



THE UNITED STATES ATTORNEY'S OFFICE
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Western District of Missouri

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Wednesday, May 5, 2021

Deepwater Man Pleads Guilty to \$500,000 CARES Act Fraud

SPRINGFIELD, Mo. – A Deepwater, Missouri, man pleaded guilty in federal court today to fraudulently obtaining more than \$500,000 in Paycheck Protection Program (PPP) loans under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Brian Ruth, Sr., 44, waived his right to a grand jury and pleaded guilty before U.S. Magistrate Judge David P. Rush to a federal information that charges him with one count of wire fraud and two counts of money laundering.

By pleading guilty today, Ruth admitted that he applied online in May and June 2020, and received three PPP loans totaling \$522,765 for three separate business entities. Each of the loan applications contained materially false statements and included fraudulent supporting documents. Ruth falsely claimed his three businesses were operational and employed numerous individuals in February 2020, when in reality, the businesses had not been open or operational and did not employ any other individuals.

Ruth also admitted that he directed the fraudulently obtained PPP loan proceeds to be wired to his bank accounts. He used the proceeds to purchase a 2016 Cadillac, a 2020 Dodge Charger, and a 2017 Dodge Challenger. Ruth traded the Cadillac and the Charger (along with \$27,415) to purchase the Challenger.

Under federal statutes, Ruth is subject to a sentence of up to 40 years in federal prison without parole. The maximum statutory sentence is prescribed by Congress and is provided here for informational purposes, as the sentencing of the defendant will be determined by the court based on the advisory sentencing guidelines and other statutory factors. A sentencing hearing will be scheduled after the completion of a presentence investigation by the United States Probation Office.

This case is being prosecuted by Assistant U.S. Attorneys Patrick Carney and Nhan Nguyen. It was investigated by IRS-Criminal Investigation.

Topic(s):

Coronavirus

Component(s):

[USAO - Missouri, Western](#)

