

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
UNITED STATES OF AMERICA :
 :
 - v. - :
 :
 LOUIS LLUBERES, :
 a/k/a "Luis Lluberes," :
 MOISES LLUBERES, :
 MARIA AGUILAR, :
 a/k/a "Maria Hewitt," and :
 MARIA LOPEZ, :
 :
 Defendants. :
----- X

SEALED INDICTMENT

20 Cr.

20 CRIM 493

COUNT ONE
(Conspiracy to Commit Bank and Wire Fraud)

Overview

The Grand Jury charges:

1. At all times relevant to this Indictment, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," MARIA LOPEZ, the defendants, and others, engaged in a fraudulent scheme to generate fraudulent invoices and accounts receivables on the accounting books of their staffing company ("Company-1"), which allowed Company-1 to borrow more than \$520 million to which it was not entitled and sell Company-1 at an grossly inflated price. To promote and conceal their fraudulent scheme, the defendants and others created and used two shell

companies to misappropriate and launder more than \$100 million of Company-1 funds.

2. At all times relevant to this Indictment, LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, served as Chief Executive Officer of Company-1, based in Orlando, Florida, which he founded in or about 1995. Company-1 operated as a staffing company, supplying other businesses across the United States with temporary and permanent labor. MOISES LLUBERES, the defendant, served as Company-1's Chief Financial Officer and MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, worked in Company-1's accounting department. MOISES LLUBERES is LOUIS LLUBERES's brother, AGUILAR resided with MOISES LLUBERES, and MARIA LOPEZ is LOUIS LLUBERES's daughter.

3. Company-1 maintained a revolving line of credit with a United States-based bank (the "Line of Credit" and "Bank-1"). The amount that Company-1 could borrow from Bank-1 at a given time was determined by Company-1's borrowing base (the "Borrowing Base"). The Borrowing Base was calculated by applying a predetermined ratio, commonly referred to as an "advance rate," to the amount of Company-1's accounts receivable that were younger than 90, and in some cases, 120 days' old. Invoices that were more than 90 or 120 days past due were excluded from the Borrowing Base. MOISES

LLUBERES and MARIA LOPEZ, the defendants, and other Company-1 representatives, submitted materials to Bank-1 on a weekly basis so that Bank-1 could regularly update Company-1's Borrowing Base.

4. Beginning in or about 2017, after losing significant business from major clients, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others, initiated a scheme whereby they caused more than 2,000 fraudulent invoices (the "Fictitious Receivables") to be generated and placed on Company-1's accounting books. The creation and recording of these Fictitious Receivables created the appearance that Company-1 conducted far greater business than was the reality. MOISES LLUBERES and MARIA LOPEZ, the defendants, and other Company-1 representatives, would include the Fictitious Receivables in materials submitted to Bank-1 for Company-1's Borrowing Base calculation. The inclusion of these Fictitious Receivables significantly inflated Company-1's Borrowing Base and thereby allowed Company-1 to draw on more of the Line of Credit than it was actually entitled.

5. In order to sustain and conceal the Fictitious Receivables and Company-1's artificially enhanced Borrowing Base, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA

AGUILAR, a/k/a "Maria Hewitt," the defendants, and others, created and utilized two shell companies ("Shell-1" and "Shell-2") through which the defendants funneled cash obtained from the Bank-1 Line of Credit. After moving the funds through Shell-1 and Shell-2, including transfers through the Southern District of New York, the defendants transferred the funds back into Company-1's corporate account, and falsely recorded the funds as sales revenue. The defendants applied those funds against Company-1's aging accounts receivable, including the Fictitious Receivables. These cash transfers, with funds ultimately derived from Bank-1 being applied to pay off the Fictitious Receivables, allowed the defendants to enhance Company-1's Borrowing Base. This preservation of the Borrowing Base allowed Company-1 to continue borrowing tens of millions of dollars from Bank-1.

6. In or about May 2018, an investor group (the "Investor Group"), led by an investment firm ("Firm-1"), acquired Company-1. As part of this acquisition, Company-1 supplied the Investor Group with financial statements and accounting records, including the Fictitious Receivables, which caused the Investor Group to grossly overvalue Company-1's value by tens of millions of dollars. As part of the acquisition, LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, was paid approximately \$17.5 million (the

"Acquisition Payments"). LOUIS LLUBERES transferred hundreds of thousands of dollars in the Acquisition Payments to MOISES LLUBERES, the defendant, and more than ten thousand dollars of the Acquisition Payments to MARIA LOPEZ, the defendant.

