

**FILED**

SEP 21 2021

CLERK OF COURT  
U.S. DISTRICT COURT  
CENTRAL DISTRICT OF ILLINOIS

IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF ILLINOIS  
AT PEORIA

|                           |   |                               |
|---------------------------|---|-------------------------------|
| UNITED STATES OF AMERICA, | ) |                               |
|                           | ) |                               |
| Plaintiff,                | ) | No. 21-cr- <i>10038</i>       |
|                           | ) |                               |
| v.                        | ) | VIOLATIONS:                   |
|                           | ) |                               |
| MICHAEL L. PATCH,         | ) | 18 U.S.C. § 1344 (Bank Fraud) |
|                           | ) | 18 U.S.C. § 1343 (Wire Fraud) |
| Defendant.                | ) |                               |

**INDICTMENT**

The Grand Jury charges:

**COUNT 1**  
**(Bank Fraud)**

At all times material:

1. **MICHAEL L. PATCH** ("PATCH") was the owner and operator of the Vernon Street Grill, a restaurant located in Farmington, Illinois.
2. **PATCH** maintained a bank account for the Vernon Street Grill at the Bank of Farmington, located in Farmington, Illinois. **PATCH** was the only person associated with Vernon Street Grill's account at the Bank of Farmington.
3. The Bank of Farmington was a financial institution, headquartered in Farmington, Illinois with branches in Canton, Peoria, and Williamsfield, Illinois. The deposits at the Bank of Farmington were insured by the Federal Deposit Insurance Corporation.

Scheme To Defraud

4. Beginning as early as April 2020 and continuing to the present in Farmington, Saint Augustine, and other locations within the Central District of Illinois and elsewhere,

**MICHAEL L. PATCH,**

defendant herein, did knowingly devise and execute a scheme and artifice to defraud the Bank of Farmington, the United States, and its agency the Small Business Administration (“SBA”), and others to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

It was part of the scheme that:

- a. Starting in or around April 2020, **PATCH** fraudulently applied for certain types of funding and programs related to the COVID-19 pandemic. The funding and programs Patch applied for included the Paycheck Protection Program (“PPP”) and the COVID-19 Economic Injury Disaster Loan (“EIDL”).
- b. In applying for the PPP and EIDL programs, **PATCH** knowingly used false and inflated gross receipts and payroll numbers for the Vernon Street Grill. By doing so, **PATCH** gave the appearance that the Vernon Street Grill generated more revenue and paid more to its employees than it actually did. Through the use of these

fraudulent figures, **PATCH** was able to qualify for funding from the PPP and EIDL programs and to qualify to receive greater amounts of money from these programs than he would otherwise have been entitled to receive.

c. Furthermore, with respect to the PPP program, it was part of the scheme that **PATCH** attempted to hide his personal receipt of PPP funds by overpaying his employees, directing the employees to deposit the over-stated checks, and return the amount above what they were entitled to receive to him in cash and otherwise use the overage to pay expenses on his behalf.

Execution of the Scheme

5. On or about April 27, 2020, in Fulton County in the Central District of Illinois and elsewhere,

**MICHAEL L. PATCH,**

defendant herein, did knowingly provide loan documents to the Bank of Farmington containing materially false information for the purpose of receiving a loan through the PPP program.

All in violation of Title 18, United States Code, Section 1344.

**COUNT 2**  
**(Wire Fraud)**

6. The Government hereby incorporates by reference as though fully stated herein paragraphs 1 – 4 of Count 1.

7. On or about April 5, 2020, in Fulton County, in the Central District of Illinois and elsewhere,

**MICHAEL L. PATCH,**

defendant herein, did for the purpose of executing and attempting to execute the above-described scheme and artifice to defraud, did knowingly cause to be transmitted by means of wire communication in interstate commerce the signals and sounds consisting of the submission, by use of the internet, of a fraudulent loan application to the SBA for the purpose of obtaining funds from the EIDL program.

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

**COUNT 3**  
**(Wire Fraud)**

8. The Government hereby incorporates by reference as though fully stated herein paragraphs 1 - 4 of Count 1.

9. On or about August 29, 2020, in Fulton County, in the Central District of Illinois and elsewhere,

**MICHAEL L. PATCH,**

defendant herein, did for the purpose of executing and attempting to execute the above-described scheme and artifice to defraud, did knowingly cause to be transmitted by means of wire communication in interstate commerce the signals and sounds consisting of the submission, by use of the internet, of a fraudulent loan application to the SBA for the purpose of obtaining funds from the EIDL program.

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

s/ Douglas McMeyer

A True Bill  
s/ Foreperson

Foreperson

DOUGLAS J. QUIVEY  
ACTING UNITED STATES ATTORNEY  
DFM