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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA *ex rel.* KARLA BELLOTTO AND IVAN BELLOTTO, Plaintiff, v. MICHAEL SHABSELS *et al.*, Defendants.	24 Civ. 06494 (KMK)
UNITED STATES OF AMERICA, Plaintiff-Intervenor, v. MICHAEL SHABSELS; SIMAD HOLDINGS LLC; DAMIS HOLDINGS LLC; MESORAHCO, LLC; MALKA OPERATINGCO LLC; MOHAWKCAMPCO LLC; LAVCO LLC; IAFA OPERATING CO, LLC; WM CAMP LLC; CAMP MED-O-LARK, INC; GREEN LANE OPERATINGCO, LLC; CLUB GETAWAY OPERATINGCO, LLC; BLUESTAR OPERATINGCO, LLC; SHAB OPERATING INC; EAGLE'S LANDING DAY CAMP LLC; WAUKEELA OPERATINGCO LLC; POLAND CAMPCO LLC; RDM CAMPS LLC; MEADOWBROOK OPERATINGCO LLC;	**COMPLAINT-IN-INTERVENTION OF THE UNITED STATES OF AMERICA** **JURY TRIAL DEMANDED** 24 Civ. 06494 (KMK)

COUNTRY ROADS OPERATINGCO LLC;
BANNER OPERATINGCO LLC;
BAHS OPERATING INC;
BELGRADE LAKES SUMMER CAMPS LLC;
STONY CREEK OPERATING CO, LLC;
MOGENAVCO LLC;
KIWI OPERATINGCO LLC;
ACHIM OPERATINGCO LLC;
SUMMIT CAMP, LLC; and
MAINE WEKEELA CO, LLC;

Defendants.

Plaintiff the United States of America (the "United States" or the "Government"), by its attorney, James M. McDonald, the United States Attorney for the Southern District of New York, files this Complaint-in-Intervention against MICHAEL SHABSELS; SIMAD HOLDINGS LLC; DAMIS HOLDINGS LLC; MESORAHCO, LLC; MALKA OPERATINGCO LLC; MOHAWKCAMPCO LLC; LAVCO LLC; IAFA OPERATING CO, LLC; WM CAMP LLC; CAMP MED-O-LARK, INC; GREEN LANE OPERATINGCO, LLC; CLUB GETAWAY OPERATINGCO, LLC; BLUESTAR OPERATINGCO, LLC; SHAB OPERATING INC; EAGLE'S LANDING DAY CAMP LLC; WAUKEELA OPERATINGCO LLC; POLAND CAMPCO LLC; RDM CAMPS LLC; MEADOWBROOK OPERATINGCO LLC; COUNTRY ROADS OPERATINGCO LLC; BANNER OPERATINGCO LLC; BAHS OPERATING INC; BELGRADE LAKES SUMMER CAMPS LLC; STONY CREEK OPERATING CO, LLC; MOGENAVCO LLC; KIWI OPERATINGCO LLC; ACHIM OPERATINGCO LLC; SUMMIT CAMP, LLC; and MAINE WEKEELA CO, LLC (collectively, "Defendants"), and alleges as follows:

PRELIMINARY STATEMENT

1. This is a civil fraud action brought by the United States against Defendants to recover damages and civil penalties under the False Claims Act ("FCA"), 31 U.S.C. §§ 3729 *et seq.*, in connection with Defendants' submission of fraudulent second-draw Paycheck Protection Program ("PPP") loan applications and loan forgiveness applications. As detailed more fully herein, MICHAEL SHABSELS and his brother managed a sprawling multistate camp business with hundreds of employees. At a time of national economic crisis during the COVID pandemic, these companies exploited a program that Congress reserved for small businesses. Defendants concealed their interrelationship from SBA in order to improperly obtain PPP funds, taking money from other small businesses whom Congress and SBA intended to help.

2. PPP funds were a finite resource. To promote the availability of PPP loans to the largest number of borrowers, SBA limited businesses in a single corporate group to a maximum aggregate loan amount of $4 million for second-draw PPP loans (the "Corporate Group Rule"). Defendants' companies were part of a large corporate group, referred to herein as the "Shabsels Companies," and therefore subject to the Corporate Group Rule's cap of $4 million.[1] Indeed, the vast majority of the Shabsels Companies were directly majority-owned by a single company, SIMAD HOLDINGS LLC. Defendants, however, sought and obtained over $17 million in second-draw PPP loans for the Shabsels Companies, improperly obtaining over $13 million in PPP loans, all of which were forgiven.

[1] The term "Shabsels Companies" as used herein refers to the 27 defendants that received second-draw PPP loans, and SIMAD HOLDINGS LLC which did not receive a second-draw PPP loan but is the majority owner of most of the defendants that did receive second-draw PPP loans. (DAMIS HOLDINGS LLC, a holding company, and two camp companies, CAMP-MED-O-LARK INC. and EAGLE'S LANDING DAY CAMP INC., were directly owned by MICHAEL SHABSELS and David Shabsels.)

3. Through this conduct, Defendants violated the FCA by knowingly presenting and making, or causing to be presented and made, false claims or statements to the SBA and the lenders acting on the SBA's behalf. As a result of these false claims and statements, the Shabsels Companies improperly obtained over $13 million in PPP funds.

JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction over the Government's FCA claims pursuant to 31 U.S.C. § 3730(a) and 28 U.S.C §§ 1331, 1345, and over the common law claims pursuant to 28 U.S.C. § 1345.

5. This Court may exercise personal jurisdiction over Defendants pursuant to 31 U.S.C. § 3732(a), which provides for nationwide service of process.

6. Venue is proper in this District under 31 U.S.C. § 3732(a) and 28 U.S.C. § 1391(b) because various Defendants are located in and transact business in this District, and a substantial part of the acts complained of took place in this District.

THE PARTIES

7. Plaintiff is the United States of America and is suing on its own behalf and on behalf of the SBA, which, among other things, administered the PPP.

8. Defendant MICHAEL SHABSELS resides in New York, New York. MICHAEL SHABSELS and his partner David Shabsels each own 50% of SIMAD HOLDINGS LLC and DAMIS HOLDINGS LLC. On June 4, 2026, MICHAEL SHABSELS filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16529-CMG.[2]

9. Defendant SIMAD HOLDINGS LLC is organized under the laws of Connecticut

[2] On June 4, 2026, David Shabsels filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16530-CMG.

with its principal place of business in Connecticut. SIMAD HOLDINGS LLC's primary business activity involved supporting the operations of summer camps. At the time that its related companies received PPP loans, SIMAD HOLDINGS LLC was 50% owned by MICHAEL SHABSELS and 50% owned by David Shabsels. On June 4, 2026, SIMAD HOLDINGS LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16515-CMG.

10. Defendant DAMIS HOLDINGS LLC is organized under the laws of New York with its principal place of business in New York. At the time it received a PPP loan, DAMIS HOLDINGS LLC was 50% owned by MICHAEL SHABSELS and 50% owned by David Shabsels. On June 4, 2026, DAMIS HOLDINGS LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16439-CMG.

11. Defendant MESORAHCO, LLC is organized under the laws of New York and operates Camp Mesorah, a co-ed camp located in Guilford, New York. At the time it received a PPP loan, MESORAHCO, LLC was 75% owned by SIMAD HOLDINGS LLC and 25% owned by an individual person. On June 4, 2026, MESORAHCO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16416-CMG.

12. Defendant MALKA OPERATINGCO LLC is organized under the laws of New York and operates Camp Malka, a girls' camp located in Greenville, New York. At the time it received a PPP loan, MALKA OPERATINGCO LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. On June 4, 2026, MALKA OPERATINGCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16424-CMG.

13. Defendant MOHAWKCAMPCO LLC is organized under the laws of New York

and operates Mohawk Day Camp, a co-ed children's camp in White Plains, New York. At the time it received a PPP loan, MOHAWKCAMPCO LLC was 98% owned by SIMAD HOLDINGS LLC, 1% owned by DAMIS HOLDINGS LLC, and 1% owned by Randolph Mittasch, a named defendant in the *qui tam* complaint. On June 4, 2026, MOHAWKCAMPCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16420-CMG.

14. Defendant LAVCO LLC is organized under the laws of Pennsylvania and operates Camp Lavi, a co-ed summer camp located on 130 acres in the Pocono Mountains region of Lakewood, Pennsylvania. At the time it received a PPP loan, LAVCO LLC was 70.57% owned by SIMAD HOLDINGS LLC, and 29.43% owned by an individual person. On June 4, 2026, LAVCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16419-CMG.

15. Defendant IAFA OPERATING CO, LLC is organized under the laws of Maine and operates Indian Acres and Forest Acres, a boys' camp and a girls' camp located two miles apart in Fryeburg, Maine. At the time it received a PPP loan, IAFA OPERATING CO, LLC was 51% owned by SIMAD HOLDINGS LLC, and 49% owned by an individual person. On June 4, 2026, IAFA OPERATING CO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16414-CMG.

