
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon. Cathy L. Waldor
 :
 v. : Mag. No. 22-9280
 :
 NYAN TERRY A/K/A/ "RACKS" :
 HYMEEN REYNOLDS A/K/A "MEEN" :
 CADECE LAPREAD :
 BRIAN BROWN A/K/A "BIZZ" :
 SAMIR JEFFERSON A/K/A "TANK JEFFE":
 NASIR WILLIAMS A/K/A "HARLEM PETE": **CRIMINAL COMPLAINT**

I, Special Agent Christopher Johnson, being duly sworn, state that the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Special Agent with the Federal Bureau of Investigation and that this complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached pages and made a part hereof.

Christopher Johnson
Special Agent Christopher Johnson
Federal Bureau of Investigation

Special Agent Christopher Johnson attested to this Complaint by telephone pursuant to Federal Rule of Criminal Procedure 4.1(b)(2)(A) on July 1, 2022, in New Jersey.

July 1, 2022, at 1:00 P.M.
Newark, New Jersey

HONORABLE CATHY L. WALDOR
UNITED STATES MAGISTRATE JUDGE

s/ The Honorable Cathy L. Waldor
Signature of Judicial Officer

ATTACHMENT A

Counts One Through Three
(Bank Fraud)

From at least in or about April 2021 through in or about May 2021, in Essex County, in the District of New Jersey and elsewhere, defendants

NYAN TERRY a/k/a/ “Racks”
HYMEEN REYNOLDS a/k/a “Meen”
BRIAN BROWN a/k/a “Bizz”
CADECE LAPREAD
SAMIR JEFFERSON a/k/a “Tank Jeffe”
NASIR WILLIAMS a/k/a “Harlem Pete”

did knowingly and intentionally execute and attempt to execute a scheme and artifice to defraud one or more financial institutions, as defined by 18 U.S.C. § 20, to wit: Lender 1 and Lender 2, the deposits of which were each insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, and credits owned by and under the control of such financial institutions by means of materially false and fraudulent pretenses, representations, and promises.

Count	Approximate Date	Description
1	On or about April 14, 2021	CADECE LAPREAD, aided and abetted by BRIAN BROWN, NYAN TERRY, and HYMEEN REYNOLDS, submitted a fraudulent loan application for Paycheck Protection Program (“PPP”) funds on behalf of CADECE LAPREAD to Lender 1 and obtained approximately \$20,833 in PPP funds.
2	On or about April 30, 2021	SAMIR JEFFERSON, aided and abetted by NYAN TERRY, submitted a fraudulent loan application for Paycheck Protection Program (“PPP”) funds on behalf of SAMIR JEFFERSON to Lender 2 and obtained approximately \$20,833 in PPP funds.
3	On or about April 25, 2021	NASIR WILLIAMS submitted a fraudulent loan application for PPP funds on behalf of NASIR WILLIAMS to Lender 2 and obtained approximately \$20 833 in PPP funds.

In violation of Title 18, United States Code, Sections 1344(2) and 2.

Counts Four and Five
(Conspiracy to Commit Bank Fraud)

From at least in or about April 2021 through in or about May 2021, in Essex County, in the District of New Jersey and elsewhere, defendants

NYAN TERRY a/k/a/ “Racks”
Hymeen Reynolds a/k/a “Meen”
Brian Brown a/k/a “Bizz”
CADECE LAPREAD
SAMIR JEFFERSON a/k/a “Tank Jeffe”

did knowingly, intentionally, and unlawfully combine, conspire, confederate, and agree together, with other persons both known and unknown, to execute and attempt to execute a scheme and artifice to defraud one or more financial institutions, as defined by 18 U.S.C. § 20, to wit: Lender 1 and Lender 2, the deposits of which were each insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, and credits owned by and under the control of such financial institutions by means of materially false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344(2).

Count	Approximate Date	Description
4	In or about April 2021 through in or about May 2021	CADECE LAPREAD, BRIAN BROWN, NYAN TERRY, and Hymeen Reynolds, conspired together to submit a fraudulent loan application for Paycheck Protection Program (“PPP”) funds on behalf of CADECE LAPREAD to Lender 1 and obtained approximately \$20,833 in PPP funds.
5	In or about April 2021 through in or about May 2021	SAMIR JEFFERSON and NYAN TERRY, conspired together to submit a fraudulent loan application for Paycheck Protection Program (“PPP”) funds on behalf of SAMIR JEFFERSON to Lender 2 and obtained approximately \$20,833 in PPP funds.

