contained false and fraudulent information including but not limited to the number of employees this company purportedly employed and the average monthly payroll of this company.

7. Internal Revenue Service ("IRS") tax records and bank account statements submitted in support of the PPP loan applications also contained false and fraudulent information that was material to the issuance of the PPP loan mentioned above.

8. In addition, after fraudulently obtaining the PPP loan proceeds, JIMENEZ BLANCO attempted to conceal the fact that he was not using the loan proceeds for payroll expenses by moving the funds between various bank accounts belonging to both himself and other individuals and businesses with no apparent adjacent line of business or commercial purpose. For example, two days after receiving the PPP loan in his PNC Bank

account ending in 0889 (“the PNC 0889 Account), he wired \$243,500 to his Wells Fargo account ending in 6931 (“the WF 6931 Account”).

9. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that from in or around June 7, 2020, and continuing through at least in or around October 15, 2020 JIMENEZ BLANCO violated 18 U.S.C. §§ 1343 (wire fraud), 1344 (bank fraud), and 1957 (money laundering).

The Paycheck Protection Program

10. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted in or around March 2020. It was 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. In or around April 2020, Congress authorized over \$300 billion in additional PPP funding.

11. To obtain a PPP loan, a qualifying business must submit a PPP loan application signed by an authorized representative of the business. In the PPP loan application, the small business (through its authorized representative) must state, among other things: (a) average monthly payroll expenses; and (b) number of employees and acknowledge the program rules and make certain affirmative representations and certifications. Businesses applying for a PPP loan must provide documentation showing their payroll expenses. These figures are used to calculate the amount of money the small business is eligible to receive under the PPP.

12. PPP loan applications are processed by a participating financial institution (the lender). If a PPP loan application is approved, the participating financial institution funds the PPP loan using its own monies, which are 100% guaranteed by the Small Business Administration (“SBA”).

13. PPP loan proceeds can only be used for specific expenses—payroll costs, interest on mortgages, rent, and utilities.

14. Celtic Bank, Cross River Bank, Wells Fargo Bank, and American Express National Bank are SBA approved lenders, have participated as PPP lenders, and are insured by the Federal Deposit Insurance Corporation.

15. BlueVine Bank is an agent that pairs PPP applicants with lenders. BlueVine collects applications and does the underwriting and processing for lenders. BlueVine then submits the loans to the lenders, such as Celtic Bank, for funding.

Statement of Probable Cause

16. On June 7, 2020, JIMENEZ BLANCO applied for a PPP loan through BlueVine Bank’s online portal, and requested a total of \$487,000.00 in the PPP loan application.

Fraudulent PPP Loan Applications

Yansel Trucking LLC

17. According to the Florida Department of State (“FL-DOS”) records, JIMENEZ BLANCO incorporated Yansel Trucking with the principal office address at 2393 SOUTH CONGRESS AVE WEST PALM BEACH, FL 33406 on May 7, 2018. JIMENEZ BLANCO was also the sole registered agent of Yansel Trucking. Through the course of the investigation, it was revealed that this address is a virtual office. A virtual office is part of

the flexible workspace industry that provides businesses with a combination of services, space and/or technology, without those businesses bearing the capital expenses of owning or leasing a traditional office.

18. Annual registration for Yansel Trucking has not been filed with the Florida Department of State since July of 2019. According to the Florida Department of Revenue, Yansel Trucking has failed to register to file payroll taxes with their Department. The Florida Department of Revenue has never had any payroll records for Yansel Trucking, according to its records.

19. According to BlueVine Bank records, on June 7, 2020, JIMENEZ BLANCO submitted SBA Form 2483 and a PPP Borrower Application Form to apply for a \$487,500.00 PPP loan on behalf of Yansel Trucking. JIMENEZ BLANCO indicated that he was the sole owner of Yansel Trucking and electronically signed and submitted the application. He further indicated that 2393 SOUTH CONGRESS AVE WEST PALM BEACH, FL 33406 was Yansel Trucking's primary place of business.

20. The SBA Form 2483 included a list of certification statements initialed by JIMENEZ BLANCO, including the following:

"The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, as specified under the Paycheck Protection Program Rule; I understand that if the funds are knowingly used for unauthorized purposes, the federal government may hold me legally liable, such as for charges of fraud."

21. In the PPP loan application, JIMENEZ BLANCO claimed that Yansel Trucking had an average monthly payroll of \$195,000.00 and 23 employees. The form also asked JIMENEZ BLANCO to upload IRS Forms 941, 944 or 940, and he did provide form 940.

