

UNITED STATES DISTRICT COURT
for the
District of Oregon

United States of America
v.
Jeremy M. Clawson

Case No. 3:20-mj-00294

Defendant(s)

CRIMINAL COMPLAINT
BY TELEPHONE OR OTHER RELIABLE ELECTRONIC MEANS

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of August 17, 2020, in the county of Baker in the
District of Oregon, the defendant(s) violated:

Code Section 18 U.S.C. § 641 Offense Description Theft of government property

This criminal complaint is based on these facts:
The facts recounted in the attached affidavit, which is incorporated herein.

Continued on the attached sheet.

Complainant's signature

Matthew C. Vollans, USSS Special Agent

Printed name and title

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by
telephone at 4:02 p.m.

Date: December 21, 2020

City and state: Portland, Oregon



Youlee Yim You
Judge's signature

Hon. Youlee Yim You, U.S. Magistrate Judge

Printed name and title

3:20-mj-00294

DISTRICT OF OREGON, ss: AFFIDAVIT OF MATTHEW C. VOLLANS

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

I, Matthew C. Vollans, being duly sworn, do hereby depose and state as follows:

INTRODUCTION AND SUMMARY OF PROBABLE CAUSE

1. I make this affidavit in support of a criminal complaint charging JEREMY M. CLAWSON with violating 18 U.S.C. § 641 (Theft of Government Property). As set forth in greater detail below, a joint investigation by the United States Secret Service (USSS) and the Small Business Administration (SBA) has revealed probable cause to believe that, on August 11, 2020, CLAWSON received an SBA Economic Injury Disaster Loan (EIDL) deposit for \$145,200 into his Umpqua bank account *****2837 (the SUBJECT ACCOUNT). CLAWSON did not apply for an SBA loan. As the target of a romance scheme, he had provided his banking information for the deposit to someone he knew as Angelina Walter. CLAWSON acknowledged researching the description of the deposit, “SBAD TREAS MISC 310,” and discovering that it was part of the disaster relief fund for small businesses. CLAWSON further acknowledged that it was federal money that he was not entitled to. CLAWSON nevertheless used the money to purchase vehicles that he intended to fix up and sell for profit and to pay personal expenses. One notable purchase was his August 17, 2020, acquisition of a 2016 Dodge Challenger, which CLAWSON paid for with a cashier’s check in the amount of \$49,905.94 drawn on the SUBJECT ACCOUNT.

BACKGROUND OF AFFIANT

2. I am a Special Agent with the USSS, and have been employed with the USSS since November 23, 2014. I am currently assigned to the Portland Resident Office, where I am

responsible for investigating crimes related to credit, debit, and identity card production and fraud, wire fraud, mail fraud, identity theft, the manufacture and possession of counterfeit currency, and financial crimes involving the use of digital technology. I was trained in the investigation of such offenses at the USSS James J. Rowley Training Center in Beltsville, Maryland.

VIOLATIONS

3. Section 641 of Title 18 of the United States Criminal Code provides that “[w]hoever embezzles, steals, purloins, or knowingly converts to his use or the use of another, or without authority, sells, conveys or disposes of any record, voucher, money, or thing of value of the United States or of any department or agency thereof, or any property made or being made under contract for the United States or any department or agency thereof; or [w]hoever receives, conceals, or retains the same with intent to convert it to his use or gain, knowing it to have been embezzled, stolen, purloined or converted...[s]hall be fined under this title or imprisoned not more than ten years, or both”

FACTS ESTABLISHING PROBABLE CAUSE

4. On August 11, 2020, the proceeds of SBA Economic Injury Disaster Loan (EIDL) number 5659378204 in the amount of \$145,200 were deposited into the SUBJECT ACCOUNT, which was controlled by CLAWSON of Baker City, Oregon, and his then-girlfriend. Shortly after receiving the loan deposit, CLAWSON began making multiple large cash withdrawals at the drive-through window of the Baker City branch of Umpqua Bank. On August 17, 2020, CLAWSON withdrew \$49,905.94 in the form of cashier’s check #2270004021, which was made payable to Ontario Auto Ranch. The check was used to purchase a blue 2016 Dodge Challenger VIN 2C3CDZC9XGH231613 from the Ontario Auto Ranch located in Ontario, Oregon.

Umpqua Bank investigators detected the unusual activity and reached out to investigators with the SBA, who in turn recruited the assistance of the USSS.

5. SBA loan documents show that loan #5659378204 was made for the benefit of a fictitious entity called Halperin Manufacturing Company, located in San Diego, California. The loan application was submitted over the internet. The application indicated that Halperin Manufacturing Company employs 350 persons and is owned by a person herein described only as Identity-Theft Victim Number 1 (V-1).

