

2024R00501/BDB

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

RECEIVED
JUN 24 2025
ROBERT KIRSCH
U.S. DISTRICT JUDGE

UNITED STATES OF AMERICA	:	Hon. Robert Kirsch
	:	
v.	:	Crim. No. 25- CR-414
	:	
DAMARIS VALERIO,	:	18 U.S.C. § 1343
a/k/a "Damaris Tineo Abreu"	:	18 U.S.C. § 1957

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Wire Fraud)

1. At all times relevant to this Information:

a. Defendant Damaris Valerio, a/k/a "Damaris Tineo Abreu" ("VALERIO"), resided in Perth Amboy, New Jersey. VALERIO owned and operated La Vogue House of Beauty, LLC, a/k/a LaVogue House of Beauty ("LA VOGUE"), located in Perth Amboy, New Jersey.

b. Lender 1 was a financial institution headquartered in San Francisco, California.

c. Bank 1 was a financial institution headquartered in San Francisco, California, where LA VOGUE held an account ending in -2583, ("Account 2583"). VALERIO was the sole signatory for Account 2583.

The Paycheck Protection Program

d. The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was a federal law enacted in or around March 2020 designed to provide

emergency financial assistance to Americans suffering economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of up to approximately \$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 and around April 2020, Congress authorized over approximately \$300 billion in additional PPP funding.

e. To obtain a PPP loan, a qualifying business had to submit a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and to make certain affirmative certifications to be eligible to obtain the PPP loan. In the PPP loan application, the business (through its authorized representative) had to truthfully state, among other things, its: (a) average monthly payroll expenses; and (b) number of employees. These figures were used to calculate the amount of money the business was eligible to receive under the PPP. In addition, a business applying for a PPP loan had to provide truthful supporting documentation, which could include the business’s tax information, such as Internal Revenue Service (“IRS”) Forms 941 and 940.

f. A PPP loan application had to be processed by a participating lender. If a PPP loan application was approved, the participating lender funded the PPP loan using its own money, which was 100% guaranteed by the United States Small Business Administration (“SBA”). Data from the application, including information about the borrower, total amount of the loan, and listed number of employees was transmitted by the lender to the SBA when processing the loan.

g. PPP money had to be used by the business on certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be forgiven entirely if the business spent the money on these expense items within a designated period (usually eight weeks of receiving the money) and used at least 75% of the PPP money on payroll expenses.

The Economic Injury Disaster Loan (“EIDL”) Program

h. Another source of relief provided by the CARES Act was the EIDL program, which was an SBA program that provided low-interest financing to small businesses, renters, and homeowners in regions affected by declared disasters.

i. To obtain an EIDL program loan, a qualifying business was required to submit an application to the SBA and provide truthful information about its operations, such as the number of employees, gross revenues for the 12-month period preceding the disaster, and cost of goods sold in the 12-month period preceding the disaster. In the case of EIDL program loans for COVID-19 relief, the 12-month period constituted the 12 months preceding January 31, 2020. In addition, the business entity must have existed in an operational condition on February 1, 2020.

j. The amount of the EIDL program loan was determined partly on the information the applicant provided regarding the revenue, employees, and cost of goods of the company. The SBA directly issued any money disbursed under an EIDL program loan to the applicant company. A company was required to use all EIDL program money as working capital including for payroll expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage payments.

k. As part of the EIDL program application, applicants could apply for up to a \$10,000 grant, known as an EIDL program advance, which did not need to be repaid.

Federal Unemployment Insurance Benefits

l. The CARES Act also created a new temporary federal unemployment insurance program called Pandemic Unemployment Assistance (“PUA”). PUA provided unemployment insurance benefits (“UIB”) for individuals who were not eligible for other types of unemployment (e.g., self-employed individuals, independent contractors, or gig economy workers). The CARES Act also created a new temporary federal program called Federal Pandemic Unemployment Assistance (“FPUA”) that provided an additional weekly benefit to those eligible for PUA and regular unemployment benefits.

m. Applicants were required to complete an application and verify the applicant’s employment status, among other things, prior to receiving benefits. The applicant could also direct the applicable department of labor to send any of the approved benefits to either a specific bank account or a debit card.

n. The state workforce agency (“SWA”) was responsible for distributing funds provided through the PUA and FPUC programs. These funds were received by the SWA from the United States Department of the Treasury (“Treasury”). When an SWA approved an unemployment benefits application, the SWA caused money to be transferred to the applicant. Here, the SWA was the New Jersey Department of Labor (“NJDOL”).

The Scheme to Defraud

2. From in or around April 2020 through in or around December 2021, in Middlesex County, in the District of New Jersey and elsewhere, the defendant,

**DAMARIS VALERIO,
a/k/a “Damaris Tineo Abreu,”**

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud a victim lender, the SBA, and the NJDOL, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

Goal of the Scheme to Defraud

3. The goal of the scheme was for VALERIO to enrich herself by fraudulently obtaining and misusing federal COVID-19 emergency relief money.

