

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Norfolk Division

UNITED STATES OF AMERICA)	
	)	CRIMINAL NO. 2:23cr89
v.)	
	)	Wire Fraud
DERICKSON LAWRENCE,	)	18 U.S.C. § 1343
	)	(Counts 1-9, 11)
Defendant.)	
	)	Mail Fraud
	)	18 U.S.C. § 1341
	)	(Count 10)
)	
	)	18 U.S.C. § 981(a)(1)(C) &
	)	28 U.S.C. § 2461
	)	Criminal Forfeiture
)	

SUPERSEDING INDICTMENT

DECEMBER 2023 TERM – at Norfolk, Virginia

THE GRAND JURY CHARGES THAT:

At all times relevant to this Superseding Indictment, unless otherwise stated:

GENERAL ALLEGATIONS

1. Beginning in and around February 2016 and continuing through in and around December 2019, in the Eastern District of Virginia and elsewhere, defendant, DERICKSON LAWRENCE, devised a scheme and artifice to defraud, and obtain money and property by means of false and fraudulent pretenses, representations, and promises.

2. During the relevant time period, Victim Company operated several franchises of a national restaurant chain in Virginia and conducted business out of an office in Virginia Beach, Virginia.

3. During the relevant time period, defendant was the Chief Executive Officer and sole owner of a business called Marketview, Inc. (“Marketview”) which conducted business out of a physical location in Mount Vernon, New York, where defendant also resided.

PURPOSE OF THE SCHEME

4. The purpose of defendant’s scheme and artifice to defraud was for defendant to obtain money and property to which he was not entitled by taking money that had been entrusted to defendant’s business to pay the salaries of employees of Victim Company and, instead, using the funds for his personal use.

WAYS, MANNER, AND MEANS

5. Marketview was paid by Victim Company to provide payroll services for Victim Company’s employees, who could elect to receive their salary via direct deposit or, alternatively, via an issued debit card. Defendant sent an employee of Victim Company located in Virginia Beach, Virginia, G.C., regular invoices for the services provided by Marketview. Those invoices were paid by regular transfers to a Wells Fargo Bank (“Wells Fargo”) account controlled by defendant (the “-9321 Account”).

6. As part of and in furtherance of the scheme, defendant had ownership and control over, and was the signatory for, various other business bank accounts for Marketview at Wells Fargo. Marketview employed only one other individual, D.A., a part-time employee who assisted defendant for some period of time with the website and a financial database.

7. To pay the salaries of its employees who elected to receive their wages via debit card, Victim Company would regularly transfer funds from its own accounts through an intermediary bank and into a Wells Fargo business account controlled by defendant (the “Settlement Account”). Funds were then withdrawn by ACH debit from the Settlement

Account by STAR Processing (“STAR”), a third-party company which handled the daily settlements for the debit card transactions and facilitated the actual withdrawals or purchases by employees using their debit cards. STAR charged Marketview fees for its services that were paid from the -9321 Account.

8. As part of and in furtherance of the scheme, defendant wired money which did not belong nor was due to defendant from the Settlement Account into another Wells Fargo account controlled by defendant (the “-7523 Account”), and thereafter transferred the funds, via wire, to defendant’s personal brokerage account with Scottrade/TD Ameritrade, where defendant used the funds to engage in speculative stock trading, including the purchase of call and put options for companies like Amazon, Tesla, and Netflix. Defendant never disclosed to Victim Company or its employees that funds transferred into the Settlement Account were being used for speculative stock trading or other personal uses. From in and around March 2017 through in and around October 2019, approximately \$190,000.000 was transferred from the Settlement Account, through the -7523 Account, and then wired to defendant’s personal brokerage account with Scottrade/TD Ameritrade. Aside from a single transfer on February 1, 2018, for \$9,900, there were no transfers from defendant’s brokerage account back into either the Settlement or -7523 Accounts.

9. From on or about February 2018 to October 2019, defendant made more than \$25,000 in wire transfers from the brokerage account to his personal checking account at Capital One bank, which defendant used for various personal expenses including restaurants, a lawn care service, and to pay tuition. Defendant also withdrew cash directly from the Settlement Account.

