

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

Counts 1-2: 18 U.S.C. 1344 - Bank Fraud Petty
Counts 3-4: 18 U.S.C. 1957 - Money Laundering Minor
 Misdemeanor
 Felony

PENALTY: 18 U.S.C. 1344: 30 years imprisonment; \$1,000,000 fine; 3 years supervised release; forfeiture; \$100 special assessment per count.
18 U.S.C. 1957: 10 years imprisonment; \$250,000 fine; 3 years supervised release; forfeiture; \$100 special assessment per count.

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

DEFENDANT - U.S.

▶ Christina Burden

DISTRICT COURT NUMBER
4:21-cr-00362-YGR

FILED

Sep 14 2021

SUSAN Y. SOONG
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

IRS and FBI

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of:
 U.S. ATTORNEY DEFENSE

SHOW DOCKET NO.

this prosecution relates to a pending case involving this same defendant

MAGISTRATE CASE NO.

prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

21-mj-70194

Name and Office of Person Furnishing Information on this form Stephanie M. Hinds

U.S. Attorney Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned) Abraham Fine

DEFENDANT

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

- 1) If not detained give date any prior summons was served on above charges ▶
- 2) Is a Fugitive
- 3) Is on Bail or Release from (show District)

N.D.C.A.

IS IN CUSTODY

- 4) On this charge
 - 5) On another conviction } Federal State
 - 6) Awaiting trial on other charges
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No

} If "Yes" give date filed

DATE OF ARREST ▶ Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY ▶ Month/Day/Year

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

SUMMONS NO PROCESS* WARRANT

Bail Amount: _____

If Summons, complete following:

Arraignment Initial Appearance

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Defendant Address:

Date/Time: _____ Before Judge: _____

Comments:

1 STEPHANIE M. HINDS (CABN 154284)
Acting United States Attorney

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CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 OAKLAND DIVISION

11 UNITED STATES OF AMERICA,) CASE NO. 4:21-cr-00362-YGR
12 Plaintiff,)
13 v.) VIOLATIONS:
14 CHRISTINA BURDEN,) 18 U.S.C. § 1344(2) – Bank Fraud;
15 Defendant.) 18 U.S.C. § 1957 – Engaging in Monetary
16) Transactions in Property Derived from Specified
17) Unlawful Activity
18) 18 U.S.C. § 981(a)(1)(C), (b)(1) and 28 U.S.C. §
19) 2461(c) – Forfeiture Allegation
20)
21) OAKLAND VENUE

22 INFORMATION

23 The United States Attorney charges:

24 Introductory Allegations

25 At all times relevant to this Information:

- 26 1. Defendant CHRISTINA BURDEN resided in the Northern District of California, among
27 other places.
28 2. Burden Consulting Group LLC was an entity organized with the California Secretary of
State on or about January 13, 2020.
3. Blessing Box Co LLC was an entity organized with the California Secretary of State on
or about April 24, 2020.
4. Defendant CHRISTINA BURDEN served as the authorized representative and either

1 owner or founder of Burden Consulting Group LLC and Blessing Box Co LLC (together the “Burden
2 Entities”).

3 The Small Business Administration and the CARES Act

4 5. The United States Small Business Administration (“SBA”) was an executive-branch
5 agency of the United States government that provided support to entrepreneurs and small businesses.
6 The mission of the SBA was to maintain and strengthen the nation’s economy by enabling the
7 establishment and viability of small businesses and by assisting in the economic recovery of
8 communities after disasters.

9 6. As part of this effort, the SBA enabled and provided for loans through banks, credit
10 unions, and other lenders that had government-backed guarantees. The SBA also provided direct loans.

11 7. In or around March 2020, the Coronavirus Aid, Relief, and Economic Security
12 (“CARES”) Act was enacted to provide emergency financial assistance to the millions of Americans
13 suffering adverse economic effects caused by the COVID-19 pandemic. The CARES Act established
14 several new temporary programs and provided for expansion of others, including programs created
15 and/or administered by the SBA.