6. I made phone contact with V-1 on September 2, 2020. He denied owning or being affiliated with a Halperin Manufacturing Company. He further stated that he did not apply for an SBA loan and that the address listed on the SBA loan application is his home and not a commercial property with 350 employees.

7. I searched the Secretary of State's websites for the States of California and Oregon and could not locate a Halperin Manufacturing Company. A broader internet search also yielded negative results.

8. SBA data show that, from August 1 through August 8, 2020, more than a dozen other loan applications, resulting in five loans and more than \$500,000 in disbursements, were made from the same IP address that was used to apply for loan #5659378204.

9. On September 3, 2020, I learned that CLAWSON had been arrested by the Baker City Police Department on August 21, 2020, for driving under the influence of alcohol or drugs, reckless driving, attempting to elude a police vehicle, and driving with a suspended license. CLAWSON was driving a 2016 Dodge Challenger at the time of arrest, and the vehicle was subsequently impounded by the Baker City Police Department. CLAWSON bailed out of jail over the weekend, but he was arrested again the following Monday for violating his probation.

At the time of his second arrest on August 24, 2020, Clawson was carrying \$30,000 in U.S. currency on his person. At his request, the cash was placed with his property at the Baker County Jail. CLAWSON authorized a release of \$15,000 of those funds to his attorney, Bob Moon.

10. On September 8, 2020, I spoke with Bob Moon and informed him of the source of the funds that CLAWSON had transferred to him. Moon returned \$10,080 of the funds to the jail to be placed back in CLAWSON's jail account on September 10, 2020. Moon retained \$4,920 of the original \$15,000 CLAWSON had released to him as payment for services rendered.

11. Jail staff indicated to me on September 9, 2020, that CLAWSON is not currently employed. They also reported that CLAWSON claimed to have received the \$30,000 as an inheritance from his father.

12. CLAWSON opened the SUBJECT ACCOUNT into which the subject loan proceeds were deposited in March 2020. A fraud investigator at the Umpqua Bank advised that the loan proceeds represented the only large deposit into that account since it was opened, but there were weekly deposits of less than \$450 from Behlen Manufacturing. A human resources manager from Behlen Manufacturing later advised that CLAWSON last reported for work there on August 14, 2020, and had been terminated on August 19, 2020, after missing three shifts.

13. Police and jail personnel temporarily restricted CLAWSON's redemption and transfer of the 2016 Dodge Challenger and US currency held in CLAWSON's jail account pending the issuance of a seizure warrant.

14. On September 10, 2020, this Court issued a seizure warrant for the aforementioned 2016 Dodge Challenger and for funds of up to \$30,000 in CLAWSON's Baker

County Jail account. I seized the car on the same date from the Baker City Police Department. I seized the \$24,659.08 remaining in CLAWSON's jail account the next day.

15. Also on September 10, 2020 SBA Special Agent Eric Hunter and I interviewed a witness who will be identified herein only as Female Witness Number One (FW-1) at her home in Baker City, Oregon. FW-1 was known to local law enforcement as the CLAWSON's girlfriend and was listed on the SUBJECT ACCOUNT with CLAWSON. FW-1 came to the door and agreed to speak with us about her banking activity and relationship with CLAWSON.

16. FW-1 said that she had known CLAWSON for at least the last couple years. She described their current status as complicated, and was not pleased about being involved with CLAWSON if he was participating in illegal activity. FW-1 said that she had her own account at Banner Bank and paid little attention to the joint bank account that she held with CLAWSON. She only looked into it after some mutual friends started making comments to her about the large amount of cash that CLAWSON had come into. On August 17, 2020, FW-1 claimed that she looked into the Umpqua bank accounts she had with CLAWSON and saw all of the money in there. CLAWSON reportedly told FW-1 that the money came from a settlement he had received from his father's estate. CLAWSON's father had passed away around May, and CLAWSON and FW-1 drove out to Illinois for the funeral. FW-1 thus believed the story about the settlement. This was reportedly the same story CLAWSON had been telling others in town, including the police.

17. FW-1 acknowledged going to the Ontario Auto Ranch to purchase the aforementioned Dodge Challenger. CLAWSON did not have a valid driver's license, and the dealership would not allow CLAWSON to drive it off the lot without her there. Furthermore, the Dodge could not be registered in CLAWSON's name or insured without a license.

