

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL DOCKET NO. 12-192
V.	*	SECTION: "L"
DAVID MILLAUD	*	
	* * *	

FACTUAL BASIS

Should this matter have gone to trial, the government would have proven, through the introduction of competent testimony and admissible, tangible exhibits, the following facts, beyond a reasonable doubt, to support the allegations in the indictment now pending against the defendant:

On or about October 2, 2005, David Millaud ("**Millaud**") submitted an application to the Small Business Administration ("SBA"), an agency of the United States Government, for a low interest disaster loan for his dental practice, which was destroyed by Hurricane Katrina. The SBA The business loan was approved on August 15, 2007. (**Millaud** was authorized by the SBA to borrow up to \$446,700.00. However, he only borrowed \$430,500.00.) On or about August 27, 2007, **Millaud** attended a loan closing with representatives of the SBA in Lampasas, Texas. After the loan closing, SBA disbursed via wire transfer \$10,000.00 on or about August 29, 2007 to **Millaud's** bank account. A representative from the SBA would testify that further disbursements of any future disaster loan funds in excess of \$10,000 required **Millaud** to submit paid invoices or

cancelled checks for any equipment and/or repairs that were made to his dental office located at 3670 Gentilly Boulevard.

On or about March 26, 2008, **Millaud** submitted fraudulent invoices from The Supply Side, a local computer hardware vendor, to the SBA for reimbursement. The invoices, which were stamped paid, indicated that **Millaud** spent \$56,449.91 for computers, software, printers, and an Avaya ACS phone system for his office. Relying on those fraudulent invoices, the SBA made a loan disbursement of \$56,449.91 to **Millaud** on April 10, 2008 via wire transfer. At trial, a loan officer with the SBA would testify that the SBA would not have made the aforementioned loan disbursement for the cost of the computer and phone system to **Millaud** had they known at the time that the invoices for those items were false.

The owner and operator of The Supply Side was interviewed by special agents with the FBI and the Office of Inspector General for the SBA regarding the fraudulent invoices that **Millaud** submitted to the SBA for reimbursement. The owner stated during the interview the she was asked by **Millaud** to provide him with price estimates for the purchase and installation of a phone system and a computer system for the office. Shortly thereafter, the owner provided **Millaud** with estimates totaling \$56,449.91 for the aforesaid items. At trial, the owner would testify that **Millaud** only spent \$2,275.00 with her company for the installation of phones lines and a wireless router.

As, such, **Millaud** received \$54,174.91 in government funds from the SBA that he was not entitled to.

READ AND APPROVED:

DAVID G. MILLAUD
Defendant

Date

BRIAN CAPITELLI
Attorney for the Defendant

Date

SPIRO G. LATSIS
Assistant United States Attorney

Date