

OCT 25 2021

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
DANVILLE DIVISION

JULIA C. DUDLEY, CLERK
BY: *A. Meade*
DEPUTY CLERK

UNITED STATES OF AMERICA)

v.)

PAMELA R. ZIGLAR)
KENNETH D. ZIGLAR)
MELODY Z. WEESE)

Case No. *4:21CR22*

Violations: -

-) 18 U.S.C. § 371
-) 18 U.S.C. § 1040(a)
-) 18 U.S.C. § 1349
-) 18 U.S.C. § 1341
-) 18 U.S.C. § 1028A

INDICTMENT

INTRODUCTION

The Grand Jury charges that:

CARES Act and Financial Relief Programs

1. On March 13, 2020, the President of the United States declared the ongoing Coronavirus Disease (COVID-19) pandemic to be an emergency under §501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C §§ 5121-5207).

2. On March 18, 2020, the President signed the Families First Coronavirus Response Act ("FFCRA") into law. The FFCRA provided increased flexibility for state Unemployment Insurance (UI) agencies and additional administrative funding to respond to the COVID-19 pandemic. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was signed into law on March 27, 2020. The CARES Act was enacted to provide emergency financial assistance to millions of

Americans suffering from the economic effects caused by the COVID-19 pandemic. The CARES Act included several different economic stimulus programs, including the authorization of over \$650 billion in forgivable loans to small businesses for job retention and certain other expenses through a program called the Paycheck Protection Program (“PPP”). The CARES Act also expanded states’ ability to provide UI for many workers impacted by COVID-19, including for workers who are not ordinarily eligible for UI benefits. The CARES Act provided for several new UI programs, including Pandemic Unemployment Assistance (“PUA”) and Federal Pandemic Unemployment Compensation (“FPUC”).

Pandemic Unemployment Benefits

3. Unemployment Insurance (UI) is a state-federal program that provides monetary benefits to eligible lawful workers. Although state workforce agencies administer their respective UI programs, they must do so in accordance with federal laws and regulations. UI payments (benefits) are intended to provide temporary financial assistance to lawful workers who are unemployed through no fault of their own. Each state sets its own additional requirements for eligibility, benefit amounts, and length of time benefits can be paid. Generally, UI weekly benefit amounts are based on a percentage of earnings over a base period. In the Commonwealth of Virginia, the Virginia Employment Commission (“VEC”) administers the UI program.

4. PUA provided for up to 39 weeks of benefits to individuals who were

self-employed, seeking part-time employment, or otherwise did not qualify for regular UI or extended benefits under state or federal law. Under the PUA provisions of the CARES Act, a person who is a business owner, self-employed worker, independent contractor, or “gig worker” could qualify for pandemic unemployment benefits administered by the VEC if he/she previously performed such work in Virginia and was unemployed, partially unemployed, unable to work, or unavailable to work *due to a COVID-19 related reason*. The eligible timeframe to receive PUA included weeks of unemployment beginning on or after January 27, 2020, through December 31, 2020.

5. FPUC provided individuals who were collecting regular UI, PUA, and several other forms of benefits with an additional \$600 per week. The eligible timeframe to receive FPUC was from weeks of unemployment beginning after April 5, 2020, or the date the respective state had an established agreement with the federal government, whichever was later, through July 31, 2020.

6. On August 8, 2020, after FPUC expired, the President signed a Presidential Memorandum authorizing FEMA to use disaster relief funds pursuant to Section 408 of the Stafford Act to provide supplemental payments for lost wages to help ease the financial burden on individuals who were unemployed as a result of COVID-19. The “Lost Wages Assistance Program” (“LWAP”) served as a temporary measure to provide an additional \$300 per week via a total of \$44 billion in FEMA funds. The period of assistance for LWAP was August 1, 2020 to December 27, 2020.

7. The PUA, FPUC, and LWAP programs (collectively, “pandemic unemployment benefits”) are administered by the various states, including the Commonwealth of Virginia, but their benefits are funded by the federal government. In order to receive pandemic unemployment benefits, an applicant must access a website maintained and administered by the VEC and file a claim. Separate claims are not filed for PUA, FPUC, and LWAP. Rather, a single claim for PUA, if approved, results in an approved claim for the additional FPUC and LWAP benefits as well.

8. Individuals were only eligible for pandemic unemployment benefits if they were unemployed for reasons related to the COVID-19 pandemic and were otherwise available to work and seeking employment.