22. According to IRS form 940 submitted by JIMENEZ BLANCO on behalf of Yansel Trucking, he reported paying \$2,340,000.00 in federal unemployment tax for the entire year 2019 and for the first quarter of 2020. IRS Form 940 is the form used by employers to report their annual Federal Unemployment Tax Act (FUTA) tax. The FUTA tax applies to the first \$7,000 an employer pays to each employee during a calendar year. Employers who paid wages of \$1,500 or more to employees in any calendar quarter or had one or more employees for at least some part of a day in any 20 or more different weeks are required to file Form 940. IRS Form 941 is used by employers to report income taxes, social security tax, or Medicare tax withheld from employees' paychecks and to pay the employer's portion of social security or Medicare tax. IRS Form 990 is the form that tax-exempt organizations file to demonstrate that they are exempt from paying taxes. JIMENEZ BLANCO did not file IRS Form 990.

23. In addition, the Florida Department of Revenue ("FL-DOR") conducted a search of its records and found no record that Yansel Trucking reported any wage information from 2019 to the present for the Employee Identification Number ("EIN") associated with Yansel Trucking. The FL-DOR would be expected to have records regarding employees from legitimate businesses.

24. The PPP loan application for Yansel Trucking was approved on June 7, 2020. On June 10, 2020 Celtic Bank wired \$487,500 to the PNC 0889 Account, held in the name of Yansel Trucking.

25. According to PNC records, the PNC 0889 Account was opened in July 2019. JIMENEZ BLANCO is the only signatory on the account. 2393 SOUTH

CONGRESS AVE WEST PALM BEACH, FL 33406 has been the address associated with this account since its opening.

26. On June 9, 2020 the PNC 0889 Account had a balance of \$15,721.26. On June 10, 2020, the account balance increased to \$502,721.26 after the PPP loan disbursement was electronically deposited. Between June 11, 2020 and June 23, 2020 JIMENEZ BLANCO wrote five separate checks to the accountant who filed and prepared his IRS tax form 940 on behalf of Yansel Trucking (\$25,000), the accountant's company (\$36,600), and another company that is related to the accountant (\$38,400, \$23,800, and \$26,200) for a total of \$150,000.

27. On June 12, 2020 two separate checks debited from the PNC 0889 Account were cashed by an individual named Belkis Cruz, and the Tobacco Shop of Hialeah for \$45,000.00 and 48,690.00 respectively.

28. On June 12, 2020 Jimenez Blanco wired \$243,500.00 from the PNC 0889 Account to the WF 6931 Account.

29. According to Wells Fargo records, the Wells Fargo 6931 account was opened in September 2019. JIMENEZ BLANCO is the only signatory on the account. 2393 SOUTH CONGRESS AVE WEST PALM BEACH, FL 33406 has been the address associated with this account since its opening.

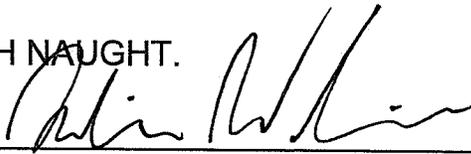
30. Between June 12, 2020 and July 9, 2020 JIMENEZ BLANCO cashed checks made out to himself, approximately 15 individuals not employed by Yansel Trucking LLC, and paid off personal expenses in the amount of \$243,498.03 from the WF 6931 Account.

31. On June 15, 2020 JIMENEZ BLANCO cashed a check from the WF 6931 Account for \$9,800.00. On June 19, 2020 JIMENEZ BLANCO repeated this action by cashing another check from the WF 6931 Account for \$9,800.00. My training and experience indicate that JIMENEZ BLANCO is attempting to evade currency transaction reports by intentionally cashing checks written to himself below the \$10,000.00 threshold.

Conclusion

32. Based on the foregoing, I submit that there is probable cause to believe that from in or around June 7, 2020, and continuing through at least in or around October 15, 2020, YANSEL JIMENEZ BLANCO committed violations of 18 U.S.C. §§ 1343 (wire fraud), 1344 (bank fraud), and 1957 (money laundering).

FURTHER YOUR AFFIANT SAYETH NAUGHT.



Julian Washington
Special Agent
Federal Bureau of Investigation

Sworn and attested to me by applicant by telephone (FaceTime) per Fed.R.Crim.P. 4(d) and Rule 4.1, this 16th day of March 2021, at West Palm Beach, Florida.



WILLIAM MATTHEUMAN
UNITED STATES MAGISTRATE JUDGE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: YANSEL JIMENEZ BLANCO
Case No: 21-8094-WM

Count #: 1

Wire Fraud

18 U.S.C. § 1343

* **Max.Penalty:** up to 30 years of imprisonment; up to 5 years of supervised release; up to a \$1,000,000 fine, or twice the gross gain or loss, and a mandatory \$100 special assessment

Count #: 2

Bank Fraud

18 U.S.C. § 1344

* **Max.Penalty:** up to 30 years of imprisonment; up to 5 years of supervised release; up to a \$1,000,000 fine, or twice the gross gain or loss, and a mandatory \$100 special assessment

Count #: 3

Money Laundering

18 U.S.C. § 1957

* **Max.Penalty:** up to 10 years of imprisonment; up to 3 years of supervised release; a \$250,000 fine, or twice the gross gain or loss, and a mandatory \$100 special assessment