In violation of Title 18, United States Code, Section 1349.

ATTACHMENT B

I, Christopher Johnson, a Special Agent with the Federal Bureau of Investigation, having conducted an investigation and having discussed this matter with other law enforcement officers who have participated in this investigation, have knowledge of the following facts. Because this Complaint is being submitted for the limited purpose of establishing probable cause, I have not included each and every fact known to me concerning this investigation. Rather, I have set forth only the facts that I believe are necessary to establish probable cause. Unless specifically indicated, all dates described in this affidavit are approximate and all statements or representations described in this affidavit are related in substance and in part.

Overview

1. On or about June 15, 2021, NYAN TERRY a/k/a “Racks” (“TERRY”) was charged by federal criminal complaint with various narcotics trafficking offenses that occurred in or around 2020. *See* Mag. No. 21-12277 (CLW). On or about June 21, 2021, TERRY was arrested on those charges and they remain pending. After TERRY’s arrest, a lawful search was performed on his cell phone (the “Subject Phone”). A review of the messages recovered from the Subject Phone revealed evidence that TERRY and others were conspiring and acting together to obtain PPP loans fraudulently.

2. From at least in or about April 2021 through in or about May 2021, defendants TERRY, HYMEEN REYNOLDS a/k/a “Meen” (“REYNOLDS”), BRIAN BROWN a/k/a “Bizz” (“BROWN”), CADECE LAPREAD (“LAPREAD”), SAMIR JEFFERSON a/k/a “Tank Jeffe” (“JEFFERSON”) and NASIR WILLIAMS a/k/a “Harlem Pete” (“WILLIAMS”) used a variety of false statements and representations to fraudulently obtain approximately \$62,000 in federal COVID-19 emergency relief loans meant for distressed small businesses. To obtain the loans, LAPREAD, JEFFERSON and WILLIAMS, with the assistance of TERRY and REYNOLDS, submitted falsified loan applications to two different lenders (“Lender 1” and “Lender 2”) on behalf of LAPREAD’s, JEFFERSON’s and WILLIAMS’ purported businesses.

3. On one loan application, LAPREAD, with the aid and assistance of BROWN, TERRY and REYNOLDS, falsified various types of information associated with her purported business, CADECE LAPREAD, including: the existence of the business itself, the business’ gross income, the year the business was established and federal tax documents. LAPREAD then misused the loan proceeds, including by purchasing luxury items, and splitting the proceeds with TERRY.

4. On another loan application, JEFFERSON, with the aid and assistance of TERRY, falsified various types of information associated with his purported business, SAMIR JEFFERSON, including: the existence of the business itself, the business' gross income, the year the business was established and federal tax documents.

5. On another loan application, WILLIAMS falsified various types of information associated with his purported business, NASIR WILLIAMS, including: the existence of the business itself, the business' gross income, the year the business was established and federal tax documents. WILLIAMS then misused the loan proceeds, including by purchasing various luxury items, and withdrawing large sums of cash.

Background

The Paycheck Protection Program Loan

6. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act is a federal law enacted in or about March 2020 and 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 PPP funding.

7. 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 be eligible to obtain the PPP loan. In the PPP loan application, the small business 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 showing their payroll expenses. Additionally, the business entity must have existed in an operational condition on February 15, 2020.

8. 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 money, which is 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, is transmitted by the lender to the SBA in the course of processing the loan.

9. PPP loan proceeds must be used by the business on certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allows the 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 Defendants and Relevant Entities