9. To apply for pandemic unemployment benefits via the VEC website, the applicant was required to enter Personally Identifiable Information (“PII”) including their name, date of birth, Social Security Number, email address, phone number, and physical address. An applicant was then required to answer a series of questions to determine eligibility and payment amount. An applicant would then attest, under penalty of perjury, that the information provided in the claim application was true and accurate.

Paycheck Protection Program

10. The CARES Act authorized up to \$659 billion in forgivable loans to small businesses for employee retention and certain business expenses through a program called the Paycheck Protection Program (“PPP”).

11. The PPP authorized qualifying small businesses and other organizations to receive loans that are fully guaranteed by the Small Business Administration (“SBA”), and the full principal amount of the loans may qualify for loan forgiveness. The PPP requires PPP loan proceeds to be used towards payroll costs, mortgage interest, rent, and utilities. Initially, the program allowed the principal to be forgiven if the business spent the loan proceeds on qualifying expenses within eight weeks of loan issuance and used at least 75 percent of the loan for payroll. On June 5, 2020, the Paycheck Protection Program Flexibility Act of 2020 went into effect. This law extended the period from eight weeks to 24 weeks that the loan proceeds had to be spent and reduced the requirement that the loan proceeds be spent on payroll from 75 percent to 60 percent.

12. To qualify for eligibility, businesses applying for a PPP loan must have been in in operation as of February 15, 2020.

13. The Small Business Administration (“SBA”) administers the program and has authority over all PPP loans. However, approved lenders (usually private banks and credit unions) issue the loans. The lenders receive and process PPP applications and supporting documentation, then make the loans using their own funds.

14. In order to obtain a PPP loan, a qualifying business must submit a PPP loan application signed by an authorized representative of the business. The PPP loan application requires the business (through its authorized representative) to acknowledge the program rules and make certain affirmative

certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) must state, among other things, its average monthly payroll expenses and total number of employees. These figures are then used to calculate the amount of money the small business is eligible to receive under the program. In addition, businesses applying for a PPP loan must provide documentation showing their payroll expenses.

15. A PPP loan application must be processed by a participating lender. If a PPP loan application is approved, the participating lender funds the PPP loan using its own money, which is 100 percent guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, is transmitted by the lender to the SBA in the course of processing the loan.

Economic Injury Disaster Loans

16. An Economic Injury Disaster Loan (“EIDL”) is an SBA-administered loan designed to provide assistance to small businesses that suffer substantial economic injury as a result of a declared disaster. An EIDL helps businesses meet necessary financial obligations that could have been met had the disaster not occurred. It provides relief from economic injury that the disaster caused and permits businesses to maintain a reasonable working capital position during the period that the disaster affected.

17. In March 2020, due to the COVID-19 pandemic, the SBA issued an Economic Injury Disaster Loan declaration. The declaration made EIDL loans available nationwide to small businesses to help alleviate economic injury that COVID-19 caused. EIDL loans are ordinarily limited to a maximum amount of \$2 million. However, during the COVID-19 pandemic, EIDL loans were limited for a period of time to \$150,000.

18. Additionally, the SBA offers an EIDL advance that is designed to provide emergency economic relief to businesses that are currently experiencing a temporary loss of revenue. This advance is considered a grant and is not required to be reimbursed by the small business. The amount of the loan offered as well as the advance amount are determined by the SBA based on the information provided on the loan application.

19. Proceeds from an approved EIDL may be used to pay fixed debts, payroll, accounts payable and other bills that could have been paid by the small business had the disaster not occurred; however, such loan proceeds are *not* intended to replace lost sales or profits or for expansion of a business.

20. Unlike certain other types of SBA-guaranteed loans, EIDL funds are issued directly from the United States Treasury and applicants apply through the SBA via an online portal and application. In order to apply for an EIDL, the applicant must provide various information regarding the business and the business owner, including: information as to the gross revenues for the business prior to January 31, 2020, the cost of goods sold, and information as to any

criminal history of the business owner. Applicants electronically certify that the information provided is accurate and are warned that any false statement or misrepresentation to the SBA or any misapplication of loan proceeds may result in sanctions, including criminal penalties.

