
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : HON. LEDA DUNN WETTRE
 : :
 : :
 : Mag. No. 23-13014 (LDW)
 : :
MORTON CHIRNOMAS : **CRIMINAL COMPLAINT**

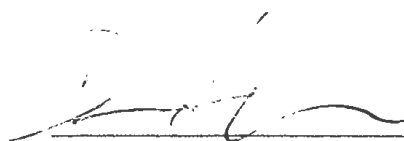
I, David Arminio, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Postal Inspector with the United States Postal Inspection Service ("USPIS"), and that this complaint is based on the following facts:

SEE ATTACHMENT B

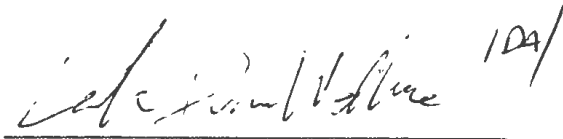
continued on the attached page and made a part hereof.



David Arminio
Postal Inspector, USPIS

Postal Inspector Arminio attested to this Complaint by telephone pursuant to FRCP 4.1(b)(2)(A), on the 7th day of February, 2023.

HONORABLE LEDA DUNN WETTRE
UNITED STATES MAGISTRATE JUDGE



Signature of Judicial Officer

ATTACHMENT A

From in or around May 2020 through in or around September 2020, in Passaic County, in the District of New Jersey and elsewhere, defendant

MORTON CHIRNOMAS

did devise and intend to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing and attempting to execute such scheme and artifice to defraud, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, including a wire communication sent on or about June 23, 2020, from a location outside of New Jersey to a location inside of New Jersey.

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

ATTACHMENT B

I, David Arminio, am a Postal Inspector with the United States Postal Inspection Service. I am familiar with the facts set forth herein based on my own investigation, my conversations with other law enforcement officers, and my review of reports, documents, and other evidence. Because this Complaint is being submitted for a limited purpose, I have not set forth each and every fact that I know concerning this investigation. Where statements of others are related herein, they are related in substance and in part unless otherwise indicated. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

I. Background Information During the Time of the Offense

A. *The Economic Injury Disaster Loan Program*

1. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or around March 2020 that was designed to provide emergency financial assistance to Americans suffering the economic effects of the COVID-19 pandemic. The CARES Act enabled the Small Business Association (“SBA”) to offer funding through the COVID-19 Economic Injury Disaster Loans (“EIDL”) program to business owners negatively affected by the COVID-19 pandemic. The EIDL program provided low-interest financing and grants to small businesses, renters, and homeowners in regions affected by declared disasters, like the COVID-19 pandemic.

2. To obtain an EIDL, a qualifying business applied to the SBA and provided certain information about its operations through an online portal. The EIDL approval process required applicants to supply minimal eligibility documentation and to affirm that the information in the application was true and correct under the penalty of perjury and applicable criminal statutes. The amount of an EIDL was based, in part, on the information provided by the applicant—primarily, gross revenue minus cost of goods sold, divided by two. The maximum loan amount was capped at \$150,000 per entity. Qualifying entities could use EIDL funds only on certain expenses, including fixed debts, payroll, and accounts payable.

B. *Unemployment Insurance Benefits*

3. Unemployment Insurance (“UI”) was a state-federal program that provided unemployment insurance benefits (“UIBs”) to eligible workers who were unemployed through no fault of their own. Each state administered its UIB program through a designated state workforce agency (“SWAs”) subject to federal laws and regulations and that typically set additional state-specific

requirements for eligibility, benefit amounts, and duration of payments. Generally, UIB amounts were based on a percentage of earnings over a fixed period.

C. *Morton Chirnomas*

4. Morton Chirnomas was a resident of Clifton, New Jersey (“the Clifton Address”). Chirnomas is an attorney but is currently administratively ineligible to practice law in New Jersey.

II. The Investigation

A. *The EIDL*

5. On or about July 28, 2020, the SBA received an EIDL application purporting to be from Victim Company 1. The application stated that in 2019 Victim Company 1 had \$22,000,000 in gross revenues and \$18,000,000 in costs of goods sold. The application further provided that the SBA should send the EIDL, if approved, to a bank account ending in 3062 (“the 3062 Bank Account”).

6. On or about August 3, 2020, the SBA approved an approximately \$149,900 EIDL to Victim Company 1. Pursuant to the application, the loan proceeds were transferred into the 3062 Bank Account.

