

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
26-CR-20073-MOORE/D'ANGELO
CASE NO. _____

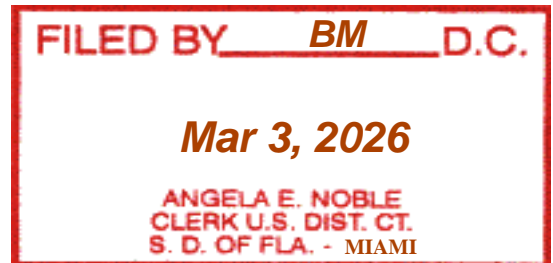
18 U.S.C. § 1349
18 U.S.C. § 1343
18 U.S.C. § 1957
18 U.S.C. § 371
26 U.S.C. § 7202
26 U.S.C. § 7201
26 U.S.C. § 7203
18 U.S.C. § 1344
18 U.S.C. § 981(a)(1)(C)
18 U.S.C. § 982(a)(1)
18 U.S.C. § 982(a)(2)(A)

UNITED STATES OF AMERICA

vs.

RISHI KAPOOR,

Defendant.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At various times material to this Indictment:

The Defendant

1. **RISHI KAPOOR** was a United States citizen and resident of Miami-Dade County.

Kapoor-Related Entities

2. Location Ventures was a Miami-based real estate company that purported to invest in the development of single-family homes, condominiums, and mixed-use properties, primarily in the Southern District of Florida. **RISHI KAPOOR** was the chief executive officer of Location Ventures, a company incorporated in the State of Florida, between approximately 2016 and July 2023.

3. Location Ventures operated like a parent company with several wholly owned subsidiaries also controlled by **RISHI KAPOOR**, including Location Development, Location Capital, and Location Properties. Location Development, Location Capital, and Location Properties were all incorporated in the State of Florida with their primary business addresses in Miami-Dade County. Location Ventures will refer collectively to Location Ventures, Location Development, Location Capital, and Location Properties, unless otherwise noted.

4. There were also limited liability companies formed under the Location Ventures umbrella in connection with each individual construction project undertaken by **RISHI KAPOOR** (collectively, the Location Ventures Projects). **KAPOOR** controlled both Location Ventures and the Location Ventures Projects, with the title “manager” on corporate paperwork. The Location Ventures Projects were limited liability companies registered in the State of Florida and operating in the Southern District of Florida:

ENTITIES	PROJECT NAME	PROJECT TYPE
551 Bayshore Partners LLC	551 Bayshore	Luxury EDITION residences on Bayshore Drive in Fort Lauderdale
1505 Ponce Partners LLC	1505 Ponce	Condominium complex on Ponce de Leon Boulevard in Coral Gables
8325 Cheryl Lane LLC	Cheryl Lane	Luxury single family home near Coral Gables
800 Dixie Partners LLC	800 Dixie or “Orduna”	Apartment complex on South Dixie Highway in Coral Gables
650 Leucadendra Partners LLC	Leucadendra	Luxury single family home in Coral Gables
LV Montana Phase I LLC	Montana	Subdivision in Columbia Falls, Montana
Stewart Grove 1 LLC	Stewart Grove	Luxury single family home in Coconut Grove
UrbIn LLC	URBIN	Umbrella company that invested in urban live/work concept projects in South Florida
UrbIn Coral Gables Partners LLC	URBIN Gables	URBIN condominium and retail project in Coral Gables on Minorca Avenue

ENTITIES	PROJECT NAME	PROJECT TYPE
Urbin Coconut Grove Partners LLC	URBIN Grove	URBIN condominium and retail project in Coconut Grove on Commodore Plaza
Urbin Miami Beach Partners LLC	URBIN Miami Beach	URBIN condominium and retail project in Miami Beach on Washington Avenue
515 Valencia Partners 515 Valencia SPE, LLC	Villa Valencia	Condominium building in Coral Gables on Valencia Avenue.