21. Axton, Virginia, is in the Western District of Virginia.

The Scheme

22. Between on or around April 1, 2020 and the present, PAMELA R. ZIGLAR her husband, KENNETH D. ZIGLAR, and their daughter, MELODY Z. WEESE developed a scheme and artifice to file fraudulent claims for funds authorized by various programs under the CARES Act. Together, PAMELA R. ZIGLAR, KENNETH D. ZIGLAR, and MELODY Z. WEESE conspired to file fraudulent applications, by means of false and fraudulent representations, for PPP loan funds, PPP loan forgiveness, unemployment funds, an EIDL grant and loan, and an EIDL modification (loan increase).

23. To effect the object of this conspiracy, PAMELA R. ZIGLAR, KENNETH D. ZIGLAR, and MELODY Z. WEESE committed several acts, including, but not limited to:

a. At all times relevant to this scheme, KENNETH D. ZIGLAR was a sole operator of a vehicle transport truck. KENNETH D. ZIGLAR was employed by Pasha Auto Trucking LLC as a sub-contracted truck driver from 2017 until August 2020.

b. On or about April 1, 2020 PAMELA R. ZIGLAR submitted an online application through the SBA for an EIDL in the amount of \$150,000 under the company name of Five Z's Auto Transport. In filing this application, PAMELA R. ZIGLAR made materially false representations including, but not limited to, that she was the owner and sole proprietor of Five Z's Auto Transport, that Five Z's Auto Transport had three employees at the time of the application, that Five Z's Auto Transport was created on November 1, 1999 and that PAMELA R. ZIGLAR had been the owner of the business since November 1, 1999.

c. On or about April 8, 2020, PAMELA R. ZIGLAR submitted an online application for a PPP loan under the company name of Five Z's Auto Transport via the loan processing company, Kabbage, Inc. At the time of the application, PAMELA R. ZIGLAR fraudulently stated that Five Z's Auto Transport had three active employees. This application was subsequently approved on or about May 8, 2020 in the amount of \$20,833.

d. On or about May 9, 2020, PAMELA R. ZIGLAR and KENNETH D. ZIGLAR filed via the VEC website a fraudulent application for pandemic unemployment benefits on KENNETH D. ZIGLAR's behalf. In filing this application, PAMELA R. ZIGLAR and KENNETH D. ZIGLAR made materially false representations including, but not limited to, that KENNETH D. ZIGLAR was not working at the time the claim was filed, was employed by his wife, had gross earnings for the week of the claim in the amount of \$1,700, and had his hours reduced on May 9, 2020 as a result of COVID-19.

e. Because pandemic unemployment benefits were paid on a weekly basis, the scheme was a continuing scheme whereby PAMELA R. ZIGLAR and KENNETH D. ZIGLAR filed weekly recertifications for the claims submitted. In doing so, PAMELA R. ZIGLAR and KENNETH D. ZIGLAR reverified and recertified the same materially false representations and pretenses as stated above on numerous occasions over the course of the conspiracy.

f. This application for pandemic unemployment benefits was processed, approved, and resulted in payments of at least \$12,760. Upon approval, KENNETH D. ZIGLAR received from the VEC a monetary determination letter and PIN code mailed to his home in Axton, Virginia via United States Postal service.

g. On or about May 11, 2020, funds from the approved PPP application were deposited into a joint personal checking account held by PAMELA R. ZIGLAR and KENNETH D. ZIGLAR at Wells Fargo.

h. On May 11, 2020, PAMELA R. ZIGLAR, KENNETH D. ZIGLAR, and MELODY Z. WEESE opened a business checking account at Carter Bank and Trust under the name "Five Z's Auto Transport". MELODY Z. WEESE is PAMELA R. ZIGLAR's and KENNETH D. ZIGLAR's daughter. MELODY Z. WEESE was not an employee of Five Z's Auto Transport. At all times relevant to this indictment, MELODY Z. WEESE was employed at Carter Bank and Trust.

i. On or about May 19, 2020, PAMELA R. ZIGLAR filed via the VEC website a fraudulent application for pandemic unemployment benefits on her own behalf. In filing her application, PAMELA R. ZIGLAR made materially false representations including, but not limited to, that she was self-employed as a “truck driver / car transporter”, is the owner of Five Z’s Auto Transport, had been employed since October 1, 1999 and worked over 40 hours per week, earned a gross salary of \$8,000 per month, was unemployed as a result of COVID-19, and was actively seeking full-time employment.