16. Defendant WM CAMP LLC is organized under the laws of New Hampshire and operates Windsor Mountain Summer Camp, a co-ed children's camp located in Windsor, New Hampshire. At the time it received a PPP loan, WM CAMP LLC was 51% owned by SIMAD HOLDINGS LLC, 24.5% by an individual person, and 24.5% by another individual person. On June 4, 2026, WM CAMP LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code

in the District of New Jersey, docketed as 26-16434-CMG.

17. Defendant CAMP MED-O-LARK, INC is organized under the laws of Maine and operates Camp Med-O-Lark, a co-ed children's camp located in Washington, Maine. At the time it received a PPP loan, CAMP MED-O-LARK, INC was 50% owned by MICHAEL SHABSELS and 50% owned by David Shabsels. On June 4, 2026, CAMP MED-O-LARK, INC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16399-CMG.

18. Defendant GREEN LANE OPERATINGCO, LLC is organized under the laws of Pennsylvania and operates Camp Green Lane, a co-ed children's camp located in Green Lane, Pennsylvania. At the time it received a PPP loan, GREEN LANE OPERATINGCO, LLC was 51% owned by SIMAD HOLDINGS LLC, 24.5% by an individual person, and 24.5% by another individual person. On June 4, 2026, GREEN LANE OPERATINGCO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16404-CMG.

19. Defendant CLUB GETAWAY OPERATINGCO, LLC is organized under the laws of Connecticut and New York and operates Club Getaway, a camp on a 300-acre property in Kent, Connecticut. At the time it received a PPP loan, CLUB GETAWAY OPERATINGCO, LLC was 75% owned by SIMAD HOLDINGS LLC, and 25% by an individual person. On June 4, 2026, CLUB GETAWAY OPERATINGCO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16402-CMG.

20. Defendant BLUESTAR OPERATINGCO, LLC is organized under the laws of North Carolina and operates Blue Star Camps, a co-ed summer camp located in the Blue Ridge Mountains of Hendersonville, North Carolina. At the time it received a PPP loan, BLUESTAR

OPERATINGCO, LLC was 70% owned by SIMAD HOLDINGS LLC, 15% by an individual person, and 15% by another individual person. On June 4, 2026, BLUESTAR OPERATINGCO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16400-CMG.

21. Defendant SHAB OPERATING INC is organized under the laws of New York and operates Camp Echo, a co-ed children's camp in Burlingham, New York. At the time it received a PPP loan, SHAB OPERATING INC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, SHAB OPERATING INC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16426-CMG.

22. Defendant EAGLE'S LANDING DAY CAMP LLC is organized under the laws of New Jersey and operates Eagle's Landing, a co-ed camp for children located in North Brunswick, New Jersey. At the time it received a PPP loan, EAGLE'S LANDING DAY CAMP LLC was 50% owned by MICHAEL SHABSELS and 50% owned by David Shabsels. On June 4, 2026, EAGLE'S LANDING DAY CAMP LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16384-CMG.

23. Defendant WAUKEELA OPERATINGCO LLC is organized under the laws of New Hampshire and operates Camp Waukeela, an all-girls' camp located in Eaton Center, New Hampshire. At the time it received a PPP loan, WAUKEELA OPERATINGCO LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, WAUKEELA OPERATINGCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16412-CMG.

24. Defendant POLAND CAMPCO LLC is organized under the laws of Maine and

operates Camp North Star, a children's co-ed camp located in Poland Spring, Maine. At the time it received a PPP loan, POLAND CAMPCO LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, POLAND CAMPCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16423-CMG.

25. Defendant RDM CAMPS LLC is organized under the laws of New York and operates Camp Lokanda, a co-ed children's camp located in the Catskill Mountains in Glen Spey, New York. At the time it received a PPP loan, RDM CAMPS LLC was 75% owned by SIMAD HOLDINGS LLC, and 25% owned by an individual person. On June 4, 2026, RDM CAMPS LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16425-CMG.

26. Defendant MEADOWBROOK OPERATINGCO, LLC is organized under the laws of New Jersey and operates Meadowbrook Country Day Camp, a co-ed camp for children located in Long Valley, New Jersey. At the time it received a PPP loan, MEADOWBROOK OPERATINGCO, LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, MEADOWBROOK OPERATINGCO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16385-CMG.

27. Defendant COUNTRY ROADS OPERATINGCO, LLC is organized under the laws of New Jersey and operates Country Roads Day Camp, a co-ed camp for children located in Manalapan, New Jersey. At the time it received a PPP loan, COUNTRY ROADS OPERATINGCO, LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, COUNTRY ROADS OPERATINGCO, LLC filed a petition

for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16381-CMG.

28. Defendant BANNER OPERATINGCO LLC is organized under the laws of Illinois and operates Banner Day Camp, a co-ed camp for children located in Lake Forest, Illinois. At the time it received a PPP loan, BANNER OPERATINGCO LLC was 90% owned by SIMAD HOLDINGS LLC, and 10% owned by an individual person. On June 4, 2026, BANNER OPERATINGCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16396-CMG.

29. Defendant BAHS OPERATING INC is organized under the laws of Pennsylvania and operates Camp Chen-A-Wanda, a co-ed children's camp located in Thompson, Pennsylvania. At the time it received a PPP loan, BAHS OPERATING INC was 99% owned by SIMAD HOLDINGS LLC and 1% by DAMIS HOLDINGS LLC. On June 4, 2026, BAHS OPERATING INC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16394-CMG.

30. Defendant BELGRADE LAKES SUMMER CAMPS LLC is organized under the laws of Maine and operates New England Golf and Tennis Camp, a co-ed children's camp located in Belgrade, Maine. At the time it received a PPP loan, BELGRADE LAKES SUMMER CAMPS LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, BELGRADE LAKES SUMMER CAMPS LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16397-CMG.

31. Defendant STONY CREEK OPERATING CO, LLC is organized under the laws of New York and operates 1000 Acres Ranch, an all ages, overnight recreational camp located between the Adirondack Mountains and the Hudson River in New York. At the time it received a

PPP loan, STONY CREEK OPERATING CO, LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, STONY CREEK OPERATING CO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16511-CMG.

32. Defendant MOGENAVCO LLC is organized under the laws of New York and operates Camp Mogen Av, a boys' camp located in Swan Lake, New York. At the time it received a PPP loan, MOGENAVCO LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, MOGENAVCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16418-CMG.

33. Defendant KIWI OPERATINGCO, LLC is organized under the laws of New York and operates Kiwi Country Day Camp, a co-ed camp for children located in Carmel, New York. At the time it received a PPP loan, KIWI OPERATINGCO, LLC was 62.5% owned by SIMAD HOLDINGS LLC, 18.75% owned by Relator Karla Bellotto, and 18.75% owned by Relator Ivan Bellotto. On June 4, 2026, KIWI OPERATINGCO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16410-CMG.

34. Defendant ACHIM OPERATINGCO LLC is organized under the laws of New York and operates Camp Achim, a boys' camp located in Catskill, New York. At the time it received a PPP loan, ACHIM OPERATINGCO LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, ACHIM OPERATINGCO LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16393-CMG.

35. Defendant SUMMIT CAMP, LLC is organized under the laws of Pennsylvania and

operates Summit Camp, a co-ed children's camp located in Honesdale, Pennsylvania. At the time it received a PPP loan, SUMMIT CAMP, LLC was 51% owned by SIMAD HOLDINGS LLC, and 49% owned by another holding company. On June 4, 2026, SUMMIT CAMP, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16437-CMG.

36. Defendant MAINE WEKEELA CO, LLC is organized under the laws of Maine and operates Camp Wekeela, a co-ed children's camp in Hartford, Maine. At the time it received a PPP loan, MAINE WEKEELA CO, LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. On June 4, 2026, MAINE WEKEELA CO, LLC filed a petition for relief under Chapter 11 of the Bankruptcy Code in the District of New Jersey, docketed as 26-16415-CMG.

37. The Relators are Karla Bellotto and Ivan Bellotto. On or about August 28, 2024, Relators filed a complaint under the *qui tam* provisions of the FCA alleging, among other things, that Defendants submitted applications for PPP funding despite not qualifying for such funding.[3]

BACKGROUND

A. The Paycheck Protection Program

38. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") (Pub. L. 116-136) became law and provided emergency assistance and health care response for individuals, families, and businesses affected by the coronavirus pandemic. SBA received funding and authority through the CARES Act to modify existing loan programs and establish a temporary loan program to assist small businesses nationwide adversely impacted by the

[3] The defendants in the *qui tam* complaint and the United States's complaint in intervention overlap significantly but not entirely.

COVID-19 emergency.

39. The CARES Act authorized forgivable loans to eligible small businesses struggling to pay employees and other business expenses as a result of the devastating effect of the COVID-19 pandemic.