7. These fraudulent activities continued until in or about March 2020, when the scheme was uncovered. Company-1 thereafter fired LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants.

Creation of Fictitious Receivables

8. Beginning in or about February 2017, Company-1 began recording Fictitious Receivables on Company-1's books. Company-1 incorporated Fictitious Receivables into financial records used by Bank-1 to calculate Company-1's Line of Credit Borrowing Base and which Company-1 certified as "true and correct."

9. Between in or about February 2017 and in or about March 2020, Company-1 recorded more than 2,000 Fictitious Receivables.

10. MARIA LOPEZ, the defendant, was responsible for importing the vast majority of Fictitious Receivables onto Company-1's books. LOPEZ, among others, was also responsible for assigning incoming cash payments from Shell-2 toward Fictitious Receivables and marking the Fictitious Receivables as paid.

Use of Shell-1 and Shell-2

11. In or about October 2016, a co-conspirator not named herein ("CC-1") formed Shell-1 as a registered entity in the state of Florida. CC-1 was an employee of Company-1 and is listed as Shell-1's manager and registered agent.

12. In or about March 2017, MARIA AGUILAR, a/k/a "Maria Hewitt," the defendant, formed Shell-2 as a registered entity in the state of Nevada. LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, registered a website and email addresses under Shell-2's name.

13. Between in or about September 2017 and in or about March 2020, Company-1 accounts transferred a total of approximately \$120 million of funds drawn from the Line of Credit to Shell-1's bank account. Company-1's accounting system, which requires two authorized Company-1 employees to initiate and approve outgoing money transfers, indicates that MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, initiated and/or approved almost all of these transfers.

14. Between in or about September 2017 and in or about March 2020, Shell-1 transferred a total of approximately \$119 million to Shell-2, constituting more than approximately 90% of all funds received by Shell-2. Internet service provider records indicate

that the home address where both MOISES LLUBERES and MARIA AGUILAR, a/k/a "Maria Hewitt," the defendants, reside was used to log on to Shell-1's bank account, coinciding with many of these transfers.

15. Between in or about September 2017 and in or about March 2020, Shell-2 transferred a total of approximately \$129 million to Company-1's collections account, maintained by Bank-1, which is the designated account for Company-1's customer payments on outstanding invoices. Between in or about March 2017 and in or about February 2019, an email account belonging to MARIA AGUILAR, a/k/a "Maria Hewitt," the defendant, sent at least approximately 43 emails to MARIA LOPEZ, the defendant, signed in the name of Shell-2 and alerting the recipient that Shell-2 had made an electronic transfer into Company-1's Bank-1 account.

16. Once Company-1 received the misappropriated funds from Shell-2, MARIA LOPEZ, the defendant, and others, applied those funds to aging accounts receivable, including the Fictitious Receivables. In or about December 2017, MOISES LLUBERES, the defendant, emailed LOPEZ, referring to Shell-2 and stating "we have nothing to do with [Shell-2] expect [sic] for the fact that we receive client payments from them, so the money gets applied to the outstanding invoices on your 90+ columns."

17. These misappropriated and laundered funds were vital to Company-1's financial viability. For example, between March 28, 2018 and April 7, 2018, Company-1 drew approximately \$5.47 million from the Line of Credit. During this same time period, Company-1 transferred approximately \$2.78 million to Shell-1. In turn, during the same time period, Shell-1 wired approximately \$2.78 million to Shell-2. These funds were then wired from Shell-2 to Company-1. In the Borrowing Base reporting for the week ending April 7, 2018, which incorporates the majority of this time period, Company-1 claimed that it had collected approximately \$3.43 million from customers. This figure included approximately \$2 million in fraudulent "collections" that had been cycled from Company-1 through Shell-1 and Shell-2 back to Company-1, constituting approximately 58% of all collections claimed in that report.

The Investor Group's Acquisition of Company-1

18. Beginning in or about 2017, the Investor Group initiated negotiations to acquire Company-1. Although the Investor Group expressed concern regarding Company-1's relatively large amount of aging receivables, LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, assuaged the Investor Group's concerns, making assurances that he had good relationships with Company-1's largest

customers and that he would be able to collect on the aging accounts receivable.

