

AO 91 (Rev. 11/11) Criminal Complaint

UNITED STATES DISTRICT COURT

for the

Middle District of Florida

United States of America
v.
Casey David Crowther

Case No.

2:20-mj-

1094-NPM

Defendant(s)

CRIMINAL COMPLAINT

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 April 2020 in the county of Lee in the Middle District of Florida, the defendant(s) violated:

Code Section 18 U.S.C. § 1014 Offense Description False Statement to Lending Institution.

FILED

9-1-2020

Date

Time

This criminal complaint is based on these facts:

CLERK, U. S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
FT. MYERS, FLORIDA

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Continued on the attached sheet.

[Signature]

Complainant's signature

Brian Kirby, Senior Special Agent, USSS

Printed name and title

Sworn to before me over the telephone and signed by me pursuant to Fed. R. Crim. P. 4.1 and 4(d)

Date: 09/01/2020

[Signature]

Judge's signature

City and state: Fort Myers, Florida

Nicholas P. Mizell, U.S. Magistrate Judge

Printed name and title

AFFIDAVIT IN SUPPORT OF A CRIMINAL COMPLAINT

I, Brian Kirby, being first duly sworn, hereby state as follows:

AGENT BACKGROUND AND INTRODUCTION

1. I am a Senior Special Agent with the United States Secret Service, Fort Myers Resident Office, and I have been employed in this capacity since March 2004. As a Secret Service Agent, I am responsible for the investigation of violations of United States law, including violations of Title 18 of the United States Code such as 18 USC §§ 1343 (Wire Fraud), 1344 (Bank Fraud), and 1014 (False Statement to Lending Institution).

2. This affidavit is made in support of a criminal complaint charging CASEY DAVID CROWTHER (“CROWTHER”) with violation of 18 USC § 1014 (False Statement to Lending Institution).

3. This affidavit is based on my personal investigation and investigation by others, including federal law enforcement officials whom I know to be reliable and trustworthy. The facts contained herein have been obtained by interviewing witnesses and examining documents obtained in the course of this investigation. This affidavit does not include every fact known to me concerning this investigation, but rather only those facts sufficient to establish probable cause.

OVERVIEW OF THE PAYCHECK PROTECTION PROGRAM

4. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted in or around March 2020 designed to provide emergency financial assistance to the millions of Americans who are suffering the economic

effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was 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”). In or around April 2020, Congress authorized over \$300 billion in additional funding.

5. In order to obtain a PPP loan, a qualifying business must submit a PPP loan application, which is signed by an authorized representative of the business. The PPP loan application requires the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) must state, among other things, its: (a) average monthly payroll expenses; and (b) number of employees. These figures are used to calculate the amount of money the small business is eligible to receive under the PPP. In addition, businesses applying for a PPP loan must provide documentation to the lending institution showing their payroll expenses. Typically, businesses would supply documents showing the amount of payroll taxes reported to the Internal Revenue Service (“IRS”).

6. A PPP loan application must be processed by a participating lender. If a PPP loan application is approved, the participating lender funds the PPP loan using its own monies, which are 100% guaranteed by the Small Business Administration (“SBA”). Data from the application, including information from the borrower, the

total amount of the loan, and the listed number of employees, is transmitted by the lender to the SBA in the course of processing the loan.

7. PPP loan proceeds MUST be used by the business on certain permissible expenses – payroll costs, interest on mortgages, rent, and utilities. The PPP allows interest and principal on the PPP loan to be entirely forgiven if the business spends the loan proceeds on these expense items within a designated period of time after receiving the proceeds and uses a certain amount of the PPP loan proceeds on payroll expenses.

THE LENDER

8. The Lender is a financial institution federally insured by the Federal Deposit Insurance Corporation (“FDIC”). The Lender is based in Lee County, FL with branches throughout Lee County. The Lender participated in the SBA’s PPP as a lender and, as such, was authorized to lend funds to eligible borrowers under the terms of PPP.

BACKGROUND OF CROWTHER AND OVERVIEW OF THE OFFENSE

9. The United States is investigating a fraudulent application submitted in the company name of Target Roofing & Sheet Metal, Inc. (“Target Roofing”), operated by CROWTHER, to the Lender. CROWTHER applied for and received \$2,098,700 in PPP funds from the Lender, purportedly for the purpose of paying employees, company utilities, and rent. A review of the Lender’s records, however, shows CROWTHER used PPP funds for his own personal use and not for their intended purpose.

10. The Lender approved the PPP application and paid \$2,098,700 in PPP loan funds. Instead of using the funds for payroll, rent/mortgage interest, and utilities, CROWTHER used a portion of the PPP money to purchase a 2020 40' Invincible Catamaran for \$689,417.00 that he registered in his name.

11. CROWTHER was a resident of North Fort Myers, Florida at all times relevant to the events described herein. CROWTHER listed himself as president of the company that applied for the PPP loan.