40. Section 1102 of the CARES Act temporarily permitted the SBA to guarantee 100 percent of 7(a) loans under a new program titled the "Paycheck Protection Program."[4]

41. On April 24, 2020, the Paycheck Protection Program and Health Care Enhancement Act (Pub. L. 116-139) became law and provided additional funding and authority for the PPP. Together with the funding provided by the CARES Act, these amounts appropriated by Congress funded so-called "first draw" PPP loans. On December 27, 2020, Congress authorized another round of PPP loans, known as "second-draw" loans, which were available to eligible businesses that had previously received first-draw loans. *See* Pub. L 116-260, 134 Stat. 1182, 2001 (2020). Second-draw loans were subject to a maximum disbursable loan amount of $2 million. 15 U.S.C. § 636(a) (37) (C).

B. The Corporate Group Rule

42. Congress empowered SBA with rulemaking authority concerning both first- and second-draw loans. *See* 15 U.S.C. § 9012 (first-draw loans); Consolidated Appropriations Act, 2021, § 303, 134 Stat. at 1993 (second-draw loans).

43. On May 4, 2020, SBA promulgated the Corporate Group Rule for first-draw loans. 85 Fed. Reg. 26,324. Under the Corporate Group Rule, as it concerned first-draw loans,

[4] The 7(a) Loan Program is SBA's primary business loan program for providing financial assistance to small businesses. *See* SBA, *7(a) loans*, https://www.sba.gov/funding-programs/loans/7a-loans (last accessed August 24, 2026). The program "provides a loan guarantee to lenders that allow them to provide financial help for small businesses with special requirements." *Id.*

"businesses that are part of a single corporate group shall in no event receive more than $20,000,000 of PPP loans in the aggregate." *Id.* at 26,325. The Corporate Group Rule defined a "corporate group" as follows: "businesses are part of a single corporate group if they are majority owned, directly or indirectly, by a common parent." *Id.* The rule further warned borrowers as follows:

> It is the responsibility of an applicant for a PPP loan to notify the lender if the applicant has applied for or received PPP loans in excess of the amount permitted by this interim final rule and withdraw or request cancellation of any pending PPP loan application or approved PPP loan not in compliance with the limitation set forth in this rule. Failure by the applicant to do so will be regarded as a use of PPP funds for unauthorized purposes, and the loan will not be eligible for forgiveness. A lender may rely on an applicant's representation concerning the applicant's compliance with this limitation.

Id.

44. SBA explained the Corporate Group Rule's purpose was to "preserve the limited resources available to the PPP . . . in light of the previous lapse of PPP appropriations and the high demand for PPP loans[.]" *Id.* SBA "determined that limiting the amount of PPP loans that a single corporate group may receive [would] promote the availability of PPP loans to the largest possible number of borrowers, consistent with the CARES Act." *Id.*

45. When Congress provided for second-draw PPP loans in December 2020 and again directed SBA to issue implementing regulations, SBA reissued the Corporate Group Rule. *See* 86 Fed. Reg. at 3716, 3720. However, for second-draw loans, which were subject to a statutory maximum of $2 million per individual disbursement (rather than $10 million), SBA limited businesses in a single corporate group to a maximum aggregate loan amount of $4 million (rather than $20 million). *See id.* at 3716, 3720. This prohibition was unequivocal—the Corporate Group Rule for second-draw loans stated that "[b]usinesses that are part of a single corporate group shall

in no event receive more than $4,000,000 of Second Draw PPP Loans in the aggregate." *Id.* at 3720. Further, for the second-draw loans, SBA adopted the same definition of a "corporate group" and provided the same justifications for adopting the Corporate Group Rule as it had in connection with first-draw loans. *See id.* at 3716, 3720.

C. PPP Loan Application and Forgiveness Application Process

46. Congress delegated authority to approved third-party lenders to underwrite and approve PPP loans. 15 U.S.C. § 636(a)(36)(F)(ii)(I), (iii). To obtain a PPP loan, a qualifying business (through its authorized representative) was required to sign and submit a PPP loan application online through the lender's application platform, or in certain cases by mail.

47. Lenders were able to approve and issue PPP loans pursuant to a streamlined PPP loan-origination process in which: (i) the usual Section 7(a) underwriting requirements were waived; (ii) borrowers self-certified their eligibility on their PPP loan applications; (iii) lenders could rely (in good faith) on borrowers' self-certifications, documentation, and calculations; and (iv) lenders could obtain SBA's guarantee for a loan by certifying to SBA that the borrower had made the necessary certifications and had submitted the needed documentation. First PPP IFR, 85 Fed. Reg. at 20,182, 20,814-16. SBA paid fees to lenders (known as the lender's fee) for processing PPP applications pursuant to the PPP program.

48. The PPP loan application required the business (through its authorized representative) to acknowledge the PPP Rules and make certain affirmative certifications in order to obtain the PPP loan. For example, the PPP loan application required applicants to answer the following question: "Is the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business?" Further, in their PPP applications, applicants for PPP loans were required to certify, among other things, that "the information provided in this application and the information provided

in all supporting documents and forms is true and accurate in all material respects."

49. Once the borrower submitted its PPP loan application to a lender, the participating lender processed the PPP loan application. If a PPP loan application was approved by the participating lender, it thereafter funded the PPP loan using its own monies, which were 100% guaranteed by the SBA.

50. After the lender processed and approved a borrower's PPP loan application, the lender submitted to SBA the "Lender's Application — Paycheck Protection Program Loan Guaranty," applying for a guarantee on the loan. In that application, the lender was required to submit to SBA "[a]ll application Ownership information provided by the Applicant."

51. To receive forgiveness of a PPP loan, borrowers were required to submit signed loan forgiveness applications and documents. The PPP loan forgiveness application required the business (through its authorized representative) to make certain certifications in order to be eligible to obtain forgiveness for a PPP loan. For example, applicants for PPP loan forgiveness were required to certify in their PPP loan forgiveness applications, among other things, that:

a. "The dollar amount for which forgiveness is requested . . . was used to pay business costs that are eligible for forgiveness";

b. "[I]f the funds were knowingly used for unauthorized purposes, the federal government may pursue recovery of loan amounts and/or civil or criminal fraud charges"; and

c. "The information provided in this application and the information provided in all supporting documents and forms is true and correct in all material respects."

D. The False Claims Act

52. The FCA establishes treble damages liability to the United States for an individual who, or entity that, "knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval," 31 U.S.C. § 3729(a)(1)(A); or "knowingly makes, uses, or causes to be

made or used, a false record or statement material to a false or fraudulent claim," *id.* § 3729(a)(1)(B).

53. "Knowingly" is defined to include actual knowledge, reckless disregard, and deliberate ignorance. *Id.* § 3729(b)(1). No proof of specific intent to defraud is required. *Id.*

54. In addition to treble damages, the FCA also provides for assessment of a civil penalty for each violation or each false claim.

55. On June 4, 2026, Defendants each filed a petition for reorganization under Chapter 11 in the United States Bankruptcy Court for the District of New Jersey. This action to determine the extent of Defendants' liability under the False Claims Act is a police or regulatory proceeding exempt from the automatic stay of the Bankruptcy Code pursuant to 11 U.S.C. § 362(b)(4).

FACTUAL ALLEGATIONS

A. Defendants' Camp Businesses

56. MICHAEL SHABSELS and David Shabsels operated a partnership that involved acquiring and operating children's summer camps.

57. As part of this partnership, MICHAEL SHABSELS and David Shabsels jointly owned and operated the following two companies as part of their summer camp business: SIMAD HOLDINGS LLC and DAMIS HOLDINGS LLC. SIMAD HOLDINGS LLC, in turn, held a majority ownership interest in numerous other companies that, in turn, ran the summer camps. SIMAD HOLDINGS LLC held a direct majority ownership interest in all but two of the camp Shabsels Companies (and were thus also indirectly majority-owned by the partnership of MICHAEL SHABSELS and David Shabsels, through their ownership of SIMAD HOLDINGS LLC). The other two Shabsels Companies that operated camps, CAMP-MED-O-LARK INC. and EAGLE'S LANDING DAY CAMP INC., were directly owned by MICHAEL SHABSELS and David Shabsels. As a result of this common ownership, the Shabsels Companies were all part of a

single corporate group.

58. MICHAEL SHABSELS and David Shabsels used SIMAD HOLDINGS LLC primarily to manage the affairs of the camps. DAMIS HOLDINGS LLC was used to manage the camp companies and also to manage the real estate underlying each of the camps. Thus, as MICHAEL SHABSELS used SIMAD HOLDINGS LLC and DAMIS HOLDINGS LLC as his corporate mechanisms to control and make decisions on behalf of the camps, and given that he was one of these entities' principals, he was acting on behalf of those companies when he submitted second-draw PPP applications to be disbursed to the camps and DAMIS HOLDINGS LLC.

59. MICHAEL SHABSELS and David Shabsels structured their companies so that any profits would go from the camp entities, to DAMIS HOLDINGS LLC, or to SIMAD HOLDINGS LCC, and then to the personal accounts of MICHAEL SHABSELS and David Shabsels.

60. MICHAEL SHABSELS and David Shabsels arranged their corporate affairs so that they made the final decisions on all camp-related matters. As set forth below, MICHAEL SHABSELS signed numerous second-draw PPP applications on behalf of the Shabsels Companies. MICHAEL SHABSELS and David Shabsels were also the only two individuals who were able to decide whether to allocate funds to a particular camp, or take profits from a particular camp.