5. Construction Company 1 had offices in Miami and Washington, DC and contracted with **RISHI KAPOOR** to construct the Location Ventures Projects.

6. Chief Financial Officer 1 served as the Chief Financial Officer (“CFO”) of Location Ventures from 2018 through August 2022. Chief Financial Officer 1 was replaced as CFO by Chief Financial Officer 2 in or around August 2022 but maintained knowledge and responsibility over several financial decisions, including those concerning payroll taxes and distribution of company funds.

7. Patriots United was a Florida company formed in 2017, with its principal place of business in Coral Gables, Florida. Patriots United was owned by **RISHI KAPOOR**, Chief Financial Officer 1, and **KAPOOR’s** family members. **KAPOOR** and Chief Financial Officer 1’s ownership interest in Location Ventures was through Patriots United.

8. Controller 1 served as the controller of Location Ventures from in or around February 2021 until approximately January 2024.

9. The employees of Location Ventures and the Location Ventures Projects had company email accounts that were hosted by an email provider with servers outside the State of Florida.

10. Location Ventures and the Location Ventures Projects raised money from investors to develop the projects. Investors could invest at the Location Ventures level or into a specific

project (or both). Investors signed operating agreements with either Location Ventures or the specific project they invested in, and **RISHI KAPOOR** counter signed the operating agreements on behalf of the specific entities involved.

The Investors

11. Investor 1, a resident of Miami Beach, Florida, invested approximately \$1,000,000 in Location Ventures.

12. Investor 2, a resident of Miami Beach, Florida, invested approximately \$40,000,000 in Location Ventures, 1505 Ponce, and 551 Bayshore.

13. Investor 3, a resident of Coconut Grove, Florida, invested approximately \$300,000 in URBIN Grove.

14. Investors 4 and 5, a married couple and both residents of Coral Gables, Florida, bought a condominium unit at Villa Valencia and invested approximately \$1,000,000 into Location Ventures.

RISHI KAPOOR's Compensation

15. The Location Ventures operating agreement, signed by **RISHI KAPOOR** and the investors, set his yearly "compensation" at \$300,000, with a maximum increase to \$400,000 with board approval, and allowed **KAPOOR** to receive profit from the sale of a Location Ventures Project based on his equity investment in Location Ventures through Patriots United.

16. The Location Ventures Projects operating agreements, also signed by **RISHI KAPOOR** and the investors, allowed **KAPOOR** to receive certain pre-approved fees from the projects without getting the consent of the investors, including: (a) a "loan guarantor fee" for any loan **KAPOOR** personally guaranteed for a project, capped at a percentage of the loan amount; and (b) "an acquisition fee" for property acquired for a project, again capped at varying amounts

per project (paid at closing). The Location Ventures Projects operating agreements did not provide for a salary to **KAPOOR**.

RISHI KAPOOR's Homes and Yachts

17. **RISHI KAPOOR** purchased a home in the Coconut Grove neighborhood of Miami, Florida (the "Coconut Grove House") for \$1.295 million in approximately August 2018. **KAPOOR** financed over \$900,000 of the purchase of the Coconut Grove House from a lender. From 2018 until approximately December 2021, Location Development paid **KAPOOR's** mortgage on the Coconut Grove House and was only sometimes reimbursed by **KAPOOR**.

18. In or around August 2021, **RISHI KAPOOR** purchased a 55' 2020 Princess motor yacht called Suneeta ("Yacht 1") for approximately \$2.3 million from Yacht Dealer 1. **KAPOOR** paid approximately \$1.3 million in cash for Yacht 1 and financed approximately \$1 million with a lender. **KAPOOR's** monthly loan payment for Yacht 1 was approximately \$6,100 per month between August 2021 and May 2023.