10. At all times as relevant to this Complaint:
- a. LAPREAD was a resident of Montclair, New Jersey and the purported sole proprietor of “CADECE LAPREAD” through which she fraudulently applied for PPP loan funds.
 - b. BROWN was a resident of Montclair, New Jersey,
 - c. JEFFERSON was a resident of Newark, New Jersey and the purported sole proprietor of “SAMIR JEFFERSON” through which he fraudulently applied for PPP loan funds.
 - d. WILLIAMS was a resident of East Orange, New Jersey and the purported independent contractor of “NASIR WILLIAMS” through which he fraudulently applied for PPP loan funds.
 - e. TERRY was a resident of Newark, New Jersey.
 - f. REYNOLDS was a resident of Newark, New Jersey.
 - g. TERRY, JEFFERSON and WILLIAMS were Sex Money Murder Bloods gang members.
 - h. Lender 1 was a financial institution insured by the Federal Deposit Insurance Corporation (“FDIC”) headquartered in Laguna Hills, California.
 - i. Lender 2 was a financial institution insured by the FDIC headquartered in Coral Gables, Florida.
 - j. Bank 1 was a financial institution insured by the FDIC headquartered in Enid, Oklahoma.
 - k. Bank 2 was a financial institution insured by the FDIC headquartered in Wilmington, Delaware.

1. Lender 1 and Lender 2 were authorized participating lenders for the PPP.

The Scheme to Defraud

11. From at least in or about April 2021 through in or about May 2021, LAPREAD, with the aid and assistance of BROWN, TERRY and REYNOLDS, submitted, or caused to be submitted, a fraudulent loan application to an approved lender, Lender 1, in order to fraudulently obtain funds through the PPP program.

12. In or about the months of April and May 2021, TERRY was messaging with LAPREAD and BROWN. In the messages, the following information was shared:

- a. LAPREAD and BROWN referred to each other as husband and wife.¹
- b. On or about April 6, 2021, TERRY asked for and BROWN provided LAPREAD's full name, date of birth, social security number and address to TERRY.
- c. On or about April 6, 2021, TERRY stated to BROWN, "Shit gone hit for like 20 watch."
- d. On or about April 11, 2021, BROWN sent front and back pictures of LAPREAD's driver's license to TERRY.
- e. On or about April 11, 2021, TERRY sent BROWN the web address for a company that provides, among other things, online PPP loan application access.
- f. On or about April 11, 2021, BROWN messaged TERRY that LAPREAD was "doing it now"—presumably referring to LAPREAD's submission of her photo identification and photographs of herself to verify her identity as the loan applicant—and asked TERRY several times for codes sent to TERRY's email address, which was used on the April 14, 2021, loan application. TERRY responded each time with a six-digit code and BROWN replied, "that worked" and "done."
- g. On or about April 11, 2021, BROWN then messaged TERRY, "you spelled her last name wrong thats why its not working her last name is Lapread not pread you gotta fixed." TERRY replied, "I just fixed it."

¹ Law enforcement has learned that Lapread and Brown live together and have a child together, but has not confirmed whether they are in fact married.

- h. On or about April 13, 2021, TERRY messaged BROWN that “the face scan still didn’t go thru” followed by “I’m a have to pull up on u or something” “And do it from my phone.”
- i. On or about April 13, 2021, TERRY sent BROWN a screenshot from his email inbox with instructions to login on a website and complete the “Identity Check.”
- j. On or about April 19, 2021, TERRY messaged BROWN, “The bread should hit before Thursday.”
- k. On or about April 19, 2021, BROWN messaged TERRY, “she its its kool if she sends you a code just send it right back she appreciates whats your doing,” and TERRY replied, “but tell her she girl feel good when that momey (sic) hit.”
- l. On or about April 22, 2021, TERRY messaged BROWN, “Should hit tomorrow.”
- m. On or about April 23, 2021, TERRY sent a screenshot showing that LAPREAD’s loan was funded,² followed by the message, “Lmk when she back.” BROWN replied, “got you bro.” TERRY replied, “How long you think she gone take” followed by “Cause I gotta get wit bro So he could get his.”
- n. Also on or about April 23, 2021, TERRY messaged BROWN, “Send 3,000,” followed by, “Then send another 3.” BROWN replied, “she just sent 5,” followed by, “she trying for another 5” and “its done.” TERRY then messaged, “It’s 8 left.”
- o. On or about May 5, 2021, TERRY messaged BROWN, “You gotta do 2 more cash order.”
- p. On or about May 13, 2021, LAPREAD messaged TERRY, “Hi its Bizz wife I just sent you a verification code,” and TERRY replied with a six-digit code. LAPREAD and TERRY exchanged several more messages regarding six-digit codes.
- q. In one message, on or about May 21, 2021, TERRY instructed LAPREAD, “Keep trying until it go thru,” and in the next message wrote, “Because the money would have been came but since that didn’t go thru we gotta wait.” TERRY next sent LAPREAD another six-digit code. LAPREAD replied “Done,” TERRY replied, “it went thru?” and LAPREAD replied, “Yes.”