16 The Paycheck Protection Program

17 8. One source of relief provided by the CARES Act was the authorization of up to \$349
18 billion in forgivable loans to small businesses for job retention and certain other expenses, through a
19 program referred to as the Paycheck Protection Program (“PPP”). In or around April 2020, Congress
20 authorized over \$300 billion in additional PPP funding. The CARES Act required a business to be have
21 been in operation before February 15, 2020, to be eligible for PPP loans.

22 9. In order to obtain a PPP loan, a qualifying business was required to submit a PPP loan
23 application, which was signed by an authorized representative of the business. The PPP loan application
24 required the business (through its authorized representative) to acknowledge the program rules and make
25 certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan
26 application, the small business (through its authorized representative) was required to state, among other
27 things, its: (i) average monthly payroll expenses; and (ii) number of employees. These figures were used
28 to calculate the amount of money the small business was eligible to receive under the PPP. In addition,

1 businesses applying for a PPP loan were required to provide documentation showing their payroll
2 expenses.

3 10. A PPP loan application was required to be processed by a participating financial
4 institution (“lender”). If a PPP loan application was approved, the lender funded the PPP loan using its
5 own moneys, which were 100% guaranteed by the SBA. Data from the application, including
6 information about the borrower, the total amount of the loan, and the listed number of employees, was
7 transmitted by the lender to the SBA in the course of processing the loan.

8 11. PPP loan proceeds were required to be used by the business on certain permissible
9 expenses: payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and
10 principal on the PPP loan to be entirely forgiven if the business spent the loan proceeds on these expense
11 items within a designated period of time after receiving the proceeds and used a certain amount of
12 the PPP loan proceeds on payroll expenses.

13 The Economic Injury Disaster Loan Program

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

17 13. The CARES Act authorized the SBA to provide EIDLs to eligible small businesses
18 experiencing substantial financial disruptions due to the COVID-19 pandemic. In addition, the CARES
19 Act authorized the SBA to issue advances of up to \$10,000 to small businesses. The amount of the
20 advance was determined by the number of employees the applicant certified having. The advances did
21 not have to be repaid.

22 14. In order to obtain an EIDL and advance, a qualifying business was required to submit an
23 application to the SBA and provide information about its operations, such as the number of employees,
24 gross revenue for the 12-month period preceding the disaster, and cost of goods sold in the 12-month
25 period preceding the disaster. In the case of EIDLs for COVID-19 relief, the 12-month period was that
26 preceding January 31, 2020. The applicant was also required to certify that all of the information in the
27 application was true and correct to the best of the applicant’s knowledge.

28 15. EIDL applications were submitted directly to the SBA and processed by the agency with

1 support from a government contractor, Rapid Finance. The amount of the loan, if the application was
2 approved, was determined based, in part, on the information provided in the application concerning the
3 number of employees, gross revenue, and cost of goods, as described above. Any funds issued under an
4 EIDL or advance were issued directly by the SBA. EIDL funds were permitted to be used for payroll
5 expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage
6 payments. If the applicant also obtained a loan under the PPP, the EIDL funds were not permitted to be
7 used for the same purpose as the PPP funds.

8 Relevant Financial Institutions and Related Entities

9 16. FINANCIAL TECHNOLOGY COMPANY A is a financial technology company that
10 partnered with FINANCIAL INSTITUTION A to process PPP loan applications. FINANCIAL
11 INSTITUTION A is a financial institution, as that term is defined in Title 18, United States Code,
12 Section 20, the deposits of which were insured by the Federal Deposit Insurance Corporation (“FDIC”),
13 and is located in Salt Lake City, Utah. FINANCIAL INSTITUTION A participated in the PPP as a
14 lender and, as such, was authorized to lend funds to eligible borrowers under the terms of the PPP.