B. Defendants' Fraudulent Scheme to Obtain PPP Loans in Excess of the Corporate Group Rule Cap

61. Defendants knew that the Corporate Group Rule's cap for second-draw loans was $4 million, but deliberately sought and obtained second-draw PPP loans in excess of that maximum.

62. For example, MICHAEL SHABSELS learned from a banking contact and his

accountants that the Corporate Group Rule only permitted a corporate group like his to obtain, in the aggregate, $4 million in PPP loans.

63. On January 11, 2021, MICHAEL SHABSELS emailed an accounting company, attaching the interim final rules for the second-draw PPP program, and stated:

> Please review the attached information and, after doing so, please let me know if you (still) believe that we're able to borrow up to $20,000,000 in the aggregate, or whether we're capped at some (dramatically) lower amount (such as $4,000,000, which is what this banking contact of mine indicated today).

64. On that same day, and before he had yet received any advice from the accounting firm's representatives, MICHAEL SHABSELS sent a follow-up email to the accounting firm, stating: "[T]he lender that I spoke with is more convinced than ever (based upon her review of the guidance), that there is a borrowing 'cap' of $4,000,000 for affiliated companies. Obviously, $4,000,000 is much less than $10,000,000, much less than $20,000,000." MICHAEL SHABSELS asked the accountants again to review the material he forwarded, and stated that he was "hoping that this individual (at the bank) is misinterpreting this information, and that you/Andrew are correct in your assessment that we are eligible to borrow at least $10,000,000 in the aggregate if not (up to) $20,000,000."

65. However, to the extent that MICHAEL SHABSELS previously understood the accountants to have taken the view that the cap may be $10,000,000 or greater, the accountants soon replied to him and disabused him of that notion. Specifically, on January 12, 2021, an accountant responded, in part:

> The total amount or PPP1 Draw cannot exceed $10m for a single company of $20m (for a corporate group). However, the maximum amount of PPP2 is $2m for a single company or $4m, for a corporate group – they reduced it to accommodate small businesses.

> They define a corporate group as majority owned by a common parent (owner).
>
> . . . .
>
> Hope this helps. I know it is not the answer you were looking for.

66. MICHAEL SHABSELS responded, "Understood and thank you."

67. After receiving this advice, MICHAEL SHABSELS and the Defendants took steps to prevent SBA and their lenders from learning from that they had sought second-draw PPP loans in excess of the Corporate Group Rule.

68. For example, on over twenty occasions, MICHAEL SHABSELS falsely answered "no" to the following question in PPP applications submitted on behalf of the Shabsels Companies: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of the applicants for PPP loans, and also owners of various other businesses.

69. Further, the second-draw PPP application required that applicants "[l]ist all owners of 20% or more of the equity of the Applicant." SIMAD HOLDINGS LLC was a majority owner of twenty-four of the Shabsels Companies (the other three being 50%/50% between MICHAEL SHABSELS and David Shabsels). MICHAEL SHABSELS, however, repeatedly failed to identify SIMAD HOLDINGS LLC on PPP applications as an owner of any of the Shabsels Companies that were majority-owned by SIMAD HOLDINGS LLC. In fact, for all of the original PPP applications submitted on behalf of the Shabsels Companies and specifically identified below, MICHAEL SHABSELS never identified any entity or person that owned greater than a 50% share of any

Shabsels Company.[5]

70. MICHAEL SHABSELS knew that these representations were false. On various PPP applications submitted in 2020 in connection with the Shabsels Companies' requests for first-draw PPP loans — where the amount in loans sought by the Shabsels Companies did *not* implicate the Corporate Group Rule cap — MICHAEL SHABSELS signed PPP applications that properly identified SIMAD HOLDINGS LLC as a majority owner of the Shabsels Company applicant. For example, MICHAEL SHABSELS signed first-draw PPP applications for the following companies that identified SIMAD HOLDINGS LLC as owning 51% or more of the following Shabsels Company: GREEN LANE OPERATINGCO, LLC; CLUB GETAWAY OPERATINGCO, LLC; IAFA OPERATING CO, LLC; MESORAHCO, LLC; WM CAMP LLC; and MOHAWKCAMPCO LLC. However, when MICHAEL SHABSELS and these same exact companies submitted second-draw PPP applications, they no longer identified SIMAD HOLDINGS LLC as an owner of any of these six companies.

71. Even more, the Shabsels Companies applied for second-draw PPP loans using nine different lenders, and distributed the applications for the Shabsels Companies between those nine lenders such that each lender administered under $4 million in second-draw PPP loans for the Shabsels Companies, with one minor exception:

[5] MICHAEL SHABSELS and SIMAD HOLDINGS LLC only revised the second-draw application for ACHIM OPERATINGCO LLC to accurately reflect SIMAD HOLDINGS LLC's ownership interest after its initial application was rejected by SBA because SBA had in their system SIMAD HOLDINGS LLC and DAMIS HOLDINGS LLC as the owners. *See infra* ¶¶ 121-22.

Shabsels Company PPP Applicant	Loan Amount	Lender	Cumulative Total
LAVCO LLC	$689,132.00		
CLUB GETAWAY OPERATINGCO, LLC	$592,039.00		
SHAB OPERATING INC	$326,893.00		
ACHIM OPERATINGCO LLC	$79,527.00	Bank of America	**$1,687,591.00**
COUNTRY ROADS OPERATINGCO, LLC	$1,134,437.50		
SUMMIT CAMP, LLC	$613,833.50	Community Federal Savings Bank	**$1,748,271.00**
MOHAWKCAMPCO LLC	$2,000,000.00		
WM CAMP LLC	$399,273.00		
CAMP MED-O-LARK, INC	$454,719.00		
GREEN LANE OPERATINGCO, LLC	$175,836.00		
WAUKEELA OPERATINGCO LLC	$268,170.00		
POLAND CAMPCO LLC	$224,350.00		
STONY CREEK OPERATING CO, LLC	$142,015.00		
MAINE WEKEELA CO, LLC	$424,343.00	Easthampton Savings Bank	**$4,088,706.00**
MALKA OPERATINGCO LLC	$163,628.00		
BLUESTAR OPERATINGCO, LLC	$1,425,091.00		
EAGLE'S LANDING DAY CAMP LLC	$591,804.00		
RDM CAMPS LLC	$719,446.00		
BELGRADE LAKES SUMMER CAMPS LLC	$167,415.00		
WILLOW LAKE DAY CAMPS (not a defendant, but 50% owned by SIMAD HOLDINGS LLC)	$810,929.00	Manufacturers and Traders Trust Co	**$3,878,313.00**
KIWI OPERATINGCO, LLC	$768,410.00	MVB Bank, Inc.	**$768,410.00**

DAMIS HOLDINGS LLC	$179,730.00		
BAHS OPERATING INC CAMP	$1,072,529.00	Northeast Bank	**$1,252,259.00**
IAFA OPERATING CO, LLC	$469,105.00	Norway Savings Bank	**$469,105.00**
MOGENAVCO LLC	$1,091,353.62	Ridgewood Savings Bank	**$1,091,353.62**
MEADOWBROOK OPERATINGCO, LLC	$1,380,766.00		
BANNER OPERATINGCO LLC	$1,394,904.00		
MESORAHCO, LLC	$469,829.00	Wayne Bank	**$3,245,499.00**

Through these efforts, the Shabsels Companies concealed the fact that their second-draw PPP loans were in excess of the $4 million corporate group cap.

C. Defendants' Loan Applications Within the Corporate Group Cap

72. MESORAHCO, LLC operates Camp Mesorah, a co-ed camp located in Guilford, New York. At the time it received a PPP loan, MESORAHCO, LLC was owned 75% by SIMAD HOLDINGS LLC, and 25% by an individual person. MESORAHCO, LLC applied for and received a second-draw PPP loan, number 2982658310, in an application dated January 19, 2021, and submitted to Wayne Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of Mesorahco, LLC. On the PPP loan application, MICHAEL SHABSELS and MESORAHCO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, SIMAD HOLDINGS LLC and MICHAEL SHABSELS were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

73. This loan was disbursed on January 21, 2021, and forgiven on November 15, 2021,

pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated November 8, 2021. The amount of the loan was $469,829.00; there was a lender fee of $14,094.87, and interest to the date of forgiveness was $3,889.14. Thus, the total amount attributable to this loan is $487,813.01. This loan was within the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of MESORAHCO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned MESORAHCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

74. MALKA OPERATINGCO LLC operates Camp Malka, a girls' camp located in Greenville, New York. At the time it received a PPP loan, MALKA OPERATINGCO LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. MALKA OPERATINGCO LLC applied for and received a second-draw PPP loan, number 5376738303, in an application dated January 21, 2021, and submitted to Manufacturers and Traders Trust Company ("M&T Bank"). MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of MALKA OPERATINGCO LLC. On the PPP loan application, MICHAEL SHABSELS and MALKA OPERATINGCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, SIMAD HOLDINGS LLC and MICHAEL SHABSELS were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate

in all material respects."

