

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Richmond Division

UNITED STATES OF AMERICA	)	No. 3:24-cr- <u>178</u>
	)	
v.	)	Making False Statements
	)	18 U.S.C. §§ 1001 & 2
CRISPIN ANTONIO ABAD	)	(Counts One and Two)
	)	
	)	Wire Fraud
Defendant.	)	18 U.S.C. §§ 1343 & 2
	)	(Counts Three to Eight)
	)	
	)	Forfeiture Allegation

**INTRODUCTORY ALLEGATIONS**

At all times relevant to this Indictment:

***Small Business Administration***

1. The United States Small Business Administration (“SBA”) was an executive-branch agency of the United States government that provided support to entrepreneurs and small businesses.

2. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or around March 2020 designed to provide emergency financial assistance to the millions of Americans suffering from the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of billions of dollars in forgivable loans to small businesses for job retention and certain other expenses through a program referred to as the Paycheck Protection Program (“PPP”).

3. To obtain a PPP loan, a qualifying business had to submit a PPP loan application signed by an authorized representative of the business. In order to obtain a PPP loan, the

applicant was required to acknowledge the program rules, make certain certifications to the SBA, and provide certain supporting documentation as part of the loan application.

4. A PPP loan application had to be processed by a participating financial institution (the lender). If the PPP loan application was approved, the lender funded the PPP loan using its own monies, and such loans were guaranteed by the SBA. Under the PPP program rules, loan proceeds could only be spent on specific expenses authorized by the SBA—payroll costs, interest on mortgages, rent, and utilities.

***Abad's Fraudulent PPP Submittal***

5. In April 2021, CRISPIN ANTONIO ABAD was a resident of Fort Lee (subsequently renamed “Fort Gregg-Adams”), a military installation within the Eastern District of Virginia. ABAD was a Sergeant First Class and a non-commissioned officer in the United States Army. ABAD’s evaluation report cited that ABAD was responsible, among other things, for enforcing the Army’s Honor Code and Standards of Conduct.

6. On or about April 19, 2021, ABAD, while in the Eastern District of Virginia, submitted an application for PPP benefits online through a PPP loan processor, affixing his electronic signature to the application. On or about April 23, 2021, ABAD, while in the Eastern District of Virginia, also submitted a “second draw” application for PPP benefits online through a PPP loan processor, affixing his signature to the application. Both applications related to a business ABAD claimed that he ran called “Granny’s Delight”; ABAD represented that the business was to sell his grandmother’s pies. As part of each application, ABAD completed SBA Form 2483-C (Borrower Application Form for Schedule C Filers Using Gross Income), constituting material representations ABAD made to the SBA to obtain each PPP loan. ABAD

certified that he ran the business and that any obtained PPP funds would be used to “retain workers and maintain payroll” or to pay certain other qualified business expenses under the PPP program rules. On each form, ABAD also certified:

“[T]he information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. I understand that knowingly making false statements to obtain a guaranteed loan from SBA is punishable under the law, including under 18 U.S.C. 1001.”

7. As part each PPP loan application, ABAD represented that he had filed an Internal Revenue Service (IRS) Form 1040 (Schedule C) in 2020, listing \$100,000 in gross 2020 income from the “Granny’s Delight” business. ABAD further submitted this 2020 IRS 1040 (Schedule C) as supporting documentation to both PPP loan applications. However, this supporting document was fictitious, as ABAD at all times knew, because ABAD never submitted any IRS Form 1040 to the IRS in 2020.

8. As a direct result of ABAD’s knowing and deliberate false statements to the SBA, ABAD’s two PPP loan applications were approved, and ABAD received two separate Government-guaranteed loans in the amount of \$20,833 (on or about April 28, 2021 and on or about May 17, 2021) through the PPP to which he was not entitled.

***Scheme and Artifice to Defraud***

9. The factual allegations contained in the preceding paragraphs are incorporated herein as if set forth in full.

10. From on or about April 19, 2021, and continuing through at least on or about May 21, 2021, in the Eastern District of Virginia and elsewhere, CRISPIN ANTONIO ABAD, the defendant herein, devised and intended to devise a scheme and artifice to defraud, and to obtain money by means of materially false and fraudulent pretenses, representations, and promises.

11. It was a part of the scheme and artifice that the defendant sought to fraudulently obtain disaster-related benefits in the form of SBA PPP loans.

12. It was further a part of the scheme and artifice that the defendant submitted applications for PPP loans that contained knowingly and deliberately false statements, misrepresentations, and omissions related to the defendant's claimed business entity. ABAD also falsified supporting documentation as part of the PPP loans in order to receive the loans.

13. It was further a part of the scheme and artifice that the defendant falsely attested on the aforementioned PPP loan applications that the information presented was true and accurate, despite knowingly including false information about his businesses' (non-existent) payroll expenses to employees.

14. It was further a part of the scheme and artifice that the defendant received and obtained at least \$41,666 in PPP loan proceeds in the name of his claimed business entity, "Granny's Delight."

15. It was further a part of the scheme and artifice that the defendant spent fraud proceeds on personal expenses, including:

- a. Withdrawing \$307 on or about May 3, 2021 at the MGM Casino in National Harbor, Maryland;
- b. Spending \$84 on or about May 3, 2021 at Victoria's Secret in Prince William, Virginia;
- c. Spending \$295 on or about May 3, 2021 at Sunglass Hut in Woodbridge, Virginia;

- d. Spending \$581 on or about May 3, 2021 at the Ace Adventure Resort in West Virginia;
- e. Spending \$63 on or about May 6, 2021 at the Virginia ABC Store Hopewell, Virginia; and
- f. Spending \$101 on or about May 6, 2021 at the Fort Lee Golf Course in Fort Lee, Virginia; and
- g. Spending \$406 on or about May 10, 2021 on jewelry at Reeds Jewelers in Colonial Heights, Virginia.

