

Department of Justice
U.S. Attorney's Office
District of Massachusetts

FOR IMMEDIATE RELEASE

Monday, August 23, 2021

Acton and Manchester Men Arrested for Fraud Involving Small Business Administration Disaster Funds

BOSTON – Two men were arrested on Thursday, Aug. 19, 2021 in connection with a conspiracy to use stolen identities to fraudulently obtain disaster loans from the Small Business Administration (SBA) and to launder the funds.

Edwin Acevedo, 35, of Acton, and Hector Garcia, 49, of Manchester, N.H., were each charged with one count of conspiracy to commit wire fraud. Garcia was also charged with one count of aggravated identity theft. Acevedo made his initial appearance yesterday and is being held pending a detention hearing. Garcia will make an initial appearance in federal court in Boston on Sept. 3, 2021.

According to charging documents, the defendants conspired with others to use stolen identity information of United States citizens to apply for SBA Economic Injury Disaster Loans. It is alleged that Garcia used stolen identity information of a United States citizen to open a fraudulent bank account, which was then linked to other fraudulent bank accounts set up to receive the SBA funds. Acevedo allegedly coordinated co-conspirators' receiving some of the debit cards associated with fraudulent bank accounts into which SBA funds were deposited, and assisted in laundering those funds by using the debit cards to purchase iPhones for re-sale. It is also alleged that Garcia and other co-conspirators wired a portion of the funds to the Dominican Republic.

It is alleged that over \$452,000 in SBA funds were fraudulently obtained in connection with the scheme. Approximately \$250,000 of this money was used to purchase iPhones in Massachusetts and New Hampshire.

The charge of conspiracy to commit wire fraud provides for a sentence of up to 20 years in prison, three years of supervised release and a fine of up to \$250,000 or twice the gross gain or loss from the offense. The charge of aggravated identity theft provides for a mandatory two-year sentence that must run consecutively to any other sentence imposed, up to one year of supervised release and a fine of up to \$250,000. Sentences are imposed by a federal district court judge based on the U.S. Sentencing Guidelines and other statutory factors.

Acting United States Attorney Nathaniel R. Mendell and Matthew B. Millhollin, Special Agent in Charge of Homeland Security Investigations in Boston, made the announcement. Valuable assistance was also provided by Homeland Security Investigations in Orlando, Fla.; Small Business Administration, Office of the Inspector General; Department of Housing and Urban Development, Office of the Inspector General; Social Security Administration, Office of the Inspector General; Department of Labor, Office of the Inspector General; Department of State; U.S. Postal Inspection Service; Massachusetts State Police; New Hampshire State Police; and the Acton, Nashua (N.H.), Manchester (N.H.) and Ocala (Fla.) Police Departments. Assistant U.S. Attorneys Elianna Nuzum and Adam Deitch of Mendell's Major Crimes Unit are prosecuting the case.

The details contained in the charging documents are allegations. The defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

Topic(s):
Financial Fraud

Component(s):
[USAO - Massachusetts](#)

