

ORDERED UNSEALED on 11/14/2023 s/ judepeters

SEALED

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

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4 UNITED STATES OF AMERICA,

5 Plaintiff,

6 v.

7 CARLOS MANUEL DA SILVA  
8 SANTOS,

9 Defendant.

Case No. 23mj4145-BLM

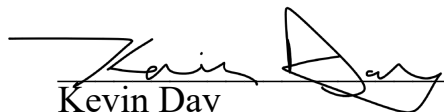
COMPLAINT FOR VIOLATION OF

Title 18, U.S.C., Sec. 1349 – wire fraud  
conspiracy and attempt to commit wire fraud

10 The undersigned complainant being duly sworn states:

11 Beginning on a date unknown to the complainant and continuing to present, in the  
12 Southern District of California and elsewhere, Defendant CARLOS MANUEL DA SILVA  
13 SANTOS and others known and unknown to the complainant, knowingly conspired and  
14 agreed with each other, to commit the offense of wire fraud, that is, defendant, pursuant to  
15 Title 18, United States Code, Section 1343, devised and intended to devise a scheme and  
16 artifice to defraud and to obtain money and property by means of a false and fraudulent  
17 pretenses, representations, and promises, and for the purpose of executing and attempting  
18 to execute such scheme and artifice, transmitted and caused to be transmitted in interstate  
19 and foreign commerce certain wire communications all in violation of 18 U.S.C. § 1349.

20 The complainant states that this complaint is based on the attached Statement of  
21 Probable Cause incorporated herein by reference.

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23   
24 Kevin Day  
Special Agent, Homeland Security  
Investigations

25 Sworn and attested to under oath by telephone, in accordance with Federal Rule of  
26 Criminal Procedure 4.1, this 10th day of November 2023.

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28 HON. BARBARA L. MAJOR  
U.S. MAGISTRATE JUDGE

1 **STATEMENT OF PROBABLE CAUSE**

2 I, Special Agent Kevin Day, declare under penalty of perjury, the following is true  
3 and correct.

4 CARLOS MANUEL DA SILVA SANTOS (“SANTOS”) is the founder, president,  
5 and chief executive officer of Ethos Asset Management, Inc., (“Ethos”) a California  
6 corporation with a principal place of business located at 4660 La Jolla Village Drive, San  
7 Diego, California. SANTOS is a citizen of Portugal residing in Turkey. On November 6,  
8 2019, SANTOS opened a bank account with account number ending in x9784 at Wells  
9 Fargo Bank, N.A. at one of the bank’s branches in San Diego, California.

10 Co-Conspirator 1 is a United States citizen living in California and is the chairman  
11 and chief executive officer of Co-Conspirator Company 1.<sup>1</sup> U.S. Financial Institution 1 is  
12 insured by the Federal Deposit Insurance Corporation and is headquartered in California.  
13 E.S. is a limited liability company doing headquartered in Maryland. D.S. was a limited  
14 liability company incorporated in Wyoming and doing business in New York.

15 I am the lead case agent of a multi-year investigation into SANTOS, Ethos, and  
16 others. As part of the investigation, I have interviewed Co-Conspirator 1 and  
17 representatives from E.S., D.S., and others related to their dealings with SANTOS and  
18 Ethos. I have reviewed official financial statements obtained from federal grand jury  
19 subpoenas and mutual legal assistance treaty requests submitted to foreign countries. I  
20 have also reviewed thousands of emails sent by SANTOS and obtained from either  
21 SANTOS’s victims or the lawful execution of search warrants on various email  
22 addresses.

23 SANTOS holds Ethos out to the public as an entity offering loans to companies.  
24 Ethos’s website, [www.ethosasset.com](http://www.ethosasset.com), describes Ethos as a “Full-service Project  
25 Financing” company. To obtain a loan from Ethos, SANTOS requires a prospective  
26 borrower to deposit an upfront fee, often referred to as a “pledge,” in an amount equal to

27 \_\_\_\_\_  
28 <sup>1</sup> Co-Conspirator 1 has signed a plea agreement pleading guilty to wire fraud for conduct associated with unlawfully  
obtaining over \$875,000 in funds from COVID-19 pandemic era relief programs in exchange for his testimony about  
CARLOS MANUEL DA SILVA SANTOS and for not being charged with conduct outlined in this statement of probable  
cause.

