

FILED

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

2021 AUG 25 PM 3:42
CLERK OF DISTRICT COURT
TAMPA, FLORIDA

UNITED STATES OF AMERICA

v.

CASE NO. **8:21 cr 288 WFJ-SPF**
18 U.S.C. § 1343
18 U.S.C. § 1028A(a)(1)

RANDY XAVIER JONES

INDICTMENT

SEALED

The Grand Jury charges:

COUNT ONE
(Wire Fraud)

A. Introduction

At times relevant to this Information:

1. The defendant resided in the Middle District of Florida.
2. In or around March 2020, the President declared the ongoing Coronavirus Disease 2019 (“COVID-19”) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207. The President also signed into law the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act and the Families First Coronavirus Response Act.

SEALED

Unemployment Insurance Programs

3. Unemployment Insurance (“UI”) was a state-federal program that provided monetary benefits to eligible lawful workers. Although state workforce agencies (“SWAs”) administered their respective UI programs, they did so in accordance with federal laws and regulations. UI payments (benefits) were intended to provide temporary financial assistance to lawful workers who were unemployed through no fault of their own. Each state set its own additional requirements for eligibility, benefit amounts, and length of time benefits were paid. Generally, UI weekly benefit amounts were based on a percentage of one’s earnings over a base period.

4. Financial Institution #1 was a financial institution headquartered in Oklahoma. Financial Institution #1 was a financial institution, as defined in 18 U.S.C. § 20, and its deposits were insured by the Federal Deposit Insurance Corporation (“FDIC”).

5. In California, the California Employment Development Department (“CEDD”) administered the UI program.

6. Financial Institution #2 was a financial institution headquartered in Charlotte, NC. Financial Institution #2 was a financial institution, as defined in 18 U.S.C. § 20, and its deposits were insured by the FDIC. CEDD paid UI benefit payments to UI claimants via Financial Institution #2 debit cards.

Small Business Administration and the Economic Injury Disaster Loan

7. 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.

8. The SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans had government-backed guarantees. In addition to traditional SBA funding programs, The CARES Act, established several new temporary programs and provided for the expansion of others to address the COVID-19 outbreak, which was declared a nationwide disaster by the President on or about March 13, 2020.

9. One government response to the COVID-19 outbreak was an expansion of an existing disaster-related program—the Economic Injury Disaster Loan (“EIDL”)—to provide for loan assistance (including \$10,000 advances) for small businesses and other eligible entities for loans up to \$2 million. The EIDL proceeds could be used to pay certain qualifying expenses (i.e., fixed debts, payroll, accounts payable, and other bills) that could have been paid had the disaster not occurred.

10. EIDL funds were issued directly from the United States Treasury and applicants applied through the SBA via an online portal and application. The EIDL application process collected information concerning the business and the business owner. Applicants electronically certified that the information provided was accurate and were warned that any false statement or misrepresentation to the SBA or any misapplication of loan proceeds may result in sanctions, including criminal penalties.

B. The Scheme and Artifice

11. Beginning on an unknown date, but no later than in or around July 2020, and continuing through at least in or around September 2020, in the Middle District of Florida and elsewhere, the defendant,

RANDY XAVIER JONES,

knowingly devised and intended to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

C. Manner and Means of the Scheme and Artifice

12. The manner and means by which the defendant sought to accomplish the scheme and artifice included, among others, the following:

a. It was part of the scheme and artifice that the defendant would and did prepare and submit, and cause to be prepared and submitted, materially false and fraudulent applications to government programs tailored to provide benefits and relief to businesses and workers negatively impacted by the COVID-19 pandemic, including the SBA EIDL program and UI programs;

b. It was further a part of the scheme and artifice that, in order to induce the SBA to fund an EIDL for a nonexistent business, the defendant would and did prepare and submit, and cause to be prepared and submitted, false and fraudulent applications to the SBA that included multiple materially false and fraudulent representations and pretenses, such as:

i. stating a business name, owner, address, telephone number, number of employees, gross revenue, and other business costs falsely and fraudulently suggesting that the company was an operating business;

ii. fraudulently affirming the truth of the statements in the application;

c. It was further a part of the scheme and artifice that the scheme participants would and did open, and cause to be opened, financial institution accounts into which the fraudulently-obtained EIDL would be transferred via interstate wire;

d. It was further a part of the scheme and artifice that the scheme participants would and did cause the SBA to send EIDL proceeds via interstate wire transfers;

e. It was further a part of the scheme and artifice that the defendant would and did utilize some of the COVID-19 pandemic fraud proceeds to cover expenditures associated with his travel to California to secure additional UI fraud proceeds from the CEDD;

f. It was further a part of scheme and artifice that the scheme participants would and did obtain personal identifying information (“PII”) of other persons without said persons knowledge or consent (the “PII Victims”);

g. It was further a part of scheme and artifice that the scheme participants would and did submit false and fraudulent UI claims to various state

agencies for UI benefits using, without lawful authority, the PII Victims' names, Social Security numbers, and other information;