j. Because pandemic unemployment benefits were paid on a weekly basis, the scheme was a continuing scheme whereby PAMELA R. ZIGLAR filed weekly recertifications for the claim she submitted. In doing so, PAMELA R. ZIGLAR reverified and recertified the same materially false representations and pretenses as stated above on numerous occasions over the course of the conspiracy.

k. This application for pandemic unemployment benefits was processed, approved, and resulted in payments of at least \$12,302. Upon approval, PAMELA R. ZIGLAR received from the VEC a monetary determination letter and PIN code, mailed to her home in Axton, Virginia via United States Postal service.

l. On or about May 27, 2020, the application for EIDL was approved by the SBA. PAMELA R. ZIGLAR signed a promissory note and security agreement with the SBA on May 27, 2020. On May 29, 2020, PAMELA

R. ZIGLAR and KENNETH D. ZIGLAR received an initial \$3,000 in an approved EIDL grant. On June 1, 2020, PAMELA R. ZIGLAR and KENNETH D. ZIGLAR received a disbursement of \$149,900 from the approved EIDL loan. Both disbursements were deposited into PAMELA R. ZIGLAR's and KENNETH D. ZIGLAR's personal checking account at Wells Fargo. On June 3, 2020, PAMELA R. ZIGLAR transferred \$150,000 to the Carter Bank & Trust account which she had recently opened. A series of monetary transactions ensued, whereby PAMELA R. ZIGLAR transferred funds back and forth between these two accounts.

m. PAMELA R. ZIGLAR and KENNETH D. ZIGLAR used the funds from the PPP loan, EIDL grant, and EIDL loan to fund lifestyle expenses, including groceries, fuel, general shopping, fast food purchases, and two separate family vacations. The funds were not used for the purposes required by either the PPP or EIDL programs.

n. On June 5, 2020 PAMELA R. ZIGLAR wrote three separate checks, each in the amount of \$5,000, to KENNETH D. ZIGLAR, MELODY Z. WEESE, and herself. Each check's memo listed "5/12/20-5/31/20 Pay." Shortly before these checks were written, MELODY Z. WEESE advised PAMELA R. ZIGLAR to write checks in amounts below \$10,000 to avoid "red flags" at the bank.

o. On January 6, 2021, PAMELA R. ZIGLAR filed an SBA PPP Loan Forgiveness Application. In support of this application, PAMELA R.

ZIGLAR made false and fraudulent representations, including but not limited to, that Five Z's Auto Transport had three employees at the time of the original application and continued to have three employees at the time of the forgiveness application, and that funds from her PPP loan had been used in accordance with the intended purpose. PAMELA R. ZIGLAR signed the form, acknowledging she understood that knowingly making false statements to obtain forgiveness of an SBA-guaranteed loan is punishable under the law.

p. In February 2021, PAMELA R. ZIGLAR responded to an email from the SBA seeking a loan modification that would authorize an additional \$7,000 EIDL grant and an additional \$150,000 EIDL loan. In support of these applications, PAMELA R. ZIGLAR filed an application and IRS Form 4506t authorizing the SBA to access tax records for the purpose of approving the increased loan. On February 17, 2021, PAMELA R. ZIGLAR emailed the SBA regarding her loan modification and provided the telephone number for Carter Bank & Trust and identifying MELODY Z. WEESE as her banker. On or about May 27, 2021, PAMELA R. ZIGLAR received the approved \$7,000 EIDL grant.

COUNT ONE

(18 U.S.C § 371 – Conspiracy to Defraud the United States)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. Between on or about April 1, 2020, and present, in the Western District of Virginia and elsewhere, **PAMELA R. ZIGLAR, KENNETH D. ZIGLAR, MELODY Z. WEESE** and others knowingly and willfully conspired to (1) defraud the United States and (2) commit an offense against the United States, to wit: file fraudulent claims for pandemic unemployment benefits as authorized by, and administered through federal law, in violation of Title 18, United States Code, §1040(a), such benefits being authorized, paid, and disbursed in connection with the Coronavirus Disease (COVID-19) pandemic, an emergency declaration under §501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5191).
3. It was a part of the conspiracy that **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR** made false and fraudulent representations on applications for pandemic unemployment benefits, PPP loan funds, PPP loan forgiveness, EIDL loan funds, and EIDL loan modification, in order to receive funds to which they were not entitled.
4. To effect the object of the conspiracy, the co-conspirators did several acts, including but not limited to those acts described in the Introduction to this

Indictment.