75. This loan was disbursed on January 25, 2021, and forgiven on October 26, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 19, 2021. The amount of the loan was $163,628.00; there was a lender fee of $8,181.40, and interest to the date of forgiveness was $1,219.36. Thus, the total amount attributable to this loan is $173,028.76. This loan was within the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of MALKA OPERATINGCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned MALKA OPERATINGCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

76. MOHAWKCAMPCO LLC operates Mohawk Day Camp, a co-ed children's day camp located in White Plains, New York. At the time it received a PPP loan, MOHAWKCAMPCO LLC was 98% owned by SIMAD HOLDINGS LLC, 1% owned by DAMIS HOLDINGS LLC, and 1% owned by an individual person. MOHAWKCAMPCO LLC applied for and received a second-draw PPP loan, number 7374998306, in an application dated on or about February 5, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS was identified on the application as the "[a]uthorized [r]epresentative" of MOHAWKCAMPCO LLC, and his name was printed in the signature block. On the PPP loan application, MICHAEL SHABSELS and MOHAWKCAMPCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact,

SIMAD HOLDINGS LLC and MICHAEL SHABSELS were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

77. This loan was disbursed on February 5, 2021, and forgiven on April 22, 2022, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 13, 2021. The amount of the loan was $2,000,000.00; there was a lender fee of $60,000.00, and interest to the date of forgiveness was $24,164.38. Thus, the total amount attributable to this loan is $2,084,164.38. This loan was within the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of MOHAWKCAMPCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels).

72. DAMIS HOLDINGS LLC applied for and received a second-draw PPP loan, number 8494788301, in an application dated February 5, 2021, and submitted to Northeast Bank. At the time it received the second-draw loan, DAMIS HOLDINGS LLC was owned 50% by MICHAEL SHABSELS and 50% by David Shabsels. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of DAMIS HOLDINGS LLC. On the PPP loan application, MICHAEL SHABSELS and DAMIS HOLDINGS LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS was an owner of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material

respects." Although this loan was within the corporate group cap for the Shabsels Companies, it was independently ineligible because DAMIS HOLDINGS LLC is a holding company.

78. This loan was disbursed on February 9, 2021, and forgiven on November 22, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 26, 2021. The amount of the loan was $179,730.00; there was a lender fee of $8,986.50, and interest to the date of forgiveness was $1,408.30. Thus, the total amount attributable to this loan is $190,124.80. This loan was within the corporate group cap for the Shabsels Companies. MICHAEL SHABSELS and David Shabsels, a partnership in fact, majority owned DAMIS HOLDINGS LLC.

79. LAVCO LLC operates Camp Lavi, a co-ed camp located in the Pocono Mountains region of Lakewood, Pennsylvania. At the time it received a PPP loan, LAVCO LLC was owned 70.57% by SIMAD HOLDINGS LLC, and 29.43% by an individual person. LAVCO LLC applied for and received a second-draw PPP loan, number 7167088301, in an application dated January 20, 2021, and submitted to Bank of America. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of LAVCO LLC. On the PPP loan application, MICHAEL SHABSELS and LAVCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, SIMAD HOLDINGS LLC and MICHAEL SHABSELS were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

80. This loan was disbursed on January 29, 2021, and forgiven on November 9, 2021 pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 27,

2021. The amount of the loan was $689,132.00; there was a lender fee of $20,673.96, and interest to the date of forgiveness was $5,362.01. Thus, the total amount attributable to this loan is $715,167.97. This loan was within the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of LAVCO LLC, and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned LAVCO LLC, through their joint ownership of SIMAD HOLDINGS LLC.

81. IAFA OPERATING CO, LLC operates Indian Acres and Forest Acres, a boys' camp and a girls' camp located two miles apart in Fryeburg, Maine. At the time it received a PPP loan, IAFA OPERATING CO, LLC was owned 51% by SIMAD HOLDINGS LLC, and 49% by an individual person. IAFA OPERATING CO, LLC applied for and received a second-draw PPP loan, number 6188618310, in an application dated January 24, 2021, and submitted to Norway Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of IAFA OPERATING CO, LLC. On the PPP loan application, MICHAEL SHABSELS and IAFA OPERATING CO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

82. This loan was disbursed on January 29, 2021, and forgiven on November 9, 2021,

pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated on or about November 9, 2021. The amount of the loan was $469,105.00; there was a lender fee of $14,073.15, and interest to the date of forgiveness was $3,650.02. Thus, the total amount attributable to this loan is $486,828.17. This loan was within the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of IAFA OPERATING CO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned IAFA OPERATING CO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

83. With the receipt of PPP funds by IAFA OPERATING CO, LLC, as of January 29, 2021, the Shabsels Companies had received second-draw PPP funds totaling $3,971,424.00, exclusive of lender fees and interest. Each second-draw PPP loan disbursed to a Shabsels Company thereafter was received in violation of the $4 million corporate group cap.

D. Shabsels Companies Obtain PPP Funding Exceeding the Corporate Group Cap

84. WM CAMP LLC operates Windsor Mountain Summer Camp, a co-ed children's camp located in Windsor, New Hampshire. At the time it received a PPP loan, WM CAMP LLC was owned 51% by SIMAD HOLDINGS LLC, 24.5% by another individual, and 24.5% by an additional individual. WM CAMP LLC applied for and received a second-draw PPP loan, number 8849228308, in an application dated on or about February 8, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS was identified on the application as the "[a]uthorized [r]epresentative" of WM CAMP LLC, and his name was printed in the signature block. On the PPP loan application, MICHAEL SHABSELS and WM CAMP LLC, however, falsely answered

"no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS. LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified, "that the information provided in [the] application [. . .] is true and accurate in all material respects."

85. This loan was disbursed on February 9, 2021, and forgiven on October 19, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 14, 2021. The amount of the loan was $399,273.00; there was a lender fee of $11,978.19, and interest to the date of forgiveness was $2,756.62. Thus, the total amount attributable to this loan is $414,007.81. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of WM CAMP LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned WM CAMP LLC, through their joint ownership of SIMAD HOLDINGS LLC.

86. CAMP MED-O-LARK, INC operates Camp Med-O-Lark, a co-ed children's camp located in Washington, Maine. At the time it received a PPP loan, CAMP MED-O-LARK, INC was owned 50% by MICHAEL SHABSELS and 50% by David Shabsels. CAMP MED-O-LARK, INC applied for and received a second-draw PPP loan, number 9456338310, in an application dated January 20, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of CAMP MED-O-LARK, INC. On the

PPP loan application, MICHAEL SHABSELS and CAMP MED-O-LARK, INC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS was an owner of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

87. This loan was disbursed on January 30, 2021, and forgiven on October 19, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 14, 2021. The amount of the loan was $454,719.00; there was a lender fee of $13,641.57, and interest to the date of forgiveness was $3,139.43. Thus, the total amount attributable to this loan is $471,500.00. This loan exceeded the corporate group cap for the Shabsels Companies. MICHAEL SHABSELS and David Shabsels, a partnership in fact, majority owned CAMP MED-O-LARK, INC.

88. GREEN LANE OPERATINGCO, LLC operates Camp Green Lane, a camp located in Green Lane, Pennsylvania. At the time it received a PPP loan, GREEN LANE OPERATINGCO, LLC was owned 51% by SIMAD HOLDINGS LLC, 24.5% by an individual person, and 24.5% by another individual person. GREEN LANE OPERATINGCO, LLC applied for and received a second-draw PPP loan, number 9723738307, in an application dated February 8, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of GREEN LANE OPERATINGCO, LLC. On the PPP loan application, MICHAEL SHABSELS and GREEN LANE OPERATINGCO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the

Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS. LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified, "that the information provided in [the] application [. . .] is true and accurate in all material respects."

