

DCP:JN
F. #2020R00955

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA

I N F O R M A T I O N

- against -

HASHIM CAMPBELL,

Defendant.

Cr. No. 21-CR-478 (FB)
(T. 18, U.S.C., §§ 982(a)(2), 982(b)(1),
1349 and 3551 et seq.; T. 21, U.S.C.,
§ 853(p))

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THE UNITED STATES CHARGES:

I N T R O D U C T I O N

At all times relevant to this Information, unless otherwise indicated:

I. The Defendant and Relevant Individuals and Entities

1. The defendant HASHIM CAMPBELL was a resident of New York, New York.

2. In or about and between 2015 and the date of this Information, Expert Tax Services (“Expert Tax”) was a business in New York, New York, which was owned and operated by the defendant HASHIM CAMPBELL and members of his family. Expert Tax specialized in income tax return preparation and filing.

3. In or about and between 2016 and the date of this Information, Apex Accounting & Tax Inc. (“Apex”) was a business owned and operated by the defendant HASHIM CAMPBELL in Brooklyn, New York. Apex specialized in income tax preparation and filing.

4. Bank 1, an entity the identity of which is known to the United States, was a federally insured financial institution with branches across the United States, including in the

Eastern District of New York. Bank 1 operated a branch located in New York, New York (the “Bank 1 Branch New York”).

5. Co-Conspirator 1 (“CC-1”), Co-Conspirator 2 (“CC-2”) and Co-Conspirator 3 (“CC-3”), individuals whose identities are known to the United States, were employees of Bank 1 and worked at the Bank 1 Branch New York (the “Bank 1 Co-Conspirators”).

II. The Paycheck Protection Program

6. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or about March 2020, which was designed to provide emergency financial assistance to the millions of Americans who were suffering the economic effects of 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 about April 2020, Congress authorized over \$300 billion in additional PPP funding.

7. To obtain a PPP loan, a qualifying business was required to submit a PPP loan application signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and to make certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) was required to state, among other things, its: (a) average monthly payroll expenses, and (b) number of employees. These figures were used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, businesses applying for a PPP loan were required to provide documentation showing their payroll expenses.

8. The PPP was overseen by the Small Business Administration (“SBA”), which was headquartered in Washington, D.C., and had authority over all PPP loans. Individual PPP loans, however, were issued by approved private lenders such as participating financial institutions and credit unions (the “Lenders”). The Lenders received and processed PPP applications and supporting documentation and made loans using the Lenders’ own funds.

9. Upon approval of a PPP loan application, the Lender funded the PPP loan, which was 100 percent guaranteed by the SBA. Data from the PPP loan application, including information about the borrower, the total amount of the loan and the listed number of employees, was transmitted by the Lender to the SBA in the course of processing the loan.

10. PPP loan proceeds were permitted to be used by a borrower on specified expenses, such as payroll costs, interest on mortgages, rent and utilities. The PPP allowed the interest and principal on a PPP loan to be entirely forgiven if the borrower spent the loan proceeds on the enumerated expenses within a designated period of time and used a certain amount of the PPP loan proceeds on payroll expenses.

III. The Fraudulent Scheme

A. Overview

11. Following the enactment of the CARES Act, the defendant HASHIM CAMPBELL and the Bank 1 Co-Conspirators, together with others, orchestrated a scheme to submit fraudulent PPP loan applications on behalf of Bank 1 customers who did not legitimately qualify for loans under the PPP program in exchange for “commissions” taken from the loan proceeds.

12. The defendant HASHIM CAMPBELL and the Bank 1 Co-Conspirators, together with others, submitted and caused to be submitted to Bank 1 on behalf of borrowers

numerous PPP loan applications that contained materially false representations. CAMPBELL and the Bank 1 Co-Conspirators also obtained falsified tax documents, which were provided as support for the fraudulent PPP loan applications. Some of the PPP applicants resided in Brooklyn, New York and withdrew their fraudulent PPP loan proceeds at ATM locations in the Eastern District of New York. In addition, CAMPBELL and the Bank 1 Co-Conspirators obtained fraudulent PPP loans for CAMPBELL's family members and friends.

B. The Fraudulent PPP Loans

13. The Bank 1 Co-Conspirators worked with a network of recruiters to identify borrowers to fraudulently apply for PPP loans. The borrowers identified by the recruiters were either existing Bank 1 customers or became Bank 1 customers after they were recruited. In exchange for their assistance, the Bank 1 Co-Conspirators gave the recruiters "commissions" from the PPP loan proceeds. The Bank 1 Co-Conspirators enlisted two tax preparers, including the defendant HASHIM CAMPBELL, to aid applicants and the Bank 1 Co-Conspirators in the preparation of the fraudulent PPP loan applications and to falsify tax documents submitted with those applications.