5. All in violation of Title 18, United States Code, Section 371.

COUNT TWO

(18 U.S.C § 1040(a) – Fraud in Connection with Emergency Benefits)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about May 9, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, knowingly made and caused to be made materially false, fictitious, and fraudulent statements and representations on a claim application for pandemic unemployment benefits on behalf of **KENNETH D. ZIGLAR**, such benefits having been authorized, paid, and disbursed in connection with an emergency declaration under §501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5191).
3. The materially false, fictitious, and fraudulent statements and representations, to wit: that the claimant (1) had been employed at the time of the COVID-19 outbreak; (2) was unemployed as a result of the COVID-19 pandemic; and (3) was available to work and was actively seeking employment, were made in a matter involving a benefit transported in the mail at some point in the authorization, disbursement, and payment of such benefit.
4. All in violation of Title 18, United States Code, Sections 2 and 1040(a)(2).

COUNT THREE

(18 U.S.C § 1040(a) – Fraud in Connection with Emergency Benefits)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about May 19, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** knowingly made and caused to be made materially false, fictitious, and fraudulent statements and representations on a claim application for pandemic unemployment benefits on behalf of **PAMELA R. ZIGLAR**, such benefits having been authorized, paid, and disbursed in connection with an emergency declaration under §501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5191).
3. The materially false, fictitious, and fraudulent statements and representations, to wit: that the claimant (1) had been employed at the time of the COVID-19 outbreak; (2) was unemployed as a result of the COVID-19 pandemic; and (3) was available to work and was actively seeking employment, were made in a matter involving a benefit transported in the mail at some point in the authorization, disbursement, and payment of such benefit.
4. All in violation of Title 18, United States Code, Sections 1040(a)(2).

COUNT FOUR

(18 U.S.C. § 1349 – Conspiracy to Commit Mail Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. Between on or about April 1, 2020, and on or about June 1, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR** knowingly conspired with each other to commit mail fraud of benefits authorized by, disbursed, and paid in connection with a presidentially declared major disaster or emergency as defined by section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5122), in violation of Title 18, United States Code, §1341, that is, to devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses and representations, and for the purpose of attempting to execute, and executing such scheme and artifice, knowingly cause to be delivered by mail according to the direction thereon any matter or thing, to wit: monetary determination letters and PIN codes, that were sent and delivered by the United States Postal Service.
3. To effect the object of the conspiracy, the co-conspirators did several acts, including but not limited to those acts described in the Introduction to this Indictment.
4. All in violation of Title 18, United States Code, Sections 1349 and 1341.

COUNT FIVE

(18 U.S.C. § 1341 – Mail Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about May 9, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, having devised a scheme and artifice to defraud, and for obtaining money by means of false and fraudulent pretenses and representations, and for the purpose of executing such scheme, caused to be delivered by mail according to the direction thereon any matter or thing, to wit: a monetary determination letter and pin code, such matter or thing pertaining to benefits that were authorized by, disbursed, and paid in connection with a presidentially declared major disaster or emergency as defined by section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5122).
3. The scheme and artifice so devised was to submit a fraudulent claim for pandemic unemployment benefits in the name of **KENNETH D. ZIGLAR**, in order to receive funds to which he was not entitled, by means of materially false and fraudulent representations.
4. All in violation of Title 18, United States Code, Sections 2 and 1341.

COUNT SIX

(18 U.S.C. § 1341 – Mail Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about May 19, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR**, having devised a scheme and artifice to defraud, and for obtaining money by means of false and fraudulent pretenses and representations, and for the purpose of executing such scheme, caused to be delivered by mail according to the direction thereon any matter or thing, to wit: a monetary determination letter and pin code, such matter or thing pertaining to benefits that were authorized by, disbursed, and paid in connection with a presidentially declared major disaster or emergency as defined by section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5122).
3. The scheme and artifice so devised was to submit a fraudulent claim for pandemic unemployment benefits in the name of **PAMELA R. ZIGLAR**, in order to receive funds to which she was not entitled, by means of materially false and fraudulent representations.
4. All in violation of Title 18, United States Code, Section 1341.