h. It was further a part of scheme and artifice that the scheme participants would and did cause UI benefits to be transferred to bank accounts or loaded onto debit cards issued in the names of third parties, typically PII Victims, which were controlled by the scheme participants;

i. It was further a part of scheme and artifice that the defendant would and did use, and attempt to use, said debit cards loaded with UI benefits to withdraw money from bank automated teller machines ("ATMs") and to purchase items from retail establishments;

j. It was further a part of the scheme and artifice that the scheme participants would and did use some of the fraud proceeds to promote and perpetuate the scheme and would and did retain other fraud proceeds for the defendant's personal enrichment and entertainment;

k. It was further a part of scheme and artifice that the scheme participants would and did perform acts, and make statements to promote and achieve the scheme and artifice and to misrepresent, hide, and conceal, and cause to be misrepresented, hidden, and concealed, the purpose of the scheme and artifice and the acts committed in furtherance thereof.

D. Execution of the Scheme and Artifice

13. On or about the date set forth below in each count, in the Middle District of Florida and elsewhere, the defendant,

RANDY XAVIER JONES,

for the purpose of executing the aforesaid scheme and artifice, knowingly and intentionally transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce the writings, signs, signals, pictures, and sounds described below, each transmission constituting a separate count:

COUNT	DATE OF WIRE	DESCRIPTION OF WIRE
ONE	August 3, 2020	A wire transfer in the amount of \$49,400 in EIDL funds, sent from outside of Florida to a Financial Institution #1 account in the defendant's name within the Middle District of Florida
TWO	August 20, 2020	Application for UI benefits via electronic transmittal from the Middle District of Florida to the CEDD in California and thereby caused the CEDD to issue a Financial Institution #2 debit card ending in 4877
THREE	August 21, 2020	Application for UI benefits via electronic transmittal from the Middle District of Florida to the CEDD in California and thereby caused the CEDD to issue a Financial Institution #2 debit card ending in 7045
FOUR	August 24, 2020	Application for UI benefits via electronic transmittal from the Middle District of Florida to the CEDD in California and thereby caused the CEDD to issue a Financial Institution #2 debit card ending in 5289

All in violation of 18 U.S.C. § 1343.

COUNT FIVE
(Aggravated Identity Theft)

1. The United States realleges and incorporates by reference Part A of Count One of this Indictment as if fully set forth herein.

2. On or about August 20, 2020, in the Middle District of Florida and elsewhere, the defendant,

RANDY XAVIER JONES,

aiding and abetting others, did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person, that is, the social security number and name of a person identified by the initials C.A., during and in relation to the felony offense of wire fraud, in violation of 18 U.S.C. § 1343, as alleged in Count Two knowing that such means of identification belonged to an actual person.

In violation of 18 U.S.C. §§ 1028A(a)(1) and 2.

FORFEITURE

1. The allegations contained in Counts One through Five are incorporated by reference for the purpose of alleging forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

2. Upon conviction of a violation of 18 U.S.C. § 1343, the defendant shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the violation.

3. The property to be forfeited includes, but is not limited to:

a. All funds associated with the following Bank of America prepaid debit cards:

Card Number	Current Balance
4427434214719682	\$3157
4427434207192764	\$4355
4427434211946759	\$6604
4427434214632661	\$3966
4427434214015487	\$4694
4427434205689456	\$798
4427434212565640	\$11740
4427434211544877	\$12604
4427434216187045	\$12442
4427434217815289	\$12796
4427434210148415	\$6224
4427434214256420	\$4969

b. \$66,480 in cash seized in or around September 2020; and

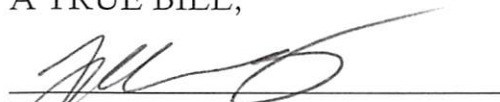
c. \$10,762.59 held in bank account number 248132834974 at Stride Bank.

4. If any of the property described above, as a result of any act or omission of the defendant:

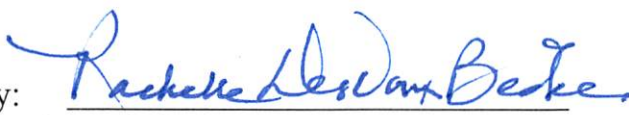
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,


the United States shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

A TRUE BILL,


Foreperson

KARIN HOPPMANN
Acting United States Attorney

By: 
for Rachel K. Jones
Assistant United States Attorney

By: 
for Jay G. Trezevant
Assistant United States Attorney
Chief, Economic Crimes Section

August 21

No.

UNITED STATES DISTRICT COURT
Middle District of Florida
Tampa Division

THE UNITED STATES OF AMERICA

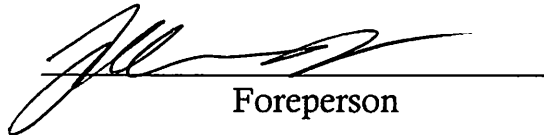
vs.

RANDY XAVIER JONES

INDICTMENT

Violations: 18 U.S.C. §§ 1343 and 1028A(a)(1)

A true bill,



Foreperson

Filed in open court this 25th day
of August 2021.

Clerk

Bail \$ _____