18. I was aware from reviewing bank records that FW-1 had withdrawn \$20,000 of SBA loan proceeds had been from the SUBJECT ACCOUNT following CLAWSON's arrest. FW-1 stated that she had \$6,000 of it in cash in the home and that the remaining \$14,000 had been deposited into her Banner Bank account. After it was explained to FW-1 that the SBA loan was fraudulent and the proceeds derived from it belonged to the government, she agreed to surrender the \$6,000 in cash. She walked back to another room and came back with a small tin containing the cash, signed a voluntary surrender form, and handed the cash over to SA Hunter and myself.

19. I asked FW-1 if she was aware of where any more of the money was, since even with the \$20,000 she had withdrawn, the \$50,000 spent on the Dodge Challenger, and the \$30,000 CLAWSON took to jail, over \$40,000 remained unaccounted for. FW-1 advised that she did not know the amounts CLAWSON had paid for them, but she knew that he had purchased several additional vehicles. She was aware of two: a Lexus and Honda that she had put into storage for CLAWSON after his arrest. She knew he also purchased a Dodge Charger and possibly other vehicles but she was unsure of their whereabouts. Using the description FW-1 provided I was able to locate the storage facility and the Lexus and Honda, but they were not valuable enough to seize.

20. SA Hunter and I met FW-1 at the Banner Bank the following morning. She signed a voluntary surrender form for the \$14,000 remaining from the \$20,000 she had taken out of the SUBJECT ACCOUNT a week or so prior. Banner Bank then issued cashier's check #988985 in the amount of \$14,000 to the United States Secret Service. Banner Bank was also able to convert the \$6,000 in cash surrendered the day prior into cashier's check #988981, also made out to the United States Secret Service.

21. On September 11, 2020, SA Hunter and I interviewed CLAWSON at the Baker County Jail. SA Hunter recorded the interview with CLAWSON's permission. I read CLAWSON his Constitutional rights. CLAWSON understood his rights and agreed to speak with us without an attorney present after signing a waiver.

22. CLAWSON stated that in May of this year he began an online dating relationship with a woman he knew as Angelina Walter on the social media site Facebook. Walter purported to be from Nebraska, and her Facebook page indicates she works at a hotel. CLAWSON said that they never met in person or spoke on the phone; all conversation was through text or Facebook messenger. Over the course of their conversations, Walter told CLAWSON that she was to receive a large trust fund from her father. Walter asked to use CLAWSON's bank account to receive the deposit because she only had a prepaid credit card and could not receive funds. CLAWSON had previously provided Walter with his bank account information when she agreed to send him money to help pay his phone bill. (Bank records show a \$99 deposit from PayPal user "Kerry Angelina," which CLAWSON confirmed was what he received from Walter for that purpose.)

23. CLAWSON stated that he started to mistrust Walter even before the \$145,200 deposit into the SUBJECT ACCOUNT. Walter had indicated to CLAWSON that she knew the name of his soon-to-be-ex-wife as well as his social security number (which he claimed never to have given her). When the deposit showed up, CLAWSON received text messages from someone claiming to be Walter's uncle, a federal agent, trying to help get the money to where it needed to go. CLAWSON called the number for the "uncle" only to find that it was a TextNow number, which is incapable of receiving calls. CLAWSON did not believe a federal agent would use a TextNow number for communicating. When the deposit for \$145,200 showed up in the

SUBJECT ACCOUNT, CLAWSON saw that it was labeled “SBAD TREASURY MISCELLANEOUS 310.”

24. The day the deposit showed up, CLAWSON saw the way it was labeled and did not believe that it was a trust fund for Walter. CLAWSON said that he did an internet search of “SBAD TREASURY MISCELLANEOUS 310” on his personal cell phone and learned that the deposit was part of the disaster relief fund for small businesses. SA Hunter asked CLAWSON if he had realized the deposit was federal money, and CLAWSON replied that he had. He said that he didn’t really know how it got into his bank account or what to do with it. Walter began to ask CLAWSON for the money, but, because he no longer trusted her, CLAWSON ignored her messages and began spending the money himself.

25. CLAWSON was asked what instructions Walter had given him for the money. He said that initially he was supposed to send a cashier’s check for \$103,500 to someone named Matthew or possibly Gregory in New York. CLAWSON was to keep the rest of the money, but Walter then changed her mind and said that she wanted CLAWSON to send a wire transfer to a Chase bank account instead of sending a cashier’s check to New York. CLAWSON ended up doing neither of those things, and Walter began emailing FW-1 and others in CLAWSON’s circle asking about him and where the money went.