19. On or about May 10, 2018, the Investor Group executed an agreement to purchase Company-1 (the "Purchase Agreement"). The enterprise value of Company-1 was calculated based on Company-1's financial statements and accounting records, including a list of purported outstanding receivables as of the date of the acquisition, which LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, represented to be "true, correct and complete," representing "*bona fide* transactions recorded in the books and records" of Company-1. Forensic Accountants retained by Company-1's attorneys have since identified that Fictitious Receivables totaling approximately \$56 million were included in these financial records, resulting in Company-1 having an approximately 430% overvalued enterprise value at the time of the acquisition. In reality, Company-1 was likely insolvent at the time of the acquisition.

20. The Purchase Agreement further identified a pool of aged invoices for which the Investor Group believed that collection was unlikely (the "Excluded Receivables"). The Purchase Agreement discounted the Excluded Receivables from Company-1's enterprise value but included a provision entitling LOUIS LLUBERES, a/k/a

"Luis Lluberes," the defendant, to the payments on the Excluded Receivables, to the extent they were collected. The Excluded Receivables included Fictitious Receivables.

21. LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, received approximately \$11.3 million on the day of Company-1's acquisition. LOUIS LLUBERES later received an additional approximately \$6.2 million based on purported collections of the Excluded Receivables, totaling approximately \$17.5 million in Acquisition Payments.

22. At least some of the monies that LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, the defendants, and others, claimed as Excluded Receivables, were in fact paid by misappropriated Company-1 funds funneled through Shell-1 and Shell-2. The claim that these funds represented payments by Company-1 customers for Excluded Receivables was false.

23. Shortly after the acquisition, LOUIS LLUBERES, a/k/a "Luis Lluberes," the defendant, transferred approximately at least \$716,000 of the Acquisition Payments to MOISES LLUBERES, the defendant, and approximately \$15,000 of Acquisition Payments to MARIA LOPEZ, the defendant. In April and July 2020, LOUIS LLUBERES transferred an additional at least \$30,000 of Acquisition Payments to MARIA LOPEZ.

24. LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, and MARIA AGUILAR, a/k/a "Maria Hewitt," the defendants, used the Acquisition Payments to acquire, among other things, luxury homes in Florida and the Dominican Republic, precious metals, vehicles, and other personal items, and transferred funds to friends and family members and a Tex-Mex restaurant operated by LOUIS LLUBERES, MOISES LLUBERES, and others, located in Santo Domingo, Dominican Republic.

Uncovering the Scheme

25. In or about February and March 2020, Firm-1 representatives began taking greater steps to collect on Company-1's aging accounts receivable. On or about March 27, 2020, the Investor Group removed LOUIS LLUBERES, a/k/a "Luis Lluberes," as CEO.

26. On or about March 30, 2020, counsel for LOUIS LLUBERES, a/k/a "Luis Lluberes," and MOISES LLUBERES, the defendants, wrote to Firm-1 representatives. In the letter, the LLUBERES' counsel wrote that "[a] review of the records of [Company-1] has revealed that there has been excessive billing to existing customers." The letter further admitted, in substance and in part, that the inflated billings were purportedly the result of the desires of unidentified "officers" to increase Company-1's sales and allow

Company-1 to draw more from its Line of Credit than Company-1 would otherwise be entitled to.

27. On or about March 30, 2020, MARIA AGUILAR, a/k/a "Maria Hewitt," the defendant closed Shell-2's bank account.

28. Company-1 fired LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, after it was alerted to the scheme.

Statutory Allegations

29. From at least in or about 2017 up to and including in or about March 2020, in the Southern District of New York and elsewhere, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others known and unknown, willfully and knowingly, did combine, conspire, confederate, and agree together and with each other to commit wire fraud, in violation of Title 18, United States Code, Section 1343, and bank fraud, in violation of Title 18, United States Code, Section 1344, to wit, LOUIS LLUBERES, MOISES LLUBERES, AGUILAR, and LOPEZ executed a scheme to falsely inflate Company-1's value through the use of Fictitious Receivables and transfers of funds through the Southern District of New York, causing Bank-1 to loan more than \$520 million to

Company-1 and the Investor Group to acquire Company-1 at a grossly inflated value.

30. It was a part and an object of the conspiracy that LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

31. It was further a part and an object of the conspiracy that LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others known and unknown, willfully and knowingly, would and did execute and attempt to execute, a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, credits, assets, securities, and other property

owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344.

(Title 18, United States Code, Section 1349.)

