The Virgin Islands Consortium

Six Indicted in Puerto Rico Over $9 Million Pandemic Fund Fraud Scheme

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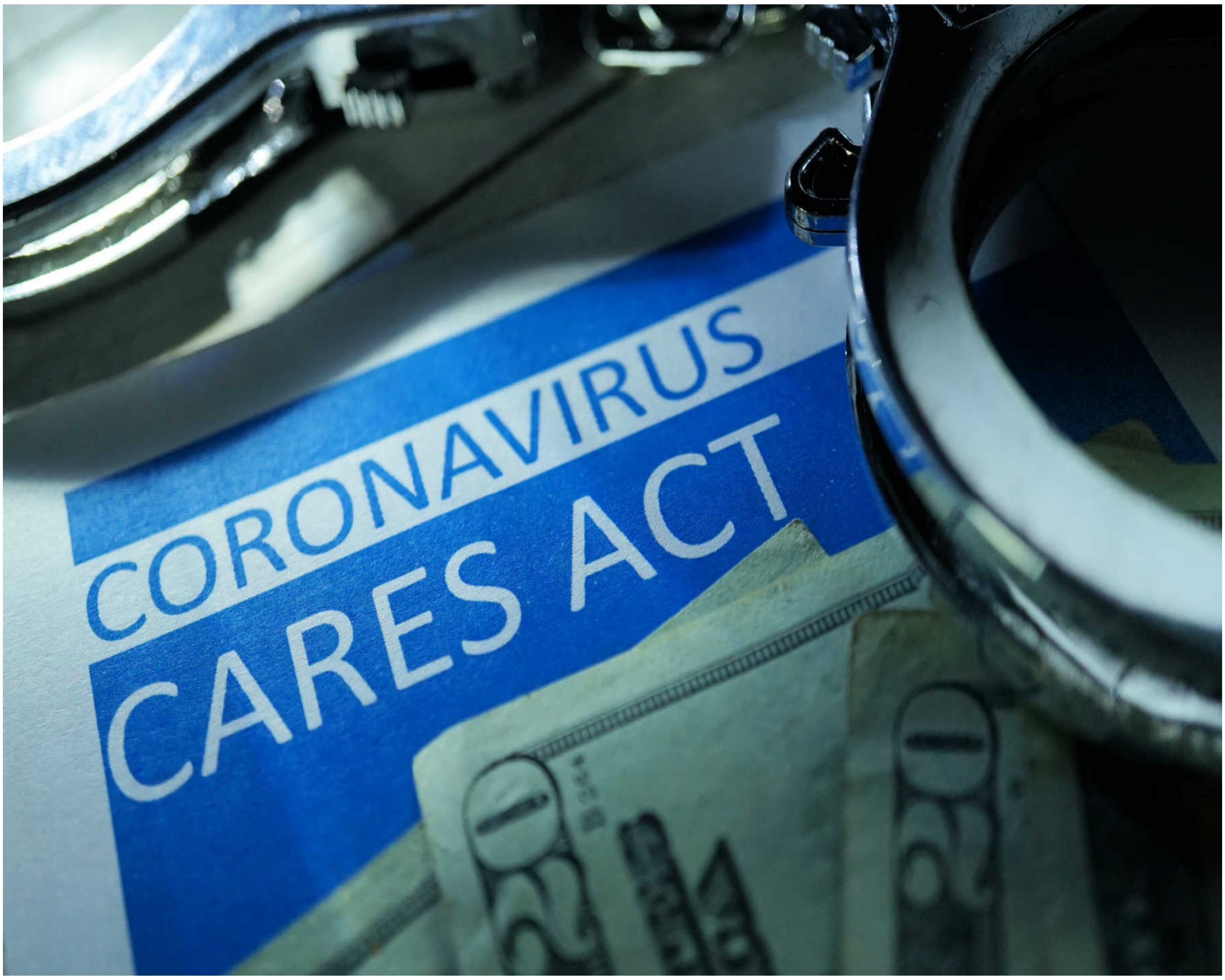

A federal grand jury in Puerto Rico has indicted six individuals, including a banker, for their alleged involvement in a fraudulent scheme to obtain $9 million in government pandemic relief funds.

The U.S. Attorney's Office announced on Wednesday that the suspects face charges including wire fraud and money laundering.

U.S. Attorney Stephen Muldrow commented on the case, saying, "This case demonstrates the brazenness with which the defendants took advantage of federal programs meant to help businesses that were severely affected by the Covid-19 pandemic."

According to authorities, the suspects submitted more than 270 loan applications between April 2020 and April 2023, using falsified identification, tax documents, payroll records, and bank records to illegally secure federal recovery funds. The funds were intended to aid businesses struggling due to the pandemic.

In response to the alleged scheme, officials revealed that the U.S. government has seized nearly $850,000 of the proceeds from an unnamed bank where one of the suspects was employed. The investigation into the fraud is ongoing, with further actions anticipated as authorities work to hold those responsible accountable and recover the misappropriated funds.