² This further indicates that Terry had his own access to Lapread’s loan application and status.

- r. In subsequent messages, on or about May 23, 2021, LAPREAD sent TERRY a screenshot of the application website with green checks next to every listed item and a message: “It says this.” TERRY replied, “Aigh so u good.”
- s. Later on or about May 27, 2021, LAPREAD messaged TERRY and asked, “How are you doing? Have you heard anything yet?” TERRY replied, “It says it’s waiting for approval.”

13. In or about the months of April and May 2021, at the same time TERRY was messaging with LAPREAD and BROWN, TERRY was also messaging with REYNOLDS. In the messages, the following information was shared:

- a. On or about April 6, 2021, TERRY forwarded Lapread’s info to REYNOLDS as he received it from Brown.
- b. On or about April 14, 2021, TERRY asked, “What year should I put for when the business started” and, following a screenshot, “What to put right here.” REYNOLDS replied, “Imma call right bqck.”
- c. On or about April 18, 2021, TERRY asked, “After it say lender funding how long it take after that,” and REYNOLDS replied, “Like 2 weeks,” followed by, “Make sure you break me off.”³
- d. On or about April 22, 2021, TERRY messaged REYNOLDS, “when my shit hit u gone take me to wipe down and im still givin you that band.”⁴ REYNOLDS asked, “You think you could throw me 2?” and TERRY replied, “Ima see what I could do ona set I told them they could keep 8,” followed by “And I told the homie I got them but ima do sumn for u.”

14. In connection with this fraud, LAPREAD, with the aid and assistance of BROWN, TERRY and REYNOLDS, submitted, or caused to be submitted, the following PPP application to Lender 1 (the “LAPREAD Application”):

Name of Business Applicant	Amount Approved	Lender	Approximate Application Date	Status
CADECE LAPREAD	\$20,833	Lender 1	April 14, 2021	Funded

³ Law enforcement understands REYNOLDS to have been instructing TERRY to pay REYNOLDS a portion of the proceeds of the PPP loan to LAPREAD.

⁴ Band is slang for \$1,000.

15. From at least in or about April 2021 through in or about May 2021, JEFFERSON, with the aid and assistance of TERRY, submitted, or caused to be submitted, a fraudulent loan application to an approved lender, Lender 2, in order to fraudulently obtain funds through the PPP program.

16. In or about the months of April and May 2021, TERRY was messaging with JEFFERSON. In the messages, the following information was shared:

- a. On or about April 17, 2021, TERRY messaged JEFFERSON, “My bread bout to hit for this sba⁵ if u need anything lmk.”
- b. On or about April 29, 2021, JEFFERSON sent TERRY screenshots of his progress in the PPP loan application process and TERRY replied. “Yea u green cuz.”⁶
- c. On or about April 30, 2021, JEFFERSON sent to TERRY a screenshot of a webpage with a red box around a text field requiring the year of business registration, followed by the message, “This popped back up.” TERRY replied, “Put 2020,” immediately followed by another message: “2019.”
- d. JEFFERSON continued to share screenshots of the application process with TERRY and TERRY continued to guide him through the process.
- e. On or about May 5, 2021, JEFFERSON messaged TERRY, “Ion got no job cuz t” and TERRY replied, “Ion think u have to have a job cuz.”
- f. On or about May 5, 2021, JEFFERSON messaged TERRY, “My shit should hit this week,” and TERRY replied, “Yeah in like 4 days.”
- g. On or about May 13, 2021, JEFFERSON sent TERRY a screenshot that indicated his loan was funded.

17. In connection with this fraud, JEFFERSON, with the aid and assistance of TERRY, submitted, or caused to be submitted, the following PPP application to Lender 2 (the “JEFFERSON Application”):

⁵ Law enforcement understands “sba” to be a reference to the Small Business Administration.

⁶ The use of the term “green” appears to be related to a green banner on the used website when verifying the account where the PPP funds are to be deposited. The term “u green” therefore appears to be used to indicate that the other person is ready to be funded.