89. This loan was disbursed on February 9, 2021, and forgiven on October 19, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 13, 2021. The amount of the loan was $175,836.00; there was a lender fee of $8,791.80, and interest to the date of forgiveness was $1,213.99. Thus, the total amount attributable to this loan is $185,841.79. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of GREEN LANE OPERATINGCO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned GREEN LANE OPERATINGCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

90. CLUB GETAWAY OPERATINGCO, LLC operates Club Getaway, a family camp on a 300-acre property in Kent, Connecticut. At the time it received a PPP loan, CLUB GETAWAY OPERATINGCO, LLC was 75% owned by SIMAD HOLDINGS LLC, and 25% by an individual person. CLUB GETAWAY OPERATINGCO, LLC applied for and received a second-draw PPP loan, number 9666378309, in an application dated January 19, 2021, and submitted to Bank of America. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of CLUB GETAWAY OPERATINGCO, LLC. On the PPP loan application,

MICHAEL SHABSELS and CLUB GETAWAY OPERATINGCO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

91. This loan was disbursed on January 31, 2021, and forgiven on December 1, 2021, pursuant to a forgiveness application dated October 27, 2021. The amount of the loan was $592,039.00; there was a lender fee of $17,761.17, and interest to the date of forgiveness was $4,914.73. Thus, the total amount attributable to this loan is $614,714.90. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of CLUB GETAWAY OPERATINGCO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned CLUB GETAWAY OPERATINGCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

92. BLUESTAR OPERATINGCO, LLC operates Blue Star Camps, a co-ed summer camp located in the Blue Ridge Mountains of Hendersonville, North Carolina. At the time it received a PPP loan, BLUESTAR OPERATINGCO, LLC was owned 70% by SIMAD HOLDINGS LLC, 15% by an individual person, and 15% by another individual person. BLUESTAR OPERATINGCO, LLC applied for and received a second-draw PPP loan, number

5592868301, in an application dated January 19, 2021, and submitted to M&T Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of BLUESTAR OPERATINGCO, LLC. On the PPP loan application, MICHAEL SHABSELS and BLUESTAR OPERATINGCO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

93. This loan was disbursed on February 1, 2021, and forgiven on November 12, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 26, 2021. The amount of the loan was $1,425,091.00; there was a lender fee of $42,752.73, and interest to the date of forgiveness was $11,088.38. Thus, the total amount attributable to this loan is $1,478,932.11. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of BLUESTAR OPERATINGCO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned BLUESTAR OPERATINGCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

94. SHAB OPERATING INC operates Camp Echo, a co-ed children's camp in Burlingham, New York. At the time it received a PPP loan, SHAB OPERATING INC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. SHAB

OPERATING INC applied for and received a second-draw PPP loan, number 3027148404, in an application dated January 20, 2021, and submitted to Bank of America. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of SHAB OPERATING INC. On the PPP loan application, MICHAEL SHABSELS and SHAB OPERATING INC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, SIMAD HOLDINGS LLC and DIMAS HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

95. This loan was disbursed on February 4, 2021, and forgiven on October 29, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 18, 2021. The amount of the loan was $326,893.00; there was a lender fee of $16,344.65, and interest to the date of forgiveness was $2,364.38. Thus, the total amount attributable to this loan is $345,602.03. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of SHAB OPERATING INC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned SHAB OPERATING INC, through their joint ownership of SIMAD HOLDINGS LLC.

96. EAGLE'S LANDING DAY CAMP LLC operates Eagle's Landing, a co-ed day camp for children located in North Brunswick, New Jersey. At the time it received a PPP loan,

EAGLE'S LANDING DAY CAMP LLC was 50% owned by MICHAEL SHABSELS and 50% owned by David Shabsels. EAGLE'S LANDING DAY CAMP LLC applied for and received a second-draw PPP loan, number 2188218408, in an application dated January 27, 2021, and submitted to M&T Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of EAGLE'S LANDING DAY CAMP LLC. On the PPP loan application, MICHAEL SHABSELS and EAGLE'S LANDING DAY CAMP LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

97. This loan was disbursed on February 5, 2021, and forgiven on November 9, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated November 4, 2021. The amount of the loan was $591,804.00; there was a lender fee of $17,754.12, and interest to the date of forgiveness was $4,491.22. Thus, the total amount attributable to this loan is $614,049.34. This loan exceeded the corporate group cap for the Shabsels Companies. EAGLE'S LANDING DAY CAMP INC. was directly owned by MICHAEL SHABSELS and David Shabsels.

98. WAUKEELA OPERATINGCO LLC operates Camp Waukeela, an all-girls' camp located in Eaton Center, New Hampshire. At the time it received a PPP loan, WAUKEELA OPERATINGCO LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. WAUKEELA OPERATINGCO LLC applied for and received a second-draw

PPP loan, number 9454538307, in an application dated February 8, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of WAUKEELA OPERATINGCO LLC. On the PPP loan application, MICHAEL SHABSELS and WAUKEELA OPERATINGCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS. LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified, "that the information provided in [the] application [. . .] is true and accurate in all material respects."

99. This loan was disbursed on February 9, 2021, and forgiven on October 19, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 14, 2021. The amount of the loan was $268,170.00; there was a lender fee of $13,408.50, and interest to the date of forgiveness was $1,851.48. Thus, the total amount attributable to this loan is $283,429.98. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of WAUKEELA OPERATINGCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned WAUKEELA OPERATINGCO LLC, through their joint ownership of SIMAD HOLDINGS LLC.

100. POLAND CAMPCO LLC operates Camp North Star, a children's co-ed camp located in Poland Spring, Maine. At the time it received a PPP loan, POLAND CAMPCO LLC

was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. POLAND CAMPCO LLC applied for and received a second-draw PPP loan, number 9726348303, in an application dated on or about February 8, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS MICHAEL SHABSELS was identified on the application as the "[a]uthorized [r]epresentative" of POLAND CAMPCO LLC, and his name was printed in the signature block. On the PPP loan application, MICHAEL SHABSELS and POLAND CAMPCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified, "that the information provided in [the] application [. . .] is true and accurate in all material respects."

101. This loan was disbursed on February 9, 2021, and forgiven on October 19, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 14, 2021. The amount of the loan was $224,350.00; there was a lender fee of $11,217.50, and interest to the date of forgiveness was $1,548.94. Thus, the total amount attributable to this loan is $237,116.44. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of POLAND CAMPCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned POLAND CAMPCO LLC, through their joint ownership of SIMAD HOLDINGS LLC.

102. RDM CAMPS LLC operates Camp Lokanda, a co-ed children's camp located in the Catskill Mountains in Glen Spey, New York. At the time it received a PPP loan, RDM CAMPS LLC was owned 75% by SIMAD HOLDINGS LLC, and 25% by an individual person. RDM CAMPS LLC applied for and received a second-draw PPP loan, number 2571048408, in an application dated January 29, 2021, and submitted to M&T Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of RDM CAMPS LLC. On the PPP loan application, MICHAEL SHABSELS and RDM CAMPS LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

103. This loan was disbursed on February 8, 2021, and forgiven on October 26, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 19, 2021. The amount of the loan was $719,446.00; there was a lender fee of $21,583.83, and interest to the date of forgiveness was $5,124.82. Thus, the total amount attributable to this loan is $746,154.65. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of RDM CAMPS LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned RDM CAMPS LLC, through their joint ownership of SIMAD

HOLDINGS LLC.

104. MEADOWBROOK OPERATINGCO, LLC operates Meadowbrook Country Day Camp, a co-ed day camp for children located in Long Valley, New Jersey. At the time it received a PPP loan, MEADOWBROOK OPERATINGCO, LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. MEADOWBROOK OPERATINGCO, LLC applied for and received a second-draw PPP loan, number 4348978401, in an application dated February 3, 2021, and submitted to Wayne Bank. SHABSELS signed the application as "[a]uthorized [r]epresentative" of MEADOWBROOK OPERATINGCO, LLC. On the PPP loan application, MICHAEL SHABSELS and MEADOWBROOK OPERATINGCO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

105. This loan was disbursed on February 6, 2021, and forgiven on November 11, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated November 11, 2021. The amount of the loan was $1,380,766.00; there was a lender fee of $41,422.98, and interest to the date of forgiveness was $10,816.00. Thus, the total amount attributable to this loan is $1,433,004.98. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of MEADOWBROOK OPERATINGCO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL

SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned MEADOWBROOK OPERATINGCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

106. COUNTRY ROADS OPERATINGCO, LLC operates Country Roads Day Camp, a co-ed day camp for children located in Manalapan, New Jersey. At the time it received a PPP loan, COUNTRY ROADS OPERATINGCO, LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. COUNTRY ROADS OPERATINGCO, LLC applied for and received a second-draw PPP loan, number 4640348408, in an application dated February 4, 2021, and submitted to Community Federal Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of COUNTRY ROADS OPERATINGCO, LLC. On the PPP loan application, MICHAEL SHABSELS and COUNTRY ROADS OPERATINGCO, LLC, however, falsely answered "no" to the following question: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

107. This loan was disbursed on February 8, 2021, and forgiven on October 21, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 15, 2021. The amount of the loan was $1,134,437.50; there was a lender fee of $34,033.13, and interest to the date of forgiveness was $8,035.60. Thus, the total amount attributable to this loan is $1,176,506.23. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of COUNTRY ROADS OPERATINGCO, LLC and all

of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned COUNTRY ROADS OPERATINGCO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

108. BANNER OPERATINGCO LLC operates Banner Day Camp, a co-ed day camp for children located in Lake Forest, Illinois. At the time it received a PPP loan, BANNER OPERATINGCO LLC was owned 90% by SIMAD HOLDINGS LLC, and 10% by another individual. BANNER OPERATINGCO LLC applied for and received a second-draw PPP loan, number 4498678400, in an application dated February 3, 2021, and submitted to Wayne Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of BANNER OPERATINGCO LLC. On the PPP loan application, MICHAEL SHABSELS and BANNER OPERATINGCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

109. This loan was disbursed on February 6, 2021, and forgiven on November 15, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated November 9, 2021. The amount of the loan was $1,394,904.00; there was a lender fee of $41,847.12, and interest to the date of forgiveness was $10,926.75. Thus, the total amount attributable to this loan is $1,447,677.87. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD

HOLDINGS LLC was the majority owner of BANNER OPERATINGCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned BANNER OPERATINGCO LLC, through their joint ownership of SIMAD HOLDINGS LLC.