COUNT SEVEN

(18 U.S.C. § 1349 – Conspiracy to Commit Wire Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. Between on or about April 1, 2020, and on or about June 15, 2020, in the Western District of Virginia and elsewhere, **PAMELA R. ZIGLAR, KENNETH D. ZIGLAR, MELODY Z. WEESE**, and others knowingly conspired with each other to commit wire fraud, that is, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses and representations, and for the purpose of executing such scheme and artifice, knowingly transmit and cause to transmit by means of wire, in interstate or foreign commerce, writings and signals, to wit: an online application for a PPP loan.
3. To effect the object of the conspiracy, the co-conspirators did several acts, including but not limited to those acts described in the Introduction to this Information.
4. All in violation of Title 18, United States Code, Sections 1349 and 1343.

COUNT EIGHT

(18 U.S.C. § 1343 – Wire Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about April 8, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, having devised a scheme and artifice to defraud, and for obtaining money by means of false and fraudulent pretenses and representations, and for the purpose of executing such scheme, knowingly transmitted and caused to be transmitted by means of wire, in interstate or foreign commerce, writings and signals, to wit: an online application for a PPP loan.
3. All in violation of Title 18, United States Code, Sections 2 and 1343.

COUNT NINE

(18 U.S.C. § 1349 – Conspiracy to Commit Wire Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. Between on or about April 1, 2020, and on or about June 1, 2021, in the Western District of Virginia and elsewhere, **PAMELA R. ZIGLAR, KENNETH D. ZIGLAR**, and others knowingly conspired with each other to commit wire fraud, that is, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses and representations, and for the purpose of executing such scheme and artifice, knowingly transmit and cause to transmit by means of wire, in interstate or foreign commerce, writings and signals, to wit: an online application for an EIDL loan and loan modification.
3. To effect the object of the conspiracy, the co-conspirators did several acts, including but not limited to those acts described in the Introduction to this Information.
4. All in violation of Title 18, United States Code, Sections 1349 and 1343.

COUNT TEN

(18 U.S.C. § 1343 – Wire Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about April 1, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, having devised a scheme and artifice to defraud, and for obtaining money by means of false and fraudulent pretenses and representations, and for the purpose of executing such scheme, knowingly transmitted and caused to be transmitted by means of wire, in interstate or foreign commerce, writings and signals, to wit: an online application for an EIDL loan.
3. All in violation of Title 18, United States Code, Sections 2 and 1343.

COUNT ELEVEN

(18 U.S.C. § 1343 – Wire Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about January 6, 2021, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, having devised a scheme and artifice to defraud, and for obtaining money by means of false and fraudulent pretenses and representations, and for the purpose of executing such scheme, knowingly transmitted and caused to be transmitted by means of wire, in interstate or foreign commerce, writings and signals, to wit: an online application for PPP loan forgiveness.
3. All in violation of Title 18, United States Code, Sections 2 and 1343.

COUNT TWELVE

(18 U.S.C. § 1343 – Wire Fraud)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about February 21, 2021, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, having devised a scheme and artifice to defraud, and for obtaining money by means of false and fraudulent pretenses and representations, and for the purpose of executing such scheme, knowingly transmitted and caused to be transmitted by means of wire, in interstate or foreign commerce, writings and signals, to wit: an online application for an EIDL loan modification.
3. All in violation of Title 18, United States Code, Sections 2 and 1343.

COUNT THIRTEEN

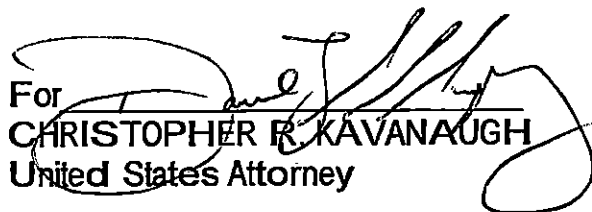
(18 U.S.C § 1028A – Aggravated Identity Theft)

The Grand Jury charges that:

1. The information in the Introduction is realleged and incorporated by reference.
2. On or about May 9, 2020, in the Western District of Virginia, **PAMELA R. ZIGLAR** and **KENNETH D. ZIGLAR**, as principals, aiders, and abettors, knowingly used and caused to be used, without lawful authority, a means of identification of another person, to wit: **KENNETH D. ZIGLAR**, during and in relation to a felony violation enumerated in 18 U.S.C. § 1028A(c), to wit: 18 U.S.C. § 1040 and § 1341, knowing that the means of identification belonged to another actual person.
3. All in violation of Title 18, United States Code, Sections 2 and 1028A.

A TRUE BILL, this 25TH day of October, 2021.

/s/ Grand Jury Foreperson

For

CHRISTOPHER R. KAVANAUGH
United States Attorney