19. In or around November 2021, **RISHI KAPOOR** purchased a home with his spouse in the Cocoplum neighborhood of Coral Gables, Florida (the "Cocoplum House") for approximately \$5.9 million. **KAPOOR** financed over \$4.4 million of the purchase price of the Cocoplum House with a loan from a lender. In approximately October 2022, **KAPOOR** made a balloon loan payment of approximately \$184,384.75, and then his monthly mortgage payment was approximately \$36,000. In or around March 2023, **KAPOOR** refinanced his loan on the Cocoplum House with another lender and his monthly mortgage payment for the Cocoplum House was more than \$46,000 until July 2023.

20. In or around approximately March 2023, **RISHI KAPOOR** sold Yacht 1 and purchased a 68' 2023 Princess motor yacht called M/Y SUNEETA II ("Yacht 2") from Yacht Dealer 1 for approximately \$5.3 million. **KAPOOR** paid approximately \$1 million in cash for

Yacht 2 and financed approximately \$4.2 million with Bank 1. **KAPOOR**'s monthly loan payment for Yacht 2 was approximately \$31,000 between April 2023 and December 2023.

The Condominium Units

21. **RISHI KAPOOR** sold approximately 70 pre-construction condominium units to buyers through the following Location Ventures Projects: Villa Valencia, URBIN Miami Beach, and URBIN Grove. The condominium buyers made deposits towards the purchase of the units.

22. The Florida Condominium Act mandated how developers like Villa Valencia, URBIN Miami Beach, and URBIN Grove could use money collected as deposits for condominiums before the construction was substantially completed, to protect a buyer's investment in a preconstruction development.

23. For example, if a condominium development had not been substantially completed, a developer was required to "pay into an escrow account all payments up to 10 percent of the sale price received by the developer from the buyer towards the sale price." Fla. Stat. 718.202(1). All payments from a buyer to the developer "in excess" of the 10 percent of the sale price and paid prior to completion of construction by the developer were required to be placed into a "special escrow account" that was "controlled by an escrow agent." Fla. Stat. 718.202(2).

24. The developer was only permitted to withdraw funds "in excess" of 10 percent of the sales price before the closing on the condominium "when the construction of improvements ha[d] begun" for "actual costs incurred by the development in the construction and development of the condominium property ... in which the unit to be sold is located." Fla. Stat. 718.202(3). "Actual costs" included: "expenditures for demolition, site clearing, permit fees, impact fees, and utility reservation fees, as well as architectural, engineering, and surveying fees that directly relate to construction and development of the condominium property." *Id.* The Florida Condominium Act further provided that: "no part of these funds may be used for salaries, commissions, or

expenses of salespersons; for advertising, marketing, or promotional purposes; or for loan fees and costs, principal and interest on loans, attorney fees, accounting fees, or insurance costs.” *Id.*

25. Escrow Agent 1 served as the escrow agent for URBIN Grove. Escrow Agent 2 served as the escrow agent for URBIN Miami Beach and Villa Valencia and served as an escrow agent for certain real estate purchases and loans related to Location Ventures and **RISHI KAPOOR**.

26. **RISHI KAPOOR** agreed to follow the above provisions of the Florida Condominium Act in his agreements with Escrow Agent 1 and Escrow Agent 2.

27. Real Estate Broker 1 contracted with Villa Valencia, URBIN Miami Beach, and URBIN Grove to sell the condominium units to buyers.

The Financial Institutions

28. Bank 1, headquartered in Massachusetts, was a financial institution with deposits insured by the Federal Deposit Insurance Corporation. Bank 1 extended a loan totaling approximately \$4.2 million to **RISHI KAPOOR** based on financial documents and other submissions provided by **KAPOOR** and others acting at **KAPOOR**'s direction.