15 17. FINANCIAL TECHNOLOGY COMPANY B is a financial technology company that
16 partnered with FINANCIAL INSTITUTION B to process PPP loan applications. FINANCIAL
17 INSTITUTION B is a financial institution, as that term is defined in Title 18, United States Code,
18 Section 20, the deposits of which were insured by the FDIC, and is located in Fort Lee, New Jersey.
19 FINANCIAL INSTITUTION B participated in the SBA’s PPP as a lender and, as such, was authorized
20 to lend funds to eligible borrowers under the terms of the PPP.

21 18. FINANCIAL INSTITUTION C is a financial institution, as that term is defined in Title
22 18, United States Code, Section 20, the deposits of which were insured by the FDIC, and is located in
23 Vienna, Virginia. At all times relevant to this Information, BURDEN maintained an account at
24 FINANCIAL INSTITUTION C in which she received the loan proceeds described in this Information.

25 The Scheme to Defraud

26 19. Beginning at a date unknown, but no later than April 2020, and continuing through
27 approximately October 2020, BURDEN devised a scheme and artifice to defraud by submitting and
28 causing to be submitted false and fraudulent loan applications to FINANCIAL TECHNOLOGY

1 COMPANY B and FINANCIAL TECHNOLOGY COMPANY A in order to obtain funds through the
2 PPP from FINANCIAL INSTITUTION B and FINANCIAL INSTITUTION A, and by submitting false
3 and fraudulent loan applications to the SBA to obtain funds through the EIDL program, as described
4 further below.

5 Manner and Means

6 20. The objective of BURDEN's scheme was to obtain funds for personal use by submitting
7 fraudulent loan applications for PPP and EIDL funds.

8 21. As part of the scheme to defraud, BURDEN sought more than \$4.6 million in PPP and
9 EIDL loans for the Burden Entities and actually obtained more than \$1.1 million in loan proceeds on
10 behalf of those entities. BURDEN submitted these loan applications to FINANCIAL TECHNOLOGY
11 COMPANY A, FINANCIAL TECHNOLOGY COMPANY B, and the SBA, and obtained loans from
12 FINANCIAL INSTITUTION A, FINANCIAL INSTITUTION B, and the SBA.

13 EIDL Application to the SBA

14 22. On or about April 7, 2020, BURDEN submitted an EIDL application for \$150,900 to the
15 SBA, on behalf of Burden Consulting Group. On the application, BURDEN falsely listed Burden
16 Consulting Group's gross revenues for the twelve-month period prior to January 31, 2020, as \$856,000
17 and its cost of goods sold for the same period as \$121,000.

18 23. The loan was approved, and \$150,900 was disbursed to BURDEN's personal Bank
19 Account on or about June 16, 2020.

20 PPP Loan Application to FINANCIAL TECHNOLOGY COMPANY A and FINANCIAL
21 INSTITUTION A

22 24. On or about May 16, 2020, BURDEN signed a PPP loan application for \$307,916 that
23 was submitted on behalf of Burden Consulting Group to FINANCIAL TECHNOLOGY COMPANY A.
24 BURDEN listed her title as "Owner" with 100% ownership. On Form 2483 of the application,
25 BURDEN falsely certified that she is not an owner of any other business, nor does she have common
26 management with any other business.

27 25. On the application, through the placement of her initials, BURDEN falsely certified that
28 Burden Consulting Group had employees for whom it paid salaries and payroll taxes or paid

1 independent contractors.

2 26. On the application, Burden Consulting Group falsely listed an average monthly payroll of
3 \$123,166.60 with 15 employees.

4 27. To support the loan application, BURDEN submitted a fraudulent document purporting
5 to be Burden Consulting Group's 2019 IRS Form 941. Form 941 is an Employer's Quarterly Federal
6 Tax Return. Burden Consulting Group has never filed an IRS Form 941.

7 28. To support the loan application, BURDEN submitted a fraudulent document purporting
8 to be a FINANCIAL INSTITUTION C bank statement for a Burden Consulting Group business
9 account.