COUNT TWO
(Wire Fraud)

The Grand Jury further charges:

32. The allegations contained in paragraphs 1 through 28 of this Indictment are repeated and realleged as if fully set forth herein.

33. From at least in or about 2017 through in or about March 2020, in the Southern District of New York and elsewhere, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, LOUIS LLUBERES, MOISES

LLUBERES, AGUILAR, and LOPEZ executed a scheme to falsely inflate Company-1's value through the use of Fictitious Receivables and transfers of funds through the Southern District of New York, causing Bank-1 to loan more than \$520 million to Company-1 and the Investor Group to acquire Company-1 at a grossly inflated value.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT THREE
(Bank Fraud)

The Grand Jury further charges:

34. The allegations contained in paragraphs 1 through 28 of this Indictment are repeated and realleged as if fully set forth herein.

35. From at least in or about 2017 through in or about March 2020, in the Southern District of New York and elsewhere, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, willfully and knowingly, did execute and attempt to execute a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses,

representations, and promises, to wit, LOUIS LLUBERES, MOISES LLUBERES, AGUILAR, and LOPEZ executed a scheme to falsely inflate Company-1's value through the use of Fictitious Receivables and transfers of funds through the Southern District of New York, defrauding Bank-1 into loaning Company-1 millions of dollars to which Company-1 was not entitled.

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

COUNT FOUR
(Conspiracy to Commit Money Laundering)

The Grand Jury Further Charges:

36. The Grand Jury allegations contained in paragraphs 1 through 28 of this Indictment are repeated and realleged as if fully set forth herein.

37. From in or about 2017 through in or about March 2020, in the Southern District of New York and elsewhere, LOUIS LLUBERES, a/k/a "Luis Lluberer," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others known and unknown, intentionally and knowingly did combine, conspire, confederate, and agree together and with each other to engage in money laundering offenses, in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 1956(a)(1)(B)(i).

38. It was a part and an an object of the conspiracy that LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others known and unknown, knowing that the property involved in certain financial transactions represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions, which in fact involved the proceeds of specified unlawful activity, to wit, the wire and bank fraud offenses charged in Counts One through Three of this Indictment, knowing that the transactions were designed in whole or in part to promote the carrying on of that unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

39. It was further a part and an an object of the conspiracy that LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, and others known and unknown, knowing that the property involved in certain financial transactions represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions, which in fact involved the proceeds of specified unlawful activity, the wire and bank fraud offenses charged in Counts One through Three of this Indictment,

knowing that the transactions were designed in whole or in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

(Title 18, United States Code, Section 1956(h).)

FORFEITURE ALLEGATIONS

40. As a result of committing the offenses alleged in Counts One through Three of this Indictment, LOUIS LLUBERES, a/k/a "Luis Lluberes," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, shall forfeit to the United States pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2)(A), and Title 28, United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said offenses, including, but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses and the following specific property:

a.

b.

Redacted

and

c.

Redacted

41. As a result of committing the offense alleged in Count Four of this Indictment, LOUIS LLUBERES, a/k/a "Luis Lluberer," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all property, real and personal, involved in said offense, or any property traceable to such property, including but not limited to a sum of money in United States currency representing the amount of property involved in said offense.

Substitute Assets Provision

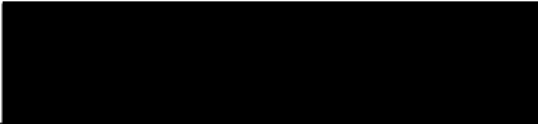
42. If any of the above-described forfeitable property, as a result of any act or omission of LOUIS LLUBERES, a/k/a "Luis Lluberer," MOISES LLUBERES, MARIA AGUILAR, a/k/a "Maria Hewitt," and MARIA LOPEZ, the defendants:

- 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) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

(Title 18, United States Code, Sections 981 and 982; Title 21 United States Code, Section 853; and Title 28, United States Code, Section 2461.)



FOREPERSON

Audrey Strauss /NWC
AUDREY STRAUSS
Acting United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

LOUIS LLUBERES,
a/k/a "Luis Lluberer,"
MOISES LLUBERES,
MARIA AGUILAR,
a/k/a "Maria Hewitt," and
MARIA LOPEZ,

Defendants.


INDICTMENT

20 Cr.

(Title 18, United States Code, Sections
1343, 1344, 1349, 1956, and 2.)

AUDREY STRAUSS

Acting United States Attorney


Foreperson