29. Bank 2, headquartered in Texas, was a financial institution with deposits insured by the Federal Deposit Insurance Corporation. Bank 2 extended a \$2.5 million line of credit to Location Ventures, and increased that line of credit to \$5 million, based on financial documents and other submissions provided by **RISHI KAPOOR** and others acting at **KAPOOR**'s direction. **KAPOOR** served as a personal guarantor on the Bank 2 lines of credit. Bank 2 had servers outside the state of Florida. The Location Ventures companies had accounts at Bank 2 that were opened at a branch in the Southern District of Florida, including these accounts:

- a. Location Development – account x1393
- b. Location Capital – account x1450
- c. Urbin – account x6400

- d. Urbin Coconut Grove Partners – account x0725
- e. Urbin Commodore Res II SPE – account x2879
- f. 1505 Ponce Partners – account x1244

30. Bank 3, headquartered in North Carolina, had servers outside the State of Florida and deposits insured by the Federal Deposit Insurance Corporation. **RISHI KAPOOR** and the Location Ventures companies had accounts at Bank 3 that were opened at a branch in the Southern District of Florida, including these accounts:

- a. **RISHI KAPOOR** – accounts x0440 and x3191
- b. Location Development – account x5835
- c. Location Capital – account x8410
- d. Urbin Miami Beach Partners – account x5493
- e. Urbin Gables Partners - account x3014

31. Fedwire is the real-time funds transfer system operated by the Federal Reserve Bank. Fedwire had servers outside the State of Florida.

The Internal Revenue Service

32. The Internal Revenue Service (“IRS”) was an agency of the United States Department of Treasury responsible for administering the federal tax laws of the United States and collecting taxes owed to the United States.

33. The Federal Insurance Contribution Act (“FICA”) required employers to withhold Medicare and Social Security taxes from their employees’ wages. The Internal Revenue Code also required employers to withhold certain federal taxes, or payroll taxes, from their employees’ wages. Employers, who held these taxes in trust for the United States, were required to pay them over to the IRS on behalf of their employees. Collectively, these withheld taxes will be referred to as “trust fund taxes.” An individual with the obligation to collect, account for, and pay over withheld trust fund taxes to the government is called a “responsible person.”

34. The FICA also required employers to themselves pay Medicare and Social Security taxes on behalf of their employees.

35. For employers whose annual liability for trust fund taxes was greater than \$1,000, responsible persons were required to report the employment taxes due for the employer on a Form 941, Employer's Quarterly Federal Tax Return ("Form 941") on a quarterly basis. The Form 941 was due at the end of the month following the end of each calendar quarter and reported the total amount of wages and other compensation subject to withholding, the total amount of income tax withheld, the total amount of employment taxes due, and the total tax deposits the employer made with the IRS.

36. **RISHI KAPOOR** was a "responsible person" for Location Ventures and the Location Ventures Projects.

37. **RISHI KAPOOR** knew that a company was obligated to withhold and remit employees' trust fund taxes to the IRS because **KAPOOR** withheld trust fund taxes from his employees at a prior company he controlled before Location Ventures, failed to remit those withheld taxes to the IRS, and was apprised of his failure to do so by the IRS.

38. As used herein, "income tax" refers to the tax on income earned within the United States by United States citizens and others as provided for under federal law. In general, federal law requires every individual whose income meets or exceeds certain minimum amounts to file a federal income tax return and pay federal income tax due for each year.

39. **RISHI KAPOOR** knew that he was obligated to pay his personal income taxes to the IRS because **KAPOOR** failed to timely remit payment to the IRS for his personal tax liability for tax years 2015 and 2016, resulting in the IRS filing a tax lien against him and requiring **KAPOOR** to eventually negotiate payment and release of that lien by the IRS in approximately June 2019.

40. **RISHI KAPOOR** failed to file U.S. Individual Income Tax Returns, Forms 1040, for tax years 2017 through 2023.

41. Employers must report to the IRS on an IRS Form 1099 payments totaling \$600 or more during the calendar year in the course of a business to a person who is not an employee of the company for services or income.