Manner and Means of Scheme to Defraud

4. It was part of the scheme that:

a. VALERIO submitted and caused to be submitted at least one falsified and fraudulent PPP loan application; at least two falsified and fraudulent EIDL Program applications, including for an EIDL Program advance; and at least one falsified and fraudulent application for UIBs, seeking federal COVID-19 emergency relief money.

b. VALERIO’s fraudulent PPP application included false information concerning LA VOGUE’s payroll expenses and number of employees. VALERIO’s fraudulent EIDL applications included false information concerning LA VOGUE’s number of employees. VALERIO’s fraudulent UIB application included

false representations about her employment status and employer's operating status.

c. As a result of her fraudulent applications, VALERIO unlawfully obtained approximately \$194,212 in COVID-19 emergency relief funds.

Fraudulent PPP Application

d. On or about April 15, 2020, VALERIO submitted a PPP loan application to Lender 1 on behalf of LA VOGUE requesting approximately \$122,292 (the "PPP Application"). The PPP Application listed VALERIO as LA VOGUE's sole owner and primary contact. The PPP Application and its supporting documents contained materially false and fraudulent information.

e. In particular, in support of the PPP Application, VALERIO falsely represented that LA VOGUE had an average monthly payroll of \$48,917 and 15 employees.

f. On or about May 8, 2020, VALERIO's false and fraudulent representations and omissions in the PPP Application caused Lender 1 to disburse approximately \$122,292 into Account 2583 using Bank 1.

Fraudulent EIDL Application

g. On or about April 2, 2020, VALERIO submitted an EIDL Program application to the SBA on behalf of LA VOGUE (the "EIDL Application"). VALERIO submitted the EIDL Application from New Jersey via the SBA's online portal to SBA servers located in or around Des Moines, Iowa. VALERIO listed herself as sole owner of LA VOGUE and signed the EIDL Application.

h. In support of the EIDL Application, VALERIO falsely represented that as of January 31, 2020, LA VOGUE had 15 employees, and that she would use

all the proceeds of the EIDL solely as working capital to alleviate economic injury caused by the COVID-19 pandemic.

i. Between in or around April 2020 to in or around December 2021, VALERIO's false and fraudulent representations in the EIDL Application caused the transfer of EIDL program money into Account 2583, including \$10,000 for and EIDL program advance. VALERIO did not use all the EIDL program money as working capital as required, and instead converted some of the proceeds for personal expenses.

Fraudulent UIB Application

j. On or about March 29, 2020, VALERIO submitted on her own behalf a claim to the NJDOL for UIBs (the "UIB Application"). In the UIB Application, VALERIO stated that she was self-employed or the owner of LA VOGUE.

k. In support of the UIB Application, VALERIO submitted materially false and fraudulent information, including that her last date of employment with LA VOGUE was March 16, 2020; the reason for her separation from LA VOGUE was that the "Business Closed"; and that she did not expect to be recalled by LA VOGUE. VALERIO continued to file certifications for UIBs until in or around August 2021.

l. VALERIO's false and fraudulent representations and omissions in the UIB Application caused NJDOL to disburse approximately \$61,920 in UIBs to VALERIO.

Execution of the Scheme to Defraud

5. On or about April 2, 2020, in Middlesex County, in the District of New Jersey and elsewhere, the defendant,

**DAMARIS VALERIO,
a/k/a “Damaris Tineo Abreu,”**

for the purpose of executing the scheme described above, transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce certain writings, signs, signals, pictures and sounds, namely, the submission of an EIDL application for LA VOGUE via an interstate wire that travelled from New Jersey and Iowa.

In violation of Title 18, United States Code, Section 1343.

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COUNT TWO
(Money Laundering)

1. The allegations in paragraphs 1, 3, and 4 of Count One of this Information are realleged here.

2. On or about June 17, 2020, in Middlesex County, in the District of New Jersey and elsewhere, the defendant,

DAMARIS VALERIO,
a/k/a “Damaris Tineo Abreu,”

did knowingly engage and attempt to engage in a monetary transaction by, through, and to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, that is, causing a transfer of approximately \$25,000 from Account 2583 to be deposited into a bank account ending in -9052, such property having been derived from a specified unlawful activity, that is, wire fraud, contrary to Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Section 1957(a).

FORFEITURE ALLEGATION AS TO COUNT ONE

Upon conviction of the offense in violation of Title 18, United States Code, Section 1343, as charged in Count One of this Information, defendant DAMARIS VALERIO shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the commission of such offense, the value of which totaled \$194,212.

FORFEITURE ALLEGATION AS TO COUNT TWO

Upon conviction of the offense in violation of Title 18, United States Code, Section 1957, as charged in Count Two of this Information, defendant DAMARIS VALERIO shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such offense, or any property traceable to such property.

SUBSTITUTE ASSETS PROVISION
(Applicable to All Forfeiture Allegations)

If any of the above-described forfeitable property, as a result of any act of omission of the defendant:

- 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), as incorporated by Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

A handwritten signature in black ink that reads "Alina Habba". The signature is written in a cursive, flowing style. Below the signature is a solid horizontal line.

ALINA HABBA
United States Attorney
District of New Jersey

CASE NUMBER: 25- CR-414

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

**DAMARIS VALERIO,
a/k/a "Damaris Tineo Abreu"**

INFORMATION FOR

**18 U.S.C. § 1343
18 U.S.C. § 1957**

**ALINA HABBA
UNITED STATES ATTORNEY
FOR THE DISTRICT OF NEW JERSEY**

**BENJAMIN D. BLEIBERG
ASSISTANT U.S. ATTORNEY
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