12. The website for the Florida State Division of Corporations (<https://dos.myflorida.com/sunbiz>) lists the following information for CROWTHER's company:

<u>Business Name</u>	<u>Principal Address</u>	<u>Status as of this Filing</u>
Target Roofing and Sheet Metal, Inc. EIN: 47-4767409	1841 Ortiz Ave Ft Myers, FL 33905	Active – Filed 8/10/15

13. Your Affiant has reviewed the website www.targetroofers.com, which is believed to be Target Roofing's operating website. According to the website, Target Roofing provides commercial and residential roofing services, which includes the installation of new roofs, reroofing, and roof repair in the Southwest Florida area.

PPP LOAN APPLICATION SUBMITTED BY CROWTHER

14. On or about April 13, 2020, CROWTHER submitted a PPP Application Form on behalf of Target Roofing to the Lender seeking approximately \$2,098,759 in PPP funds.

15. I have reviewed a copy of the PPP Application that was submitted by CROWTHER to the Lender on behalf of Target Roofing. On the PPP Application, CROWTHER identified himself as the president and owner of Target Roofing, holding a 100% ownership interest. He further indicated that the purpose of the loan was for payroll, rent/mortgage interest, and utilities.

16. According to the Lender, CROWTHER signed and submitted the PPP Application electronically. The PPP Application was approved and, on or about April 14, 2020, \$2,098,700 (the PPP Loan Funds) was deposited into a business checking account ending in 6781, held in the name of "Target Roofing & Sheet Metal, Inc. – PPP Loan" (Target Roofing PPP Account 6781).

FALSE STATEMENTS ON PPP APPLICATION

17. CROWTHER knowingly made false statements related to the use of the PPP funds in his loan application to the Lender.

18. As part of the PPP Application, CROWTHER was required to make a number of representations, authorizations, and certifications. CROWTHER represented that "all SBA Loan proceeds will be used only for business related purposes as specified in the loan application." CROWTHER also certified, among other things, that the PPP funds acquired from the requested loan would "be used to

retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments.” He further certified that he understood that the federal government could pursue criminal fraud charges if the “funds are used for unauthorized purposes.” These statements were knowingly false when made because, as further detailed below, CROWTHER diverted loan proceeds for unauthorized uses.

19. I have reviewed the Lender’s records for Target Roofing PPP Account 6781. The account was opened by CROWTHER on or about April 10, 2020. The April 14, 2020 PPP Loan Funds deposit was the only deposit ever made to the account.

20. After the \$2,098,700 in PPP Loan Funds were deposited on April 14, 2020, CROWTHER made a series of transfers from Target Roofing PPP Account 6781 to other accounts, including the following:

a. On about April 16, 2020, CROWTHER transferred \$126,000.00 from Target Roofing PPP Account 6781 to a business checking account ending in 1791, held in the name of Target Roofing & Sheet Metal, Inc. (Target Roofing Account 1791). This transaction was listed on Target Roofing Account 1791’s April 2020 statement as “loan from casey.”

b. On or about April 21, 2020, CROWTHER wired \$100,000.00 from Target Roofing PPP Account 6781 to another bank account belonging to Individual A. Individual A was a former stakeholder in the company and resigned December 31, 2019.

c. On or about April 22, 2020, CROWTHER transferred \$3,300.00 from Target Roofing PPP Account 6781 directly into a joint checking account ending in 3439 that he shares with his wife. This transaction is listed on this account's April 2020 statement as "TSFR FROM BUSINESS PPP ACCOUNT."

21. On or about April 24, 2020, CROWTHER wired \$689,417.00 from Target Roofing PPP Account 6781 to a bank in Sarasota, Florida, for the purchase of a 2020 40' Invincible Catamaran boat from Sara Bay Marina in Sarasota, Florida. On May 8, 2020, CROWTHER submitted an application requesting a certificate of title for the boat in his name and registered to his home address in North Fort Myers, Florida.

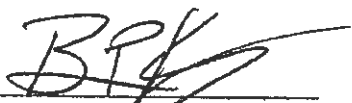
22. Your Affiant has probable cause to believe the boat was purchased for personal use and not for any business purpose related to Target Roofing.

23. On or about May 7, 2020, CROWTHER transferred the remaining balance of \$1,179,963.00 in PPP Loan Funds from Target Roofing PPP Account 6781 into Target Roofing Account 1791. Target Roofing PPP Account 6781 was then closed.

CONCLUSION

24. Based on the foregoing facts, there is probable cause to believe that CASEY DAVID CROWTHER knowingly made a false statement for the purpose of influencing the action of a financial institution whose deposits are insured by the

Federal Deposit Insurance Corporation in connection with a loan application, in violation of Title 18, United States Code, Section 1014.



Brian Kirby
Senior Special Agent
United States Secret Service

Sworn and subscribed telephonically to me
this 1st day of September, 2020, in Fort Myers, Florida.



NICHOLAS P. MIZELL
UNITED STATES MAGISTRATE JUDGE