10 29. The loan was approved and \$307,916 was disbursed from FINANCIAL INSTITUTION
11 A to BURDEN's personal FINANCIAL INSTITUTION C Account on or about May 28, 2020.

12 PPP Loan Application to FINANCIAL TECHNOLOGY COMPANY B and FINANCIAL
13 INSTITUTION B

14 30. On or about June 20, 2020, BURDEN signed a PPP loan application for \$684,375 that
15 was submitted on behalf of Blessing Box to FINANCIAL TECHNOLOGY COMPANY B. On the
16 application, BURDEN is listed as the owner (with 90% of the equity) and the business's address is listed
17 as BURDEN's apartment in Oakland, California. On the application, BURDEN falsely stated that she is
18 not an owner of any other business, nor does she have common management with any other business.

19 31. On the application, through the placement of her initials, BURDEN falsely certified that
20 Blessing Box had employees for whom it paid salaries and payroll taxes or paid independent contractors.

21 32. BURDEN falsely listed Blessing Box's average monthly payroll as \$273,750 with 89
22 employees on the application.

23 33. To support the application, BURDEN submitted a fraudulent document purporting to be a
24 FINANCIAL INSTITUTION C bank statement for Blessing Box's business FINANCIAL
25 INSTITUTION Account for a statement period of February 1, 2020 to February 31, 2020.

26 34. To further support the loan application, BURDEN submitted documents purporting to be
27 Blessing Box's IRS Forms 940 and W-3 for 2019. Form 940 is an employer's annual federal
28 unemployment tax return. Form W-3 is a summary for the Social Security Administration of all the

1 business' employee wages and contributions for the previous year. Both documents falsely reported the
 2 total compensation paid in 2019 was \$8,900,000 to 89 employees. In fact, Blessing Box never filed a
 3 Form 940 with the IRS and never submitted a Form W-3.

4 35. The loan was approved and \$684,375 was disbursed from FINANCIAL INSTITUTION
 5 B to BURDEN's personal FINANCIAL INSTITUTION C FINANCIAL INSTITUTION Account on or
 6 about July 7, 2020.

7 COUNTS ONE AND TWO: (18 U.S.C. § 1344 (2) – Bank Fraud)

8 36. The factual allegations in paragraphs 1 through 35 are re-alleged and incorporated herein
 9 as if set forth in full.

10 37. On or about the dates set forth in the separate counts below, in the Northern District of
 11 California and elsewhere, the defendant,

12 CHRISTINA BURDEN,

13 having knowingly and with the intent to defraud devised and executed, and attempted to execute, a
 14 scheme and artifice to defraud a financial institution and to obtain moneys, funds, credits, assets, and
 15 other property that were then under the custody and control of financial institutions, by means of
 16 materially false and fraudulent pretenses, representations, and promises, and by concealment of material
 17 facts, did knowingly engage in the following transactions:

	Approximate Date of Application	Company Name	Program	Financial Institution	Amount Sought
1	05/16/2020	BURDEN CONSULTING GROUP LLC	PPP	FINANCIAL INSTITUTION A	\$307,916
2	06/20/2020	BLESSING BOX CO LLC	PPP	FINANCIAL INSTITUTION B	\$684,375

24 Each in violation of Title 18, United States Code, Section 1344(2).

25 COUNTS THREE AND FOUR: (18 U.S.C. § 1957 – Engaging in Monetary Transactions in
 26 Property Derived from Specified Unlawful Activity)

27 38. The factual allegations in paragraphs 1 through 37 of this Information are re-alleged and
 28 incorporated as if fully set forth here.

1 39. Among other transactions, on or about July 17, 2020 and August 5, 2020, in the Northern
2 District of California and elsewhere in the United States, the defendant,

3 CHRISTINA BURDEN,

4 did knowingly engage in a monetary transaction by, through, and to a financial institution, in and
5 affecting interstate and foreign commerce, in criminally derived property of a value greater than
6 \$10,000, specifically, the transactions shown in the chart below, such funds having been derived from
7 the specified unlawful activity of bank fraud.