COUNT 1
Conspiracy to Commit Wire Fraud
(18 U.S.C. § 1349)

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2016, through at least in or around January 2024, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with Chief Financial Officer 1, Controller 1, and others known and unknown to the Grand Jury, to knowingly, and with intent to defraud, devise, and intend to devise, a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations and promises were false and fraudulent when made, and, for the purpose of executing the scheme and artifice, did knowingly transmit and cause to be transmitted, by means of wire communication, in interstate and foreign commerce, certain writings, signs, signals, pictures and sounds, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE CONSPIRACY

3. It was a purpose of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by: (a) soliciting millions of dollars in investor funds under false and fraudulent pretenses, representations, and promises, and by making material omissions; (b)

misappropriating and converting investor funds for the personal benefit of the defendant and his co-conspirators; and (c) making false statements and engaging in other fraudulent activities designed to conceal the commission of the offense.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendant and his co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

Summary of the Investor Fraud

4. In total, **RISHI KAPOOR**, through Location Ventures and the Location Ventures Projects, raised approximately \$85 million from investors through fraud, including by: 1) falsely inflating the amount of his initial capital contributions in Location Ventures; 2) personally misappropriating investor money in excess of what he agreed to be paid in the operating agreements and concealing the misappropriations from investors on financial records; 3) misusing investor money for specified Location Ventures Projects on other projects; 4) misrepresenting to escrow agents that he was using excess 10 percent deposits on permissible construction costs when he was not; 5) falsely representing to investors that he was paying the payroll taxes of his employees to the IRS; and 6) misusing construction loans for URBIN Coconut Grove, Villa Valencia, and Stewart Grove to buy out Investor 2. **KAPOOR** and other co-conspirators made many of these false and misleading representations to investors via interstate wire, including over company email accounts.

Lies About RISHI KAPOOR's Initial Capital Contribution

5. To induce investors to invest, **RISHI KAPOOR** represented to them personally and in the Location Ventures operating agreement that he made a \$13 million "cash" contribution in Location Ventures, together with his family and Chief Financial Officer 1, through Patriots United. This purported \$13 million cash contribution resulted in a large percentage ownership

interest in Location Ventures for **RISHI KAPOOR** and when, combined with smaller interests of other insiders, gave **KAPOOR** control of the company. In truth and in fact, the principals of Patriots United contributed approximately half of the \$13 million in cash to Location Ventures.

6. When Investor 1 pressed **RISHI KAPOOR** for financial records to document the \$13 million cash capital contribution, **KAPOOR** told Chief Financial Officer 1 to inflate balance sheets so that Patriots United's capital contribution totaled \$13 million, including falsely inflating **KAPOOR's** own capital contribution (including **KAPOOR's** capital contribution in 800 Dixie). Chief Financial Officer 1 then emailed the falsified balance sheets to Investor 1.

RISHI KAPOOR's Misappropriation of Investor Money

7. The Location Ventures operating agreement set **RISHI KAPOOR's** salary at \$300,000, with the potential to be increased to a maximum of \$400,000 with board approval. In 2021 and 2022, **KAPOOR** took more from Location Ventures and from the Location Ventures Projects than the amount he agreed to receive in the operating agreements without getting board or investor approval to do so, including the following specific transactions:

a. In 2021, **KAPOOR** used the Location Development credit card to buy himself a \$79,050 Rolex Daytona 40mm 18kt yellow gold;

b. In 2021, **KAPOOR** took approximately \$1.50 million that he was not authorized to receive from Location Capital account x8410 via Fedwire on approximately August 3, 2021; and

c. In 2022, **KAPOOR** took approximately \$1.328 million that he was not authorized to receive from Location Capital account x8410 via Fedwire on approximately August 15, 2022.

8. **RISHI KAPOOR** misappropriated the investor money to fund his increasingly lavish lifestyle, including the following expenditures:

- a. **KAPOOR** used misappropriated funds to make mortgage payments on the Coconut Grove House;
- b. **KAPOOR** used misappropriated funds to purchase a Rolex Daytona watch for approximately \$79,000 in June 2021;
- c. **KAPOOR** used misappropriated funds to make payments on Yacht 1;
- d. **KAPOOR** used misappropriated funds