10. As part of and in furtherance of the scheme, defendant transferred thousands of dollars from the Settlement Account to another account controlled by his romantic partner, M.N. The text associated with the transfers falsely purported that they were “returns” to an employee of

the Victim Company. For example, \$600 was debited to the Settlement Account on January 5, 2018 and again on February 8, 2018, purportedly for a “return” by the Victim Company to M.N. M.N. was never employed by Victim Company. Defendant also used funds in the Settlement Account to make loans to and/or pay invoices for M.N.’s business, LGN Materials and Solutions, Inc. (“LGN”). On or about November 15, 2017, \$9,600 was transferred from the Settlement Account for a “return” to M.N., and on November 17, 2017, M.N. wrote a check for \$9,600 payable to Marketview for “REIMBURSEMENT” that was later deposited into the Settlement Account. Later, on December 13, 2018, \$30,000 was transferred from the Settlement Account into the -7523 Account. \$27,189.81 of that amount was then sent from the -7523 Account via wire to a company in the metal and polymer processing industry with the note “Payment for invoice PO NO 1110 Credit to LGN Materials and Solutions Inc.” On December 24, 2018, \$27,500 was deposited into the Settlement Account. The transaction description for that deposit reads: “[Victim Company], CORP PAY 181224 INV# LGN M ATERIALS & SOLUTIONS.” Victim Company never contracted with or had any business with LGN.

11. In and around December 2018, defendant began receiving notices from STAR that there were insufficient funds in the Settlement Account to cover the use of the Marketview debit cards by the Victim Company’s employees. On or about September 13, 2019, STAR notified defendant that unless an outstanding balance of over \$80,000 was paid within ten days, STAR would terminate its agreement and cease processing card transactions. On or about September 24, 2019, STAR terminated the agreement, ceased funding debit card transactions, and recommended that Marketview “immediately notify its cardholder clients.”

12. As part of and in furtherance of the scheme, on or about September 25, 2019, defendant emailed G.C., an employee of Victim Company located in the Eastern District of

Virginia. In that email, defendant did not disclose the more than \$80,000 debt to STAR, or the fact that STAR had terminated its agreement with Marketview. Instead, defendant wrote:

“[I]ast week, as you know, we encountered a difficult service delivery problem with our card vendor . . . [i]n parallel, we experienced some customer service issues . . . We worked through the weekend and the past two days to fix and restore our service levels to no avail. Yesterday we made the decision not to submit the new card request, until a resolution was reached, and are informing you of that decision. An alternative to the card is or [sic] digital offering, which is part of what was submitted for the hand book. I’ll be available to discuss further.”

13. On or about September 29, 2019, defendant’s employee, D.A., sent defendant an email stating, among other things: “Running a few queries, I see that the majority of money is held by cardholders who haven’t made a single transaction in two years. Amazingly, no one is touching their money except the people who are still receiving paychecks. For example, of people who have made at least one transaction in 2019, the account balance totals are about 137K. Compare that to the roughly 450K TOTAL [Victim Company] cardholder money we have.” On September 30, 2019, the ending balance for the Settlement Account—into which the salaries of the Victim Company’s employees had been deposited—held only \$1,745.38. The brokerage account, on September 30, 2019, held a closing balance of only \$17.86 and unrealized trading losses of over \$2,000.00.

14. As part of and in furtherance of the scheme, on or about October 23, 2019, defendant emailed G.C., an employee of Victim Company located in the Eastern District of Virginia. The email attached a document entitled “CONFIDENTIAL DRAFT Proposal” in which defendant wrote, among other things:

“However, when you publish a defamatory statement like ‘we took their money and did not pay them,’ which is a statement that’s inaccurate and not supported by the facts, that’s not operating in good faith. And frankly, it is a statement that rises to the level of libel.”

“Therefore, even with the loss of STAR service, all remaining card holders do have a means of access to their funds through the PayPal service.”

15. As part of and in furtherance of the scheme, after sending the above emails, defendant continued to transfer money from the Settlement Account into the -7523 Account and then wire funds to his personal brokerage account, including a transfer of \$2,000 on or about October 23, 2019 from the Settlement Account to the -7523 Account which defendant then, on or about October 24, 2019, had sent via wire to his personal brokerage account.

COUNTS ONE THROUGH NINE
(Wire Fraud)

16. Paragraphs 1 through 15 of the General Allegations section of this Indictment are incorporated by reference as though fully set forth herein.

17. On or about the dates listed below, in the Eastern District of Virginia and elsewhere, DERICKSON LAWRENCE, for the purpose of executing the above-described scheme and artifice to defraud and to fraudulently obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, did knowingly transmit and cause to be transmitted, by means of a wire communication in interstate commerce, certain writings, signs, signals, pictures, and sounds, each transmission being a separate count of this Indictment as indicated:

Count	Date (on or about)	Description
1	August 3, 2018	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “which includes two processing periods – for the month of July 2018”
2	October 8, 2018	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “for two processing periods for the month of September 2018”
3	March 8, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “for two processing periods for the month of February 2019”
4	June 7, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “for two processing periods for the month of May 2019”
5	July 8, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “for two processing periods for the month of June 2019”
6	August 8, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “three processing periods for the month of June 2019”
7	September 13, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching invoice “which includes two processing periods in the month of August 2019”
8	September 25, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach addressing the “difficult service delivery problem”
9	October 23, 2019	Email from defendant to Victim Company employee G.C. in Virginia Beach attaching “CONFIDENTIAL DRAFT Proposal”

(In violation of Title 18, United States Code, Section 1343).