110. BAHS OPERATING INC operates Camp Chen-A-Wanda, a co-ed children's camp located in Thompson, Pennsylvania. At the time it received a PPP loan, BAHS OPERATING INC was 99% owned by SIMAD HOLDINGS LLC and 1% by DAMIS HOLDINGS LLC. BAHS OPERATING INC applied for and received a second-draw PPP loan, number 2816718407, in an application dated February 5, 2021, and submitted to Northeast Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of BAHS OPERATING INC. On the PPP loan application, MICHAEL SHABSELS and BAHS OPERATING INC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, as MICHAEL SHABSELS knew when he signed the application, he was an owner of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

111. This loan was disbursed on February 11, 2021, and forgiven on October 28, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 25, 2021. The amount of the loan was $1,072,529.00; there was a lender fee of $32,175.87, and interest to the date of forgiveness was $7,610.55. Thus, the total amount attributable to this loan is

$1,112,315.42. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of BAHS OPERATING INC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned BAHS OPERATING INC, through their joint ownership of SIMAD HOLDINGS LLC.

112. BELGRADE LAKES SUMMER CAMPS LLC operates New England Tennis and Golf Camp, a co-ed children's camp located in Belgrade, Maine. At the time it received a PPP loan, BELGRADE LAKES SUMMER CAMPS LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. BELGRADE LAKES SUMMER CAMPS LLC applied for and received a second-draw PPP loan, number 6216208401, in an application dated February 4, 2021, and submitted to M&T Bank, after an earlier second-draw application submitted on its behalf to Bank of America—reporting lower payroll figures—was cancelled. MICHAEL SHABSELS signed the M&T Bank application as "[a]uthorized [r]epresentative" of BELGRADE LAKES SUMMER CAMPS LLC. On the PPP loan application, MICHAEL SHABSELS and BELGRADE LAKES SUMMER CAMPS LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

113. This loan was disbursed on February 11, 2021, and forgiven on October 29, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 21, 2021. The amount of the loan was $167,415.00; there was a lender fee of $8,370.75, and interest to the date of forgiveness was $1,192.55. Thus, the total amount attributable to this loan is $176,978.30. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of BELGRADE LAKES SUMMER CAMPS LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned BELGRADE LAKES SUMMER CAMPS LLC, through their joint ownership of SIMAD HOLDINGS LLC.

114. STONY CREEK OPERATING CO, LLC operates 1000 Acres Ranch, a camp located between the Adirondack Mountains and the Hudson River. At the time it received a PPP loan, STONY CREEK OPERATING CO, LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. STONY CREEK OPERATING CO, LLC applied for and received a second-draw PPP loan, number 5071458410, in an application dated January 26, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of STONY CREEK OPERATING CO, LLC. On the PPP loan application, MICHAEL SHABSELS and STONY CREEK OPERATING CO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application,

MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

115. This loan was disbursed on February 12, 2021, and subsequently forgiven on September 2, 2021. The amount of the loan was $142,015.00; there was a lender fee of $7,100.75, and interest to the date of forgiveness was $785.95. Thus, the total amount attributable to this loan is $149,901.70. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of STONY CREEK OPERATING CO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned STONY CREEK OPERATING CO, LLC, through their joint ownership of SIMAD HOLDINGS LLC.

116. MOGENAVCO LLC operates Camp Mogen Av, a boys' camp located in Swan Lake, New York. At the time it received a PPP loan, MOGENAVCO LLC was 99% owned by SIMAD HOLDINGS LLC, and 1% owned by DAMIS HOLDINGS LLC. MOGENAVCO LLC applied for and received a second-draw PPP loan, number 8106748408, in an application dated January 26, 2021, and submitted to Bank of America. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of MOGENAVCO LLC. On the PPP loan application, MICHAEL SHABSELS and MOGENAVCO LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL

SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

117. This loan was disbursed on February 22, 2021, and forgiven on October 26, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 19, 2021. The amount of the loan was $1,091,353.62; there was a lender fee of $32,740.61, and interest to the date of forgiveness was $7,457.58. Thus, the total amount attributable to this loan is $1,131,551.81. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of MOGENAVCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned MOGENAVCO LLC through their joint ownership of SIMAD HOLDINGS LLC.

118. KIWI OPERATINGCO, LLC operates Kiwi Country Day Camp, a co-ed day camp for children located in Carmel, New York. At the time it received a PPP loan, KIWI OPERATINGCO, LLC was owned 62.5% by SIMAD HOLDINGS LLC, 18.75% by Relator Karla Bellotto, and 18.75% by Relator Ivan Bellotto. KIWI OPERATINGCO, LLC applied for and received a second-draw PPP loan, number 5661078501, in an application dated January 25, 2021, and submitted to MVB Bank, Inc. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of KIWI OPERATINGCO, LLC. On the PPP loan application, MICHAEL SHABSELS and KIWI OPERATINGCO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any

other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

119. This loan was disbursed on March 4, 2021, and forgiven on January 10, 2022, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 25, 2021. The amount of the loan was $768,410.00; there was a lender fee of $23,052.30, and interest to the date of forgiveness was $6,659.55. Thus, the total amount attributable to this loan is $798,121.85. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of KIWI OPERATINGCO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned KIWI OPERATINGCO, LLC through their joint ownership of SIMAD HOLDINGS LLC.

120. ACHIM OPERATINGCO LLC operates Camp Achim, a boys' camp located in Catskill, New York. At the time it received a PPP loan, ACHIM OPERATINGCO LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. ACHIM OPERATINGCO LLC originally applied for a second PPP loan in an application that only identified MICHAEL SHABSELS and David Shabsels as owners. However, SBA denied this loan application because an SBA system reflected that SIMAD HOLDINGS LLC and DAMIS HOLDINGS LLC were the owners of this company — not MICHAEL SHABSELS and David Shabsels. In response, ACHIM OPERATINGCO submitted a revised application that correctly

identified SIMAD HOLDINGS LLC as a 99% owner of the company. On the PPP loan application, MICHAEL SHABSELS and ACHIM OPERATINGCO LLC, however, still falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

121. This loan was disbursed on March 22, 2021, and forgiven on September 21, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated September 8, 2021. The amount of the loan was $79,527.00; there was a lender fee of $3,976.35, and interest to the date of forgiveness was $398.72. Thus, the total amount attributable to this loan is $83,902.07. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of ACHIM OPERATINGCO LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned ACHIM OPERATINGCO LLC through their joint ownership of SIMAD HOLDINGS LLC.

122. SUMMIT CAMP, LLC operates Summit Camp, a co-ed children's camp located in Honesdale, Pennsylvania. At the time it received a PPP loan, SUMMIT CAMP, LLC was owned 51% by SIMAD HOLDINGS LLC, and 49% by another holding company. SUMMIT CAMP, LLC applied for and received a second-draw PPP loan, number 9331348505, in an application

dated February 3, 2021, and submitted to Community Federal Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of SUMMIT CAMP, LLC. On the PPP loan application, MICHAEL SHABSELS and SUMMIT CAMP, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS. LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

123. This loan was disbursed on March 24, 2021, and forgiven on October 21, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 18, 2021. The amount of the loan was $613,833.50; there was a lender fee of $18,415.01, and interest to the date of forgiveness was $3,597.75. Thus, the total amount attributable to this loan is $635,846.26. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner of SUMMIT CAMP, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned SUMMIT CAMP, LLC through their joint ownership of SIMAD HOLDINGS LLC.

124. MAINE WEKEELA CO, LLC operates Camp Wekeela, a co-ed children's camp in Hartford, Maine. At the time it received a PPP loan, MAINE WEKEELA CO, LLC was owned 99% by SIMAD HOLDINGS LLC, and 1% by DAMIS HOLDINGS LLC. MAINE WEKEELA

CO, LLC applied for and received a second-draw PPP loan, number 6049988708, in an application dated January 20, 2021, and submitted to Easthampton Savings Bank. MICHAEL SHABSELS signed the application as "[a]uthorized [r]epresentative" of MAINE WEKEELA CO, LLC. On the PPP loan application, MICHAEL SHABSELS and MAINE WEKEELA CO, LLC, however, falsely answered "no" to the following question on the SBA application: "[i]s the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business." In fact, MICHAEL SHABSELS and SIMAD HOLDINGS LLC were owners of numerous other businesses. On the PPP loan application, MICHAEL SHABSELS further falsely certified "that the information provided in [the] application [. . .] is true and accurate in all material respects."

