

THE UNITED STATES ATTORNEY'S OFFICE  
WESTERN DISTRICT *of* NEW YORK

[U.S. Attorneys](#) » [Western District of New York](#) » [News](#)

**Department of Justice**

U.S. Attorney's Office

Western District of New York

FOR IMMEDIATE RELEASE

Tuesday, August 10, 2021

## **Amherst Businessman Charged With Defrauding The Paycheck Protection And Economic Injury Disaster Loan Programs Out Of Millions Of Dollars**

CONTACT: Barbara Burns  
PHONE: (716) 843-5817  
FAX #: (716) 551-3051

BUFFALO, N.Y. - U.S. Attorney James P. Kennedy, Jr. announced today that Hormoz Mansouri, 67, of Amherst, NY, was charged by criminal complaint with wire fraud, bank fraud, conspiracy to commit wire fraud and bank fraud, and money laundering. The charges carry a maximum penalty of 30 years in prison and a \$1,000,000.

"This defendant is now part of a growing list of individuals that this Office has charged who sought to steal for themselves money which was intended to assist businesses and employees crippled by the pandemic," noted U.S. Attorney Kennedy. "The greed exhibited by such individuals in the face of a national crisis is criminal. This Office will remain vigilant in our effort to ensure that taxpayers dollars are spent appropriately, and we will vigorously investigate and charge anyone, like defendant, who fraudulently seeks to obtain or spend emergency federal aid."

Assistant U.S. Attorney Michael DiGiacomo, who is handling the case, stated that according to the complaint, Mansouri filed fraudulent Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) loan applications with the Small Business Administration (SBA) and local financial institutions under the Coronavirus Aid, Relief, and Economic Security (CARES Act). Specifically, Mansouri, who controlled eight different business entities, including HLM Holding LLC, EI Team Inc., NPTS Inc., 2060 Sheridan Drive LLC, 212 Holden Avenue LLC, 350 Old Niagara Falls Boulevard LLC, 47 East Amherst LLC, and 3600 Harlem Road LLC, applied for 16 different (two per entity) PPP loans and eight different EIDL loans.

As alleged in the complaint, the amount of PPP loans a given entity is entitled to is determined in part by such entity's average monthly payroll expenses. For each of the 16 PPP loans that the Mansouri-controlled entities obtained, the average monthly payroll was either inflated or completely fabricated. In fact, contrary to the applications submitted, six of the eight entities had no actual employees or payroll expenses at all. Similarly, the Mansouri-controlled entities also made false representations and provided fraudulent

documentation in support of EIDL applications. Between March 2020, and May 2021, Mansouri received 16 PPP loans totaling \$3,074,000 and seven EIDL loans totaling \$450,600. Had Mansouri provided accurate information in support of the applications, his entities would have qualified for significantly smaller loan amounts or no loans at all.

Having fraudulently received over \$3,500,000 in PPP and EIDL funds, the defendant is alleged to have engaged in a series of convoluted transactions—during which he moved the loan proceeds between the various business accounts; commingled the proceeds with legitimate business revenues; and transferred the proceeds into different business accounts, personal accounts, a campaign account (in the name of “Mansouri for County Comptroller”), as well as a casino— in order to conceal, disguise, and obscure the source, nature, ownership, control, and location of the funds derived from the fraudulent scheme.

On May 28, 2021, seizure warrants were executed on accounts controlled by the defendant and resulted in the seizure of approximately \$1,923,603.

The complaint is the result of an investigation by the Federal Bureau of Investigation, under the direction of Special Agent-in-Charge Stephen Belongia, and the Internal Revenue Service, Criminal Investigation Division, under the direction of Acting Special Agent-in-Charge Thomas Fattorusso.

The fact that a defendant has been charged with a crime is merely an accusation and the defendant is presumed innocent until and unless proven guilty.

###

---

**Topic(s):**

Coronavirus

Financial Fraud

**Component(s):**

USAO - New York, Western

Updated August 10, 2021