Name of Business Applicant	Amount Approved	Lender	Approximate Application Date	Status
SAMIR JEFFERSON	\$20,833	Lender 2	April 30, 2021	Funded

18. From at least in or about April 2021 through in or about May 2021, WILLIAMS, submitted, or caused to be submitted, a fraudulent loan application to an approved lender, Lender 2, in order to fraudulently obtain funds through the PPP program.

19. In connection with this fraud, WILLIAMS submitted, or caused to be submitted, the following PPP application to Lender 2 (the “WILLIAMS Application”):

Name of Business Applicant	Amount Approved	Lender	Approximate Application Date	Status
NASIR WILLIAMS	\$20,833	Lender 2	April 25, 2021	Funded

The April 14, 2021, LAPREAD APPLICATION

20. On or about April 14, 2021, Lender 1 received the LAPREAD Application. The LAPREAD Application was submitted in LAPREAD’s name and listed her social security number and identified the business as a sole proprietorship. In addition, the LAPREAD Application listed LAPREAD as the sole proprietor of CADECE LAPREAD and her home address in Montclair, New Jersey. In support of the loan application, LAPREAD also provided a copy of her New Jersey Driver’s License.

21. The LAPREAD Application stated that CADECE LAPREAD’s gross income from tax year 2020 was \$103,625 and that LAPREAD was the company’s only employee. In connection with CADECE LAPREAD’s purported gross income numbers, the PPP application included a Schedule C (IRS Form 1040) Profit or Loss From Business for 2020.

22. The LAPREAD Application also contained the following materially false and fraudulent information:

- a. A review of information obtained from the IRS revealed that no Form 1040, Schedule Cs, for CADECE LAPREAD were filed between 2018 and 2020.

- b. There is no business registered in the state of New Jersey to LAPREAD.

23. On or about April 23, 2021, the full loan amount of approximately \$20,833 was transferred into LAPREAD's bank account at Bank 1.

The April 30, 2021, JEFFERSON APPLICATION

24. On or about April 30, 2021, Lender 2 the JEFFERSON Application. The JEFFERSON Application was submitted in JEFFERSON's name and listed his social security number and identified the business as a sole proprietorship. In addition, the JEFFERSON Application listed JEFFERSON as the sole proprietor of SAMIR JEFFERSON and his home address in Newark, New Jersey. In support of the JEFFERSON Application, JEFFERSON also provided a copy of his New Jersey Driver's License.

25. The JEFFERSON Application stated that SAMIR JEFFERSON's gross income from tax year 2020 was \$103,625 and that JEFFERSON was the company's only employee. In connection with SAMIR JEFFERSON's purported gross income numbers, the PPP application included a Schedule C (IRS Form 1040) Profit or Loss From Business for 2020.

26. The JEFFERSON Application also contained the following materially false and fraudulent information:

- a. A review of information obtained from the IRS revealed that no Form 1040, Schedule Cs, for SAMIR JEFFERSON were filed between 2018 and 2020.
- b. There is no business registered in the state of New Jersey to JEFFERSON.

27. On or about May 17, 2021, the full loan amount of approximately \$20,833 was transferred into JEFFERSON's bank account at Bank 2.

The April 25, 2021, WILLIAMS APPLICATION

28. On or about April 25, 2021, Lender 2 the WILLIAMS Application. The WILLIAMS Application was submitted in WILLIAM's name and listed his social security number and identified the business as an independent contractor. In addition, the WILLIAMS Application listed WILLIAMS as the sole employee of NASIR WILLIAMS and his home address in East Orange,

New Jersey. In support of the WILLIAMS Application, WILLIAMS also provided a copy of his New Jersey Driver's License.

29. The WILLIAMS Application stated that NASIR WILLIAMS's gross income from tax year 2020 was \$101,112 and that WILLIAMS was the company's only employee. In connection with NASIR WILLIAMS's purported gross income numbers, the PPP application included a Schedule C (IRS Form 1040) Profit or Loss From Business for 2020.

30. The WILLIAMS Application also contained the following materially false and fraudulent information:

- a. A review of information obtained from the IRS revealed that no Form 1040, Schedule Cs, for NASIR WILLIAMS were filed between 2018 and 2020.
- b. There is no business registered in the state of New Jersey to WILLIAMS.

31. On or about May 17, 2021, the full loan amount of approximately \$20,833 was transferred into WILLIAMS's bank account at Bank 1.