26. CLAWSON acknowledged that he knew he shouldn’t have spent the money but protested he was at a low point in his life with the recent passing of his father and rocky relationship with FW-1. CLAWSON admitted to using the SBA money to purchase a blue Dodge Challenger, Dodge Charger, Lexus IS350, Honda Accord, and a motorcycle of unknown make.

27. CLAWSON had plans to fix up the Lexus, Honda, and Dodge Charger to sell for a profit. CLAWSON also said that he spent quite a bit of money drinking, and, after being evicted from his house, paying for a hotel room. In the course of his flight from police on August 21, CLAWSON had also damaged one of the fenders of the Dodge Challenger and thus withdrew \$30,000 for body work and for the attorney to defend him on the resulting charges.

28. I asked CLAWSON what involvement FW-1 had with the money, and he said that she did not know anything about it. CLAWSON said that he kept his relationship with Walter secret from FW-1. I explained to CLAWSON that FW-1 had to know about the money if she was present when he bought a \$50,000 car, and given that she appeared to have made many withdrawals herself. CLAWSON admitted that he lied to FW-1 and told her he had received some kind of settlement from his father's estate.

29. CLAWSON was asked if he had ever heard of Halperin Manufacturing Company or V-1. He said that he had no clue about any of the loan details and had never heard of either the company or V-1.

BACKGROUND ON SMALL BUSINESS ADMINISTRATION STIMULUS FRAUD¹

30. The President signed the Coronavirus Preparedness and Response Supplemental Appropriations Act on March 6, 2020; the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) on March 27, 2020; and the Paycheck Protection Program and Health Care Enhancement Act on April 24, 2020. These laws authorized SBA's Disaster Assistance Program to use available funds to issue economic injury loans and to begin a new program, Economic

¹ The information in this section is drawn from "Serious Concerns of Potential Fraud in Economic Injury Disaster Loan Program Pertaining to the Response to COVID-19," *SBA Inspector General-Management Alert* (July 28, 2020).

Injury Disaster Loan Advance, to ameliorate economic injuries resulting from the COVID-19 pandemic.

31. Under the Coronavirus Preparedness and Response Act, Paycheck Protection Program and Health Care Enhancement Act and administrative actions taken by SBA, approximately \$373 billion was made available for loans made through SBA's economic injury loan program.

32. The SBA OIG's preliminary review and investigative findings identified concerns with internal controls, and thus potentially rampant fraud, in this program. Since mid-June, SBA OIG's Investigations Division has noted a major increase in reports of suspected fraud from financial institutions and other law enforcement agencies. These reports indicate that fraud has manifested itself in the following ways, among others:

- Accounts established using stolen identities;
- Account holders unable to explain origins of deposits or identify business names on loans;
- Account holders claiming to use the funds to open a business (rather than to keep an existing business operating);
- Account holders attempting to transfer funds into investment accounts;
- Account holders attempting to transfer funds to foreign accounts;
- Deposits of loan proceeds into new, remotely established accounts showing no other account activity;
- Proceeds of loans made to agricultural businesses being made into accounts of unrelated third parties located in different states than the putative borrower;

- Account holders attempting to withdraw loan funds in cash or transfer the funds to other newly established accounts; and
- Proceeds of loans being deposited into personal accounts without indicia of business activity.

33. By the end of July 2020, just nine financial institutions had reported a combined total of \$187.3 million in apparently fraudulent transactions.

CONCLUSION

34. Based on the information contained in this affidavit and my investigation to date, there is probable cause to believe, and I do believe, that CLAWSON was in receipt of “money . . . of the United States or of any department or agency thereof,” specifically the proceeds of SBA EIDL number 5659378204 in the amount of \$145,200, for which he had not applied and to which he knew he was not entitled. CLAWSON nevertheless used much of that money to purchase the 2016 Dodge Challenger for \$49,905.94 and to pay for other property and services for his personal use and enjoyment.

35. By reason above, I respectfully request that the Court issue an arrest warrant for JEREMY M. CLAWSON.

36. According to the Oregon Department of Corrections (ODOC) website on December 14, 2020, CLAWSON is incarcerated at the Snake River Correctional Institution in Ontario, Oregon, with a release date of no earlier than December 17, 2021.

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37. This affidavit has been reviewed by Assistant United States Attorney Ryan W. Bounds, who advises that the foregoing establishes probable cause for CLAWSON's arrest.

MATTHEW VOLLANS
Special Agent
U.S. Secret Service

Sworn in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone at 4:02 p.m.

~~xxxxxxx~~ on December 21, 2020

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HON. YOULEE YIM YOU
United States Magistrate Judge