7. The investigation has revealed that the 3062 Bank Account was opened on or about July 16, 2020, in the name “Morton Chirnomas,” using Chirnomas’ social security number and date of birth, and with the “Clifton Address”. Chirnomas was the sole signatory on the 3062 Bank Account. The debit card associated with the 3062 Bank Account was used to purchase storage space from Google, LLC, for a specific Google account (the “Google Account”). The name on the Google Account is “Mordi Chirnomas” and records indicate that the Google Account was opened in or around 2007. When opening the 3062 Bank Account, Chirnomas provided an email address (the “Email Address”). The investigation has revealed that Chirnomas also used the Email Address in connection with the Google Account and his PayPal account.

8. A review of the 3062 Bank Account revealed, among other things, a \$20,000 transfer to a bank account ending in 8396 (the “8396 Bank Account”) and a \$10,000 wire transfer to a bank account ending in 4824 (the “4284 Bank Account”).

- a. A review of the 8396 Bank Account revealed that the account was opened on or about on or about July 21, 2020, in

Chirnomas' name and using his date of birth and social security number. In addition, Chirnomas provided an email address (the "Second Email Address") associated with the Email Account when opening the 8396 Bank Account.

- b. A review of the 4824 Bank Account revealed that the account was opened on or about July 22, 2020, with Chirnomas being listed as the owner and the Clifton Address. When opening the 4824 Bank Account, Chirnomas provided a New Jersey Driver's License. Law enforcement has confirmed that: (a) the driver's license is the driver's license on records with the New Jersey Motor Vehicle Commission; and (b) the picture in the license is a black and white match of Chirnomas' picture obtained from the New Jersey Motor Vehicle Commission.

9. Law enforcement has spoken to the owner of Victim Company 1. The owner stated, in substance and in part, that the owner: (a) did not apply for the EIDL described above; (b) did not authorize anyone else to apply for the EIDL; and (c) does not know Chirnomas.

10. The investigation has revealed that Chirnomas transferred money from the 8396 Bank Account to an account at a cryptocurrency exchange platform in his name. When opening the account at the cryptocurrency exchange platform, Chirnomas provided both a picture of himself as well as his driver's license. In addition, Chirnomas linked the cryptocurrency exchange account with the 3062 Bank Account, the 8396 Bank Account, and the 4824 Bank Account.

B. *The UIBs*

11. Between on or about May 19, 2020, and on or about September 18, 2020, the SWAs in Massachusetts and Pennsylvania sent approximately \$195,000.00 in UIBs into approximately five separate bank accounts, each in Chirnomas' name, in response to applications for UIBs in approximately 26 individuals' names.

12. The investigation has revealed that one of the bank accounts that received the UIBs is a bank account ending in 9307 (the "9307 Bank Account"). The investigation further revealed that the 9307 Bank Account was opened on May 7, 2020, in the name of "Morton Chirnomas". Records obtained for the 9307 Bank Account revealed, among other things, a payment on or about May 22, 2020, concerning a motor vehicle ticket for obstruction of windshield for vision. On the ticket, the violator is listed as Chirnomas, with his date of birth and the Clifton Address. The ticket also sets forth a license plate that the investigation has revealed is associated with a car Chirnomas

owned at the time of the ticket. Further, the investigation has revealed a debit card associated with the 9307 Bank Account was used to pay for auto insurance for a policy in the name of "Morton Chirnomas" and which is associated with at least one of Chirnomas' former residences.

13. The investigation has revealed that a second bank account that received the UIBs is a bank account ending in in 2089 (the "2089 Bank Account"). The wire transfers into this account included a wire transfer on or about July 22, 2022, of UIBs from a location outside of New Jersey to a location inside of New Jersey. The investigation further revealed that the 2089 Bank Account was opened on or about June 2, 2020, in Chirnomas' name using the Clifton Address. Records obtained for the 2089 Bank Account revealed, among other things, numerous wire transfers to the 9307 Bank Account.

14. The investigation has revealed that the third bank account that received the UIBs is a bank account ending in in 5032 (the "5032 Bank Account"). The investigation further revealed that the 5032 Bank Account was opened on or about May 23, 2020, in Chirnomas' name using the Clifton Address. Records obtained for the 5032 Bank Account included a picture of Chirnomas making a withdrawal from 5032 Bank Account.

15. Law enforcement has spoken with approximately 18 of the approximately 26 individuals whose names were used in submitting the UIB applications discussed above. Each of these individuals stated, in substance and in part, that s/he did not make the UIB application, authorize anyone to make the UIB application, or know Chirnomas.