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United States Attorney's Office
District of Oregon

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Oregon Man Sentenced to Federal Prison and Ordered to Forfeit Over \$18 Million in Stock and Properties After Stealing Millions in Covid-Relief Funds

EUGENE, Ore.—An Oregon man was sentenced to federal prison today after stealing millions of dollars in loans intended to help small businesses during the COVID-19 pandemic.

Andrew Aaron Lloyd, 51, of Lebanon, Oregon, was sentenced to 48 months in federal prison and five years' supervised release. Lloyd was also ordered to pay more than \$4 million in restitution and forfeit 25 properties and more than 15,000 shares of Tesla, Inc. stock seized by law enforcement.

Lloyd took advantage of economic relief programs administered by the Small Business Administration (SBA), including Economic Injury Disaster Loans (EIDL) and the Paycheck Protection Program (PPP). These programs were authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law on March 27, 2020. The CARES Act provided emergency financial assistance to millions of Americans and small businesses suffering from the economic effects of the COVID-19 pandemic.

According to court documents, beginning in April 2020, Lloyd began submitting CARES Act loan applications using numerous business names and personally identification information of relatives and business associates without their consent. Lloyd submitted false documentation to justify the loan amounts requested, including IRS forms listing the 2019 wages purportedly paid by entities controlled by Lloyd. Lloyd claimed these entities paid employees as much as \$4.7 million. Lloyd's loan applications included lists of dozens of purported employees and the total wages paid to each. The loan application packages included some of the same information across the different business entities, including the businesses' physical locations and the names of several dozen employees.

The IRS forms, the total amount of wages and earnings, the employee names, and the wages paid to each employee were all created by Lloyd and false.

In total, Lloyd submitted nine PPP loan applications, six of which were accepted, resulting in a payout of more than \$3.4 million. Lloyd also applied for numerous EIDLs, of which one was accepted, resulting in an additional \$160,000 in payments to Lloyd.

Upon receipt of the funds, Lloyd purchased real estate and invested in securities. Lloyd transferred more than \$1.8 million of the above-described PPP loan funds to his securities brokerage account. Securities Lloyd purchased using the fraudulently acquired funds

substantially increased in value. In addition, Lloyd purchased more than 25 properties in Oregon and California with the proceeds of his fraud.

In January 2021, agents seized Lloyd's brokerage account, which included 15,740 shares of Tesla, Inc. purchased with proceeds of his fraud. In March 2021, agents seized another account containing more than \$660,000 in securities and cash. The securities and cash seized from Lloyd's accounts are presently valued at more than \$18 million.

On January 5, 2021, Lloyd was [charged by criminal complaint](#) with wire fraud, bank fraud, and money laundering. Later, on June 6, 2021, he was charged by superseding criminal information with bank fraud, money laundering, and aggravated identity theft. On June 17, 2021, Lloyd [pleaded guilty](#) to all three charges.

An accomplice of Lloyd's, Russell Anthony Schort, 39, of Myrtle Creek, Oregon, was charged alongside Lloyd for similar conduct. Schort pleaded guilty to bank fraud and, on November 16, 2021, was sentenced to federal prison and ordered to pay \$294,552 in restitution.

U.S. Attorney Scott Erik Asphaug of the District of Oregon made the announcement.

This case was investigated by the FBI, the SBA Office of Inspector General, and IRS Criminal Investigation. It is being prosecuted by Gavin W. Bruce and Julia Jarrett, Assistant U.S. Attorneys for the District of Oregon.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

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