Date	Description	Amount	<u>Financial Institution</u>
07/17/2020	Private Jet Travel	\$61,992.36	FINANCIAL INSTITUTION C
08/05/2020	Private Jet Travel	\$14,401.00	FINANCIAL INSTITUTION C

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

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15 FORFEITURE ALLEGATION: (18 U.S.C. § 981(a)(1)(C) & 28 U.S.C. § 2461(c) – Criminal
16 Forfeiture)

17 40. All of the allegations contained in this Information are re-alleged and by this reference
18 fully incorporated herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18,
19 United States Code, Section 981(a)(1)(C) and (b)(1) and Title 28, United States Code, Section 2461(c).

20 41. Upon a conviction for the offenses alleged in Counts One and Two of this Information,
21 the defendant,

22 CHRISTINA BURDEN,

23 shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and (b)(1) and 28 U.S.C.
24 § 2461(c) all property constituting, and derived from, proceeds the defendant obtained directly and
25 indirectly, as the result of those violations, including, but not limited to, the following specific property:

- 26 a. \$4,670.12 seized from a FINANCIAL INSTITUTION C Account bearing an
27 account number ending in 7565;

28 //

- b. \$8,372.60, seized from FINANCIAL INSTITUTION C Account bearing an account number ending in 0717;
- c. \$2.05 seized from a FINANCIAL INSTITUTION C Account bearing an account number ending in 8423;
- d. \$452.77 seized from a University Federal Credit Union Account bearing an account number ending in 1391;
- e. \$2.86 seized from a BBVA Compass Account bearing an account number ending in 9795;
- f. \$37,915.30 seized from a Bank of America Account bearing an account number ending in 7378;
- g. A \$35,000.00 BBVA Compass Cashier's check bearing check number 0505032935, payable to "Merritt on 3rd," held by the FPI Property Management firm;
- h. A 2020 Mercedes Benz, VIN XXXXXXXXXXXXXXX 7154;
- i. A 2020 Nissan Altima, VIN XXXXXXXXXXXXXXX 8337;
- j. \$78,069.83 in U.S. Currency, as substitution for a 2020 Land Rover Range Rover Sport, VIN XXXXXXXXXXXXXXX5629; and
- k. Any and all apparel seized from BURDEN's Chicago residence, located on East Wacker Drive.

42. If any of the aforementioned property, as a result of any act or omission of defendant –
- a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third person;
 - 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 that cannot be divided without difficulty;

any and all interest the defendant has in other property shall be vested in the United States and

1 forfeited to the United States pursuant to 21 U.S.C. § 853p, as incorporated by 18 U.S.C. § 982(b)(1).

2 All in violation of Title 18, United States Code, Section 981(a)(1)(C) and (b)(1), Title 28, United
3 States Code, Section 2461(c), and Rule 32.2 of the Federal Rules of Criminal Procedure.

4
5 DATED: September 14, 2021

STEPHANIE M. HINDS
Acting United States Attorney

6
7 */s/ Abraham Fine*
8 ABRAHAM FINE
9 Assistant United States Attorney

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

FILED

Sep 14 2021

SUSAN Y. SOONG
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

CRIMINAL COVER SHEET

Instructions: Effective November 1, 2016, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case.

CASE NAME:

USA v. CHRISTINA BURDEN

CASE NUMBER:

CR 4:21-cr-00362-YGR

Is This Case Under Seal?Yes No **Total Number of Defendants:**1 2-7 8 or more**Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326?**Yes No **Venue (Per Crim. L.R. 18-1):**SF OAK SJ**Is this a potential high-cost case?**Yes No **Is any defendant charged with a death-penalty-eligible crime?**Yes No **Is this a RICO Act gang case?**Yes No **Assigned AUSA****(Lead Attorney):** ABRAHAM FINE**Date Submitted:** 9/14/2021**Comments:**

4:21-MJ-70194 MAG

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