125. This loan was disbursed on April 13, 2021, and forgiven on October 21, 2021, pursuant to a forgiveness application signed by MICHAEL SHABSELS and dated October 14, 2021. The amount of the loan was $424,343.00; there was a lender fee of $12,730.29, and interest to the date of forgiveness was $2,220.53. Thus, the total amount attributable to this loan is $439,293.82. This loan exceeded the corporate group cap for the Shabsels Companies. SIMAD HOLDINGS LLC was the majority owner MAINE WEKEELA CO, LLC and all of the other Shabsels Companies (except for DAMIS HOLDINGS LLC, CAMP-MED-O-LARK INC., and EAGLE'S LANDING DAY CAMP INC., which were directly owned by MICHAEL SHABSELS and David Shabsels). Further, MICHAEL SHABSELS and David Shabsels, a partnership in fact, also indirectly majority owned MAINE WEKEELA CO, LLC through their joint ownership of SIMAD HOLDINGS LLC.

E. Defendants' Misrepresentations Were Material to SBA

126. As set forth in the Corporate Group Rule for second-draw PPP loans, "businesses

that are part of a single corporate group shall in no event receive more than $4,000,000 of Second Draw PPP Loans in the aggregate." *See* 86 Fed. Reg. at 3716, 3720.

127. Had SBA known that a PPP applicant sought a second-draw loan and that other entities in the PPP applicant's corporate group had already obtained $4 million or more in second-draw PPP loans, SBA would have not authorized the requested PPP loan. In addition, if SBA had known that a borrower had obtained a second-draw PPP loan even though other entities in the PPP applicant's corporate group had already obtained $4 million or more in second-draw PPP loans, SBA would have not approved forgiveness of the applicant's loan. Indeed, SBA has repeatedly denied forgiveness of second-draw PPP loans in instances where SBA learned that the loans in question exceeded the Corporate Group Rule cap.

128. Further, a PPP applicant's statements relating to the ownership of the applicant and relationship with other companies on its PPP applications — including in response to the "Applicant Ownership" field and in response to the question "Is . . . any owner of the Applicant an owner of any other business . . . ?" — were material to SBA's decision to approve a second-draw PPP loan or forgive a second-draw PPP loan. If SBA had learned that statements set forth on PPP applications demonstrated that one or more applicants had sought a loan (or forgiveness of a loan) in excess of the corporate group cap, SBA would have not approved any loans (or forgiveness of any loans) that were in excess of the Corporate Group Rule cap.

FIRST CLAIM

Violations of the False Claims Act: Presenting False or Fraudulent Claims (31 U.S.C. § 3729(a)(1)(A))

129. The Government incorporates by reference each of the preceding paragraphs as if fully set forth herein.

130. The Government seeks relief against the following defendants under 31 U.S.C.

§ 3729(a)(1)(A): MICHAEL SHABSELS; SIMAD HOLDINGS LLC; DAMIS HOLDINGS LLC; WM CAMP LLC; CAMP MED-O-LARK, INC; GREEN LANE OPERATINGCO, LLC; CLUB GETAWAY OPERATINGCO, LLC; BLUESTAR OPERATINGCO, LLC; SHAB OPERATING INC; EAGLE'S LANDING DAY CAMP LLC; WAUKEELA OPERATINGCO LLC; POLAND CAMPCO LLC; RDM CAMPS LLC; MEADOWBROOK OPERATINGCO LLC; COUNTRY ROADS OPERATINGCO LLC; BANNER OPERATINGCO LLC; BAHS OPERATING INC; BELGRADE LAKES SUMMER CAMPS LLC; STONY CREEK OPERATING CO, LLC; MOGENAVCO LLC; KIWI OPERATINGCO LLC; ACHIM OPERATINGCO LLC; SUMMIT CAMP, LLC; and MAINE WEKEELA CO, LLC.

131. Through the acts set forth above, these defendants knowingly presented, or caused to be presented, false or fraudulent claims for payment or approval, in violation of the FCA, 31 U.S.C. § 3729(a)(l)(A). Specifically, these defendants submitted, or caused to be submitted, false and fraudulent claims for second-draw PPP loans—and false and fraudulent claims for forgiveness of those same second-draw PPP loans loans—in instances where the Shabsels Companies' corporate group had already claimed second-draw PPP loans that exceeded $4 million.

132. These defendants presented or caused to be presented these claims with actual knowledge of their falsity, or in deliberate ignorance or reckless disregard of whether or not they were false.

133. By reason of these false or fraudulent claims, the Government has been damaged in a substantial amount to be determined at trial, and is entitled to recover treble damages plus a civil monetary penalty for each false claim.

SECOND CLAIM

Violations of the False Claims Act: Use of False Statements (31 U.S.C. § 3729(a)(1)(B))

134. The Government incorporates by reference each of the preceding paragraphs as if fully set forth herein.

135. The Government seeks relief against all Defendants under 31 U.S.C. § 3729(a)(1)(B).[6]

136. Through the acts set forth above, Defendants made and used, or caused to be made and used, false records and statements material to the payment of false or fraudulent claims by the SBA in violation of 31 U.S.C. § 3729(a)(1)(B). These false records and statements included misrepresentations by the Defendants in second-draw PPP loan applications relating to the ownership of the Shabsels Companies.

137. Defendants made, used, or caused to be made and used, these false records and statements with actual knowledge of their falsity, or in deliberate ignorance or reckless disregard of whether or not they were false.

138. By reason of the false records or statements, the Government has been damaged in a substantial amount to be determined at trial, and is entitled to recover treble damages plus a civil monetary penalty for each violation.

[6] The Government does not seek damages against MESORAHCO, LLC; MALKA OPERATINGCO LLC; MOHAWKCAMPCO LLC; LAVCO LLC; and IAFA OPERATING CO, LLC on its First, Third, and Fourth Claims for Relief because these entities were within the Corporate Group Rule cap. The Government seeks damages against all Defendants on its Second Claim for Relief because all of the second-draw PPP applications contained false statements leading to improper disbursement of PPP funds.

THIRD CLAIM

Payment by Mistake of Fact

139. The Government incorporates by reference each of the preceding paragraphs as if fully set forth herein.

140. The Government seeks relief against the following defendants to recover monies paid under mistake of fact: DAMIS HOLDINGS LLC; WM CAMP LLC; CAMP MED-O-LARK, INC; GREEN LANE OPERATINGCO, LLC; CLUB GETAWAY OPERATINGCO, LLC; BLUESTAR OPERATINGCO, LLC; SHAB OPERATING INC; EAGLE'S LANDING DAY CAMP LLC; WAUKEELA OPERATINGCO LLC; POLAND CAMPCO LLC; RDM CAMPS LLC; MEADOWBROOK OPERATINGCO LLC; COUNTRY ROADS OPERATINGCO LLC; BANNER OPERATINGCO LLC; BAHS OPERATING INC; BELGRADE LAKES SUMMER CAMPS LLC; STONY CREEK OPERATING CO, LLC; MOGENAVCO LLC; KIWI OPERATINGCO LLC; ACHIM OPERATINGCO LLC; SUMMIT CAMP, LLC; and MAINE WEKEELA CO, LLC.

141. The lenders acting on behalf of the SBA, the SBA, and the United States made payments based on the mistaken and erroneous belief that the PPP loan applications included accurate information and sought payments that complied with program rules. The PPP loans were also forgiven based on the mistaken and erroneous belief that the claims for PPP loan forgiveness complied with the Corporate Group Rule.

142. By reason of the foregoing, the Government has sustained damages in a substantial amount to be determined at trial.

FOURTH CLAIM

Unjust Enrichment

143. The Government incorporates by reference each of the preceding paragraphs as if fully set forth herein.

144. The Government seeks relief against the following defendants to recover pursuant to the common law claim of unjust enrichment: DAMIS HOLDINGS LLC; WM CAMP LLC; CAMP MED-O-LARK, INC; GREEN LANE OPERATINGCO, LLC; CLUB GETAWAY OPERATINGCO, LLC; BLUESTAR OPERATINGCO, LLC; SHAB OPERATING INC; EAGLE'S LANDING DAY CAMP LLC; WAUKEELA OPERATINGCO LLC; POLAND CAMPCO LLC; RDM CAMPS LLC; MEADOWBROOK OPERATINGCO LLC; COUNTRY ROADS OPERATINGCO LLC; BANNER OPERATINGCO LLC; BAHS OPERATING INC; BELGRADE LAKES SUMMER CAMPS LLC; STONY CREEK OPERATING CO, LLC; MOGENAVCO LLC; KIWI OPERATINGCO LLC; ACHIM OPERATINGCO LLC; SUMMIT CAMP, LLC; and MAINE WEKEELA CO, LLC.

145. Through the acts set forth above, these defendants received PPP funds to which they were not entitled, and therefore were unjustly enriched. The circumstances are such that, in equity and good conscience, these defendants should not retain those payments, the amount of which is to be determined at trial.

PRAYER FOR RELIEF

WHEREFORE, the Government respectfully requests that judgment be entered in its favor against Defendants as follows:

(a) On the First and Second Claims (FCA violations), for a sum equal to treble damages and civil penalties to the maximum amount allowed by law;

(b) On the Third and Fourth Claims (Payment by Mistake of Fact and Unjust

Enrichment), a sum equal to the damages to the extent allowed by law; and

(c) Granting the Government costs and such further relief as the Court may deem proper.

Dated: New York, New York
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