

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
CEDAR RAPIDS DIVISION

UNITED STATES OF AMERICA,)	No. 21-CR-08
)	
Plaintiff,)	INDICTMENT
)	
vs.)	Count 1
)	18 U.S.C. § 1343: Wire Fraud
DANNISH DONTREAL ROBERTSON,)	
)	
Defendant.)	

The Grand Jury charges:

Count 1

Wire Fraud

Introduction

COVID-19 and the National Emergency

1. According to the United States Centers for Disease Control and Prevention (“CDC”), Coronavirus Disease 2019 (“COVID-19”) is a respiratory illness that can spread from person to person. The virus that causes COVID-19 is a novel coronavirus that was first identified during an investigation into a 2019 outbreak in Wuhan, China. COVID-19 can attack human lungs and kill infected persons, especially those who have certain risk factors identified by the CDC.

2. On March 13, 2020, then-President Donald J. Trump issued a Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak (“the Emergency Proclamation”). The Emergency Proclamation noted that “on March 11, 2020, the World Health

Organization announced that the COVID-19 outbreak can be characterized as a pandemic, as the rates of infection continue to rise in many locations around the world and across the United States.” Further, “[t]he spread of COVID-19 within our Nation’s communities threatens to strain our Nation’s healthcare systems.”

The Paycheck Protection Program

3. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted in late March 2020 that provides emergency financial assistance to the millions of Americans who are suffering the economic effects of the COVID-19 pandemic. One form of such financial assistance is the authorization of up to \$349 billion in forgivable loans to small businesses for job retention and certain other expenses, through a program referred to as the Paycheck Protection Program (“PPP”). Later, in April 2020, Congress authorized an additional \$300 billion in PPP funding.

4. In order to obtain a PPP loan, a business submits a PPP loan application (SBA Form 2483), which must be signed by an authorized representative of the business. The loan application requires the business, through its authorized representative, to acknowledge the PPP program rules and to make certain affirmative certifications regarding its eligibility. In the application, the small business’s authorized representative must also provide, among other things, the business’s average monthly payroll expenses and number of employees. These figures are used to calculate the business’s eligibility and the amount of money it may receive under the PPP. In addition, businesses applying for a PPP loan must

provide documentation showing their payroll expenses.

5. A PPP loan application must be processed by a participating lending financial institution. If a PPP loan application is approved by the participating financial institution, that institution funds the PPP loan using its own monies, which are 100% guaranteed by the Small Business Administration (SBA).

Participating financial institutions require that the information provided in PPP loan applications be truthful, including information about the applicant business's employees and payroll expenses, which is material to the financial institution's approval and the terms of the PPP loans.

6. Information from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, is transmitted by the lending financial institution to the SBA in the course of processing the loan.

7. PPP loan proceeds must be used by the business for certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allows the principal and interest on the PPP loan to be entirely forgiven if the business spends the loan proceeds on these items within a designated period of time, usually within twenty-four weeks of receiving the proceeds, and if the business also uses at least 60% of the PPP loan proceeds for payroll expenses.

The Funnel Account

8. At all relevant times, defendant DANNISH DONTREAL ROBERTSON maintained accounts at Bank-1. Bank-1 is a national bank with

branches throughout the United States, including within the Northern District of Iowa.

9. Specifically, in about August 2019, defendant DANNISH DONTREAL ROBERTSON opened an account ending in 6005 at Bank-1, as the sole owner of the account.

The Scheme to Defraud

10. In about June 2020, in the Northern District of Iowa and elsewhere, and in relation to and involving a benefit authorized, transported, transmitted, transferred, disbursed, and paid in connection with, a presidentially declared major emergency (as those terms are defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5122), defendant DANNISH DONTREAL ROBERTSON did voluntarily and intentionally (1) participate in a scheme and artifice to defraud with knowledge of its fraudulent nature and (2) obtain the money and property by means of false and fraudulent pretenses, representations, and promises (collectively, “the scheme to defraud”).

Manner and Means of the Scheme to Defraud

11. It was part of the scheme to defraud that, on or about June 24, 2020, an SBA Form 2483 was completed and submitted for a \$20,607 PPP loan for the “Business Legal Name” of “Dannish Robertson.” The SBA Form 2483 was purportedly signed by defendant, listing defendant’s Social Security Number (SSN) as the business taxpayer identification number (TIN). Defendant was listed as owning 100% of the business. The SBA Form 2483 falsely and fraudulently stated

defendant's business had 2 employees on its payroll when, in truth, the business did not exist and defendant had no employees or any payroll expenses.

12: It was also part of the scheme to defraud that defendant made false and fraudulent representations on the SBA Form 2483. Specifically, defendant indicated that he was not on probation when, in truth, defendant was on probation in the State of Iowa and had been on probation since October 6, 2017. Further, defendant also indicated that he had not pleaded guilty to any felony within the last five years or been placed on any form of probation or parole when, in fact, defendant previously pled guilty to Intimidation with a Dangerous Weapon, a felony offense, and was sentenced on or about October 6, 2017, to five years' probation in the Iowa District Court for Johnson County, in Case Number FECR113267.

13. It was also part of the scheme to defraud that false and fraudulent documents were submitted in support of the PPP loan. Specifically, a false and fraudulent Schedule C, Form 1040 or 1040-SR, Profit or Loss From Business for 2019, indicated wages of \$109,764. Again, in truth, defendant DANNISH DONTREAL ROBERTSON did not operate a business and had no payroll expenses for that month.

14. Finally, it was part of the scheme to defraud that, after receiving a PPP loan at Bank-1 based on false and fraudulent representations to the SBA and its participating lender, defendant DANNISH DONTREAL ROBERTSON conducted, and attempted to conduct, large cash withdrawals, smaller transfers to other individuals, and financial transactions to conceal their source and for

purposes inconsistent with the designated purposes of PPP loan funds. For example, defendant made approximately fifteen cash withdrawals between June 25, 2020, and June 29, 2020, withdrawing funds in amounts varying between \$200 and \$5,000 per withdrawal. Defendant also transferred smaller amounts of funds to other individuals. Specifically, defendant initiated approximately seven transfers of funds in amounts ranging from \$50 to \$200 that went directly to the accounts of other individuals at financial institutions or were processed through CashApp. Further, on June 29, 2020, defendant spent \$1,052.11 at a US Cellular store and \$1,532.48 at the retailer Neiman Marcus. Of the \$20,607 in PPP loan funds that were deposited in defendant's account at Bank-1 on or about June 25, 2020, defendant had withdrawn, spent, or transferred approximately \$18,185 by June 29, 2020.

Execution of the Scheme to Defraud

15. In about June 2020, in the Northern District of Iowa, and elsewhere, for the purpose of executing or attempting to execute the above-described scheme and artifice to defraud and to obtain property and money by means of false and fraudulent pretenses and representations, defendant DANNISH DONTREAL ROBERTSON knowingly caused to be transmitted by means of wire in interstate commerce, the following writings, signs, signals, pictures, or sounds:

Count 1: On or about June 25, 2020, defendant DANNISH DONTREAL ROBERTSON received an interstate wire in the amount of \$20,607 from an SBA-lending institution into his account at Bank-1.

This was in violation of Title 18, United States Code, Section 1343.

A TRUE BILL

PETER E. DEEGAN, JR.
United States Attorney

s/Foreperson
Foreperson

2/17/2021
Date

By:



KYNDRA LUNDQUIST
Assistant United States Attorney

PRESENTED IN OPEN COURT
BY THE
FOREMAN OF THE GRAND JURY
And filed 2-17-2021
ROBERT L. PHELPS, CLERK