1 a certain percentage of the overall loan amount. In many instances, SANTOS requires  
2 the prospective borrower to deposit the upfront fee into a securities account owned by the  
3 prospective borrower. Once deposited, the prospective borrower invests the upfront fee  
4 in an agreed upon portfolio of securities and SANTOS causes the prospective borrower to  
5 obtain a margin on the investment and wire the cash margin to an Ethos controlled bank  
6 account. However, once a borrower pays the upfront fee, SANTOS does not make loan  
7 disbursements as agreed upon by the parties. Instead, financial tracing shows that  
8 SANTOS uses the upfront fees to pay back other borrowers, pay co-conspirators, pay  
9 himself, and pay for personal expenses.

10 To facilitate the scheme, SANTOS enlisted Co-Conspirator 1 to vouch for him and  
11 Ethos to prospective borrowers even though Co-Conspirator 1 and Co-Conspirator  
12 Company 1 had never financed a project with SANTOS or Ethos. On April 12, 2021,  
13 SANTOS emailed Co-Conspirator 1 directing him what to tell prospective borrowers.  
14 On or about April 22, 2021 and at the direction of SANTOS, Co-Conspirator 1  
15 participated in a recorded video conference in which he told prospective borrowers that  
16 he had financed a “billion” dollars’ worth of projects with SANTOS and Ethos. Based on  
17 interviews with Co-Conspirator 1 and a review of Co-Conspirator Company 1’s financial  
18 records, Co-Conspirator 1 and Co-Conspirator Company 1 have never financed a project  
19 with SANTOS or Ethos.

20 In 2021, D.S. sought funding from Ethos. In July 2021, SANTOS and D.S. entered  
21 into an agreement to loan D.S. \$4 million in exchange for a \$1 million upfront fee. To  
22 lure D.S. into transmitting the upfront fee, on August 9, 2021, SANTOS sent an email to  
23 D.S. representatives on which he attached a July 24, 2021 bank account statement for  
24 Ethos’s account at Citibank N.A. ending in x1032. Below is a true and accurate copy of  
25 the statement SANTOS emailed:


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PROOF OF ASSET

7/24/2021 Account Information - Citibank



Printed on: 2021-07-24 08:26:23

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### Account Details

Business Checking-1032

<b>Available Now</b>	<b>On Deposit</b>
\$100,304,447.76	\$100,304,447.76

This activity occurred after the close of the last business day.

Ethos Asset Management INC  
 4660 La Jolla Village Drive, San Diego, California, 92122, United States of America  
 001 (202) 374-5023 | 00351 913 855 564 | carlos@ethosasset.com



The bank account statement purporting to show that Ethos had \$100,304,447.76 deposited in its x1032 account at Citibank is fake. Official bank records obtained from Citibank show that account x1032 never had \$100,304,447.76 at any time during the account's existence and on July 24, 2021, had a balance of \$905,858.00. D.S. provided the \$1 million upfront fee to Ethos, but SANTOS never disbursed the loans as promised.

In 2023, E.S. sought funding from Ethos. To lure E.S. into entering the agreement and providing the upfront fee, on May 11, 2023, SANTOS emailed a representative of E.S. various fraudulent documents purporting to show that ETHOS was worth hundreds

1 of millions of dollars. However, each document was fake. Specifically, SANTOS  
2 emailed E.S. an annual balance sheet for Ethos titled “ETHOS ASSET MANAGEMENT  
3 INC. Annual Financial Statements for the year ended 31 December 2022.” The balance  
4 sheet expressly states Ethos had approximately \$2.2 billion in total assets and that a  
5 specific bookkeeping services and tax preparation company located in the Southern  
6 District of California prepared and compiled the financial statements. I have interviewed  
7 representatives from the relevant bookkeeping services and tax preparation company and  
8 reviewed relevant records obtained from the company pursuant to a grand jury subpoena.  
9 Based on the interview and review of records, the balance sheet that SANTOS sent to  
10 E.S. was not prepared or compiled by the relevant bookkeeping services and tax  
11 preparation company.