COUNT TEN
(Mail Fraud)

18. Paragraphs 1 through 15 of the General Allegations section of this Indictment are incorporated by reference as though fully set forth herein.

19. The Marketview debit cards were regularly sent at defendant's direction via United Parcel Service ("UPS"), a private and commercial interstate carrier, to Victim Company's primary office in Virginia Beach, Virginia. Management would then further distribute the debit cards to the individual employees so they could receive their salaries.

20. In and around February 2019, A.S. was hired by Victim Company and, shortly thereafter, received a debit card issued by Marketview, which had been mailed to Victim Company via UPS. On or about September 26, 2019, A.S. attempted to use the debit card to withdraw \$120.00 from an ATM but was unable to access his funds.

21. In and around February and March 2019, in the Eastern District of Virginia and elsewhere, DERICKSON LAWRENCE, for the purpose of executing the above-described scheme and artifice to defraud and to fraudulently obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, did knowingly cause to be delivered by mail and by private and commercial interstate carrier according to the direction thereon and at the place at which it was directed to be delivered by the person to whom it was addressed the following matter: a debit card for the benefit of Victim Company employee A.S.

(In violation of Title 18, United States Code, Section 1341).

COUNT ELEVEN
(Wire Fraud)

22. 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. The mission of the SBA was to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

23. As part of this effort, the SBA enabled and provided for loans through banks, credit unions and other lenders. These loans have government-backed guarantees. In addition to traditional SBA funding programs, The Coronavirus Aid, Relief, and Economic Security ("CARES") Act, which was signed into law in March 2020, established several new temporary programs and provided for the expansion of others to address the COVID-19 pandemic.

24. One of these new programs was the SBA paycheck Protection Program ("PPP"), which provided for loans as a direct incentive for small businesses to keep their workers on the payroll. Under this program, the SBA forgave all or part of loans if the applying business kept its employees on the payroll for eight weeks and submitted documentation confirming that the loan proceeds were used for payroll, rent, mortgage interest, or utilities. Interested applicants applied through an existing SBA lender or any other participating federally insured financial institution.

25. The PPP application process requires applicants to submit a Borrower Application Form through an SBA-approved financial entity, signed by an authorized representation of the business. The application contained information, among other things, as to the purpose of the loan, average monthly payroll, number of employees and background of the business and its owner. These figures were used by the lender to calculate the amount of money the small business was eligible to receive under the PPP. In addition, applicants had to provide

documentation showing their payroll expenses. Applicants were also required to make good faith certifications, including that economic uncertainties have necessitated their loan requests for continued business operations and that they intend to use loan proceeds only for the authorized and not any duplicative purposes. The lenders relied on the accuracy of the information contained in the PPP applications and supporting documents.

26. The SBA oversaw the PPP. However, individual PPP loans were issued by private, approved lenders who received and processed PPP applications and the supporting documentation, and then made loans using the lenders' own funds, which were 100% guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender, or by a partner on the lender's behalf, via wire to the SBA in the course of processing the loan. For application submitted through August 8, 2020, the SBA used the E-Tran server located in Sterling, Virginia, within the Eastern District of Virginia, to process the applicant's data electronically to determine if a loan should be authorized. Similarly, after its review, the SBA used the E-Tran computer server located in Sterling, Virginia, to notify the lenders, or a partner on the lender's behalf, electronically if a loan should be funded.

27. TD Bank, N.A., is a financial institution headquartered in Cherry Hill, New Jersey. TD Bank participated in the PPP as a lender, and, as such, was authorized to lend funds to eligible borrowers under the terms of the PPP.

28. During the relevant time period, defendant was the Chief Executive Officer and sole owner of a business called Marketview, Inc. ("Marketview") which conducted business out of a physical location in Mount Vernon, New York, where defendant also resided.

29. Between in and around April 6, 2020 to in and around May 13, 2020, in the Eastern District of Virginia and elsewhere, DERICKSON LAWRENCE, defendant herein, knowingly devised and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises affecting a financial institution, for which the defendant transmitted and caused to be transmitted by means of wire communications in interstate commerce certain writings, signs, signals, and sounds for the purpose of executing the scheme and artifice to defraud and for obtaining money by means of materially false and fraudulent pretenses, representations, and promises.

30. The primary purpose of the scheme and artifice to defraud was for defendant to fraudulently obtain pandemic-related benefits in the form of SBA Paycheck Protection Program (PPP) loans using Marketview.

31. It was part of the scheme and artifice that defendant submitted an application for a loan under the PPP programs that contained false statements, misrepresentations, and omissions related to Marketview's payroll and employees.

32. It was further part of the scheme and artifice that defendant falsely attested on the PPP loan applications that the information provided in the application and the information provided in all supporting documents was true and accurate in all material respects.

33. It was further part of the scheme and artifice that defendant altered the supporting documentation, to wit, bank statements, to falsely portray Marketview's 2020 payroll by concealing that the bank statements actually reflected account activity from February 2016.

34. It was further part of the scheme and artifice that, on or about May 13, 2020, defendant received a PPP loan from TD Bank in the amount of \$26,250.00.

(In violation of Title 18, United States Code, Section 1343).

FORFEITURE

THE GRAND JURY FURTHER FINDS PROBABLE CAUSE THAT:

1. The defendant, DERICKSON LAWRENCE, if convicted of any of the violations alleged in Counts One through Eleven of this Indictment, shall forfeit to the United States, as part of the sentencing pursuant to Federal Rule of Criminal Procedure 32.2, any property, real or personal, which constitutes or is derived from proceeds traceable to the violation.

2. If any property that is subject to forfeiture above is not available, it is the intention of the United States to seek an order forfeiting substitute assets pursuant to Title 21, United States Code, Section 853(p) and Federal Rule of Criminal Procedure 32.2(e).

(In accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c)).

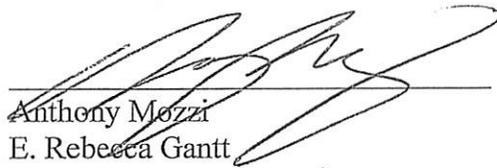
United States v. Derickson Lawrence, Criminal No. 2:23-CR-089

A TRUE BILL: Pursuant to the E-Government Act,
the original of this page has been filed
under seal in the Clerk's Office

FOREPERSON

JESSICA D. ABER
UNITED STATES ATTORNEY

By:



Anthony Mozzi
E. Rebecca Gantt

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JS 45 (11/2002)

Criminal Case Cover Sheet

Redacted

U.S. District Court

Place of Offense:		Under Seal: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Judge Assigned:
City: <u>EDVA</u>	Superseding Indictment: YES		Criminal Number: 23-cr-00089-1
County/Parish:	Same Defendant: YES		New Defendant:
	Magistrate Judge Case Number:	Arraignment Date:	
	Search Warrant Case Number:		
	R 20/R 40 from District of		

Defendant Information:

Juvenile: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		FBI#			
Defendant: <u>Derickson Lawrence</u>			Alias Name(s):		
Address: [REDACTED]					
Birth Date: [REDACTED]	SS#: [REDACTED]	Sex: <u>M</u>	Race: <u>B</u>	Nationality:	Place of Birth: <u>New York</u>
Height: <u>5'10"</u>	Weight: <u>180</u>	Hair: <u>Black</u>	Eyes: <u>Brown</u>	Scars/Tattoos	
Interpreter: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		List Language and/or dialect:			
USMS# <u>90399-083</u>		State ID:			

Location Status:

Arrest Date:		
<input type="checkbox"/> Already in Federal Custody as of: _____ in: _____		
<input type="checkbox"/> Already in State Custody	<input checked="" type="checkbox"/> On Pretrial Release (for state)	Not in Custody
<input type="checkbox"/> Arrest Warrant Requested	<input type="checkbox"/> Fugitive	<input type="checkbox"/> Summons Requested for
<input type="checkbox"/> Arrest Warrant Pending	<input type="checkbox"/> Detention Sought	<input type="checkbox"/> Bond

Defense Counsel Information:

Name: <u>Keith Kimball</u>	<input type="checkbox"/> Court Appointed
Address: <u>500 E. Main Street, Suite 500 Norfolk, VA. 23510</u>	<input type="checkbox"/> Retained
Telephone: <u>757-457-0800</u>	<input checked="" type="checkbox"/> Public Defender
Email: <u>keith_Kimball@fd.org</u>	<input type="checkbox"/> Office of Federal Public Defender should not be appointed due to conflict of interest
	<input type="checkbox"/> CJA attorney:

U.S. Attorney Information:

AUSA: <u>Anthony Mozzi</u>	Telephone No. <u>757-441-6331</u>	Bar #:
AUSA: <u>Rebecca Gantt</u>	Telephone No. <u>757-441-6331</u>	Bar# <u>83180</u>

Complainant Agency, Address & Phone Number or Person & Title:

Special Agent <u>Susan F. Romash</u> Federal Bureau of Investigation 509 Resource Row Chesapeake, Va. 23320 (757)-609-2527
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U.S.C. Citations:

	Code/Section	Description of Offense Charged	Count(s)	Capital/Felony/Misd/Petty
Set 1	18 U.S.C. § 1343	Wire Fraud	1-9,11	Felony
Set 2	18 U.S.C. § 1341	Mail Fraud	10	Felony
Set 3	18 U.S.C. § 981 (a)(1)(C) & 28 U.S.C. § 2461	Criminal Forfeiture		