16. It was further a part of the scheme and artifice that the defendant caused the transmission of information and funds by wire between locations within the Eastern District of Virginia and locations outside of the Commonwealth of Virginia.

**COUNTS ONE THROUGH TWO**  
(Making False Statements)

THE GRAND JURY FURTHER CHARGES THAT:

17. Paragraphs 1 through 8, including all subparagraphs, of this Indictment are realleged and incorporated as if set forth in full here.

18. In or about the dates listed below, in the Eastern District of Virginia and elsewhere, in a matter within the jurisdiction of the executive branch of the Government of the United States, defendant CRISPIN ANTONIO ABAD knowingly and willfully made a materially false, fictitious, and fraudulent statement and representation and made and used a false writing and document knowing the same to contain a materially false, fictitious, and fraudulent statement and entry, to wit:

<b>Count</b>	<b>On or About Date</b>	<b>Description of Wire Transmission</b>
1	April 19, 2021	ABAD made false statements to the Small Business Administration regarding, among other things, ABAD's eligibility for a PPP loan, by and through submitting a fictitious Internal Revenue Service Form 1040 Schedule C as supporting documentation for ABAD's PPP loan application, all for the purpose of obtaining \$20,833 in Government-guaranteed loans through the PPP.
2	April 23, 2021	ABAD made false statements to the Small Business Administration regarding, among other things, ABAD's eligibility for a PPP loan, by and through submitting a fictitious Internal Revenue Service Form 1040 Schedule C as supporting documentation for ABAD's PPP loan application, all for the purpose of obtaining \$20,833 in Government-guaranteed loans through the PPP.

(All in violation of Title 18, United States Code, Sections 1001 and 2)

**COUNTS THREE THROUGH EIGHT**

(Wire Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

19. Paragraphs 1 through 16, including all subparagraphs, of this Indictment are realleged and incorporated as if set forth in full here.

20. On or about the date set forth below, in the Eastern District of Virginia and elsewhere, for the purposes of executing the above-described scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, and attempting to do so, defendant CRISPIN ANTONIO ABAD knowingly caused to be transmitted by means of wire communication in interstate commerce, the writings, signs, signals, pictures, and sounds described below:

<b>Count</b>	<b>On or About Date</b>	<b>Description of Wire Transmission</b>
3	April 28, 2021	ABAD used fraud proceeds to make a \$129 purchase at the Fort Lee Army Air Force Exchange, within the Eastern District of Virginia. The transaction caused an electronic transaction from his USAA Checking Account ending in -9028, causing a wire transmission between USAA servers in Texas and the Eastern District of Virginia.
4	May 3, 2021	ABAD used fraud proceeds to make a \$84 purchase at Victoria's Secret in Prince William County, within the Eastern District of Virginia. The transaction caused an electronic transaction from his USAA Checking Account ending in -9028, causing a wire transmission between USAA servers in Texas and the Eastern District of Virginia.
5	May 3, 2021	ABAD used fraud proceeds to make a \$295 purchase at Sunglass Hut in Woodbridge, Virginia, within the Eastern District of Virginia. The transaction caused an electronic transaction from his USAA Checking Account ending in -9028, causing a wire transmission between USAA servers in Texas and the Eastern District of Virginia.
6	May 6, 2021	ABAD used fraud proceeds to make a \$63.16 purchase at the Virginia ABC Store in Hopewell, Virginia, within the Eastern District of Virginia. The transaction caused an electronic transaction from his USAA Checking Account ending in -9028, causing a wire transmission between USAA servers in Texas and the Eastern District of Virginia.
7	May 6, 2021	ABAD used fraud proceeds to make a \$101 purchase at the Fort Lee Golf Course, within the Eastern District of Virginia. The transaction caused an electronic transaction from his USAA Checking Account ending in -9028, causing a wire transmission between USAA servers in Texas and the Eastern District of Virginia.
8	May 10, 2021	ABAD used fraud proceeds to make a \$406 jewelry purchase at Reeds Jewelers in Colonial Heights, Virginia, within the Eastern District of Virginia. The transaction caused an electronic transaction from his USAA Checking Account ending in -9028, causing a wire transmission between USAA servers in Texas and the Eastern District of Virginia.

(All in violation of Title 18, United States Code, Sections 1343 and 2.)

**FORFEITURE ALLEGATION**

Pursuant to Rule 32.2(a) FED. R. CRIM. P., the defendant is notified that, if convicted of the offenses alleged in Counts One or Two of this Indictment, the defendant shall forfeit to the United States any property, real or personal, which represents or is traceable to the gross receipts obtained, directly or indirectly, as a result of such violation.

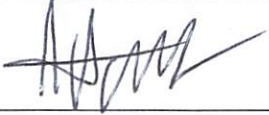
The defendant is further notified that, if convicted of the offenses alleged in Counts Three through Eight of this Indictment, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from, proceeds traceable to the violation.

(In accordance with Title 18, United States Code, Section 981(a)(1)(C), as incorporated by 28 U.S.C. § 2461(c) and Title 18, United States Code, Section 982(a)(3).)

A TRUE BILL:

\_\_\_\_\_  
FOREPERSON

JESSICA D. ABER  
UNITED STATES ATTORNEY



By:

\_\_\_\_\_  
Avi Panth  
Assistant United States Attorney

Pursuant to the E-Government Act,  
the original of this page has been filed  
under seal in the Clerk's Office