12 In his May 11, 2023 email to E.S., SANTOS also attached three brokerage account  
13 statements from Oanda Corporation, a foreign exchange trading platform. The  
14 statements purport to show a balance for an account associated with Ethos and Co-  
15 Conspirator Company 1 with account number ending in x512-385. One such statement  
16 with a file name “EAM\_ETHOS\_MT4\_TRADING ACCOUNT\_03-31-23” purports to  
17 show a \$359,088,190.22 balance. Below is a true and correct copy of this statement with  
18 added redactions:

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[REDACTED]

# My Funds

## Account Summary

v20 Account Number [REDACTED] 512-385

MT4 Server ([https://oanda.secure.force.com/AnswersSupport?urlName=MT4-Server-Migration&language=en\\_US](https://oanda.secure.force.com/AnswersSupport?urlName=MT4-Server-Migration&language=en_US))OANDA-v20 Live-1

Pricing Type	MT4		
Balance	\$359,088,190.22	Unrealized P&L	\$90,996.02
Margin Used	\$359,000,000.00	Realized P&L	\$358,991,189.12
Margin Available	\$88,190.22	NAV	\$359,179,186.24
Name	Atlas Ethos MT4 Trading		<a href="#">Edit</a>
Leverage	50: 1		<a href="#">Edit</a>
Client: Enabled			

I have reviewed official Oanda account documents associated with Co-Conspirator Company 1 and Ethos obtained pursuant to grand jury subpoenas. There is no Oanda account ending in x512-385 that is associated with either Ethos or Co-Conspirator Company 1. The Oanda accounts associated with Ethos and Co-Conspirator Company 1 never had a balance over \$200,000. E.S. paid Ethos an upfront fee in excess of \$8 million, but SANTOS never made loan disbursements as promised in the agreement between E.S. and Ethos.

To facilitate his scheme and to ensure money was available to pay back his defrauded borrowers, SANTOS obtained a \$14.8 million line of credit from U.S. Financial Institution 1. For the purpose of obtaining this line of credit, SANTOS submitted false and fraudulent documents to U.S. Financial Institution 1 that inflated Ethos's net worth. On October 22, 2022, SANTOS sent an email to an officer of U.S. Financial Institution 1 attaching various Ethos related financial documents in order to qualify for the line of credit. One such document was a June 22, 2022 account statement for Ethos's account at Citibank ending in x1032 purporting to show a \$104,234,147.81

1 balance. A true and correct copy of a portion of the account statement, with added  
2 redaction, sent by SANTOS is below:

3 Citibank CBO Services 022  
4 P.O. Box 6201  
5 Sioux Falls, SD 57117-6201

001R10F000

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CITIBANK, N. A.  
Account  
[REDACTED] 1032  
Statement Period  
May 21 - Jun 22, 2022  
Relationship Manager  
Citibusiness Service Center  
(877) 528-0990

6 ETHOS ASSET MANAGEMENT, INC.  
7 4660 LA JOLLA VILLAGE DR Suite 100  
8 SAN DIEGO CA 92122

Page 1 of 3

9 **CitiBusiness® ACCOUNT AS OF JUNE 22, 2022**

10 Relationship Summary:

11 Checking	\$104,234,147.61
12 Savings	*****
13 Checking Plus	*****

14 I have reviewed official records obtained from Citibank pursuant to a grand jury  
15 subpoena for Ethos's account ending in x1032. The official June 22, 2022 account  
16 statement for the x1032 account had a balance of \$1,234,147.61.