14. Under PPP loan program rules, borrowers generally were eligible to receive loans of up to 2.5 times their businesses' average monthly payroll. The defendant HASHIM CAMPBELL worked with the Bank 1 Co-Conspirators to maximize the loan amount for each borrower whose business loan documents he helped prepare, including by providing false documents in support of the PPP applications. CAMPBELL provided borrowers with false Internal Revenue Service ("IRS") Form W-2s (reporting wages paid to employees) prepared by his tax preparation businesses, Expert Tax and Apex, to support the fraudulent PPP loan applications. CAMPBELL also helped borrowers inflate financial figures in the PPP loan applications. In

exchange for helping applicants submit the fraudulent PPP loan applications, CAMPBELL charged his customers a ten percent fee from the loan proceeds.

15. For example, in or about and between March 2020 and August 2020, the defendant HASHIM CAMPBELL assisted Individual-1, an individual whose identity is known to the United States, and other borrowers Individual-1 referred to CAMPBELL, in submitting fraudulent applications for PPP loans. Specifically, CAMPBELL created fraudulent income tax returns for Individual-1 and the referred borrowers. Individual-1 and the referred borrowers submitted the fraudulent tax documents along with their PPP applications and obtained PPP loans to which they were not entitled.

16. In or about and between March 2020 and August 2020, the defendant HASHIM CAMPBELL assisted several family members and friends in submitting fraudulent applications for PPP loans. CAMPBELL also created fraudulent income tax returns for his family members and friends, which they submitted with their PPP applications to obtain fraudulent loans. With CAMPBELL's assistance, his family and friends obtain approximately \$200,000 in fraudulent PPP loans.

17. In total, in or about and between March 2020 and August 2020, the defendant HASHIM CAMPBELL, together with others, fraudulently obtained PPP loans for New York-based businesses in an amount exceeding one million dollars. These loans were fully funded based on fraudulent information provided in the PPP loan applications. CAMPBELL personally obtained nearly \$100,000 in "commissions" from the PPP loan proceeds. CAMPBELL was ineligible to receive any commissions from the PPP loan proceeds per the terms of the program.

CONSPIRACY TO COMMIT WIRE FRAUD AND BANK FRAUD

18. The allegations contained in paragraphs one through 17 are realleged and incorporated as if fully set forth in this paragraph.

19. In or about and between March 2020 and August 2020, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant HASHIM CAMPBELL, together with others, did knowingly and intentionally conspire to execute a scheme and artifice, to wit:

(a) to defraud and to obtain money and property from Bank 1 and the SBA by means of one or more materially false and fraudulent pretenses, representations and promises, and to transmit and cause to be transmitted by means of wire communications in interstate commerce, writings, signs, signals, pictures and sounds, for the purpose of executing the scheme to defraud, contrary to Title 18, United States Code, Section 1343; and

(b) to defraud Bank 1, a financial institution, and to obtain money, funds, credits and other property owned by and under the custody and control of Bank 1, by means of one or more materially false and fraudulent pretenses, representations and promises, contrary to Title 18, United States Code, Section 1344.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION

20. The United States hereby gives notice to the defendant that, upon his conviction of the offense charged herein, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(2), which requires any person convicted of such offense to forfeit any property constituting, or derived from, proceeds obtained directly or indirectly as a result of such offense.

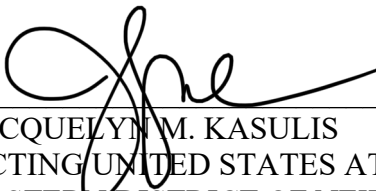
21. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided

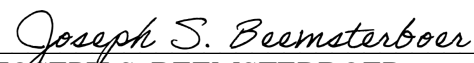
without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(2) and 982(b)(1); Title 21, United States Code, Section 853(p))



JACQUELYN M. KASULIS
ACTING UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK



JOSEPH S. BEEMSTERBOER
ACTING CHIEF
CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE

F.#: 2020R00955
FORM DBD-34
JUN. 85

No. _____

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CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

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INFORMATION

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A true bill.

Foreperson

Filed in open court this _____ *day,*

of _____ *A.D. 20* _____

Clerk

Bail, \$ _____

Julia Nestor and Chand Edwards-Balfour, Assistant U.S. Attorneys

(718) 254-6297/6238

Michael McCarthy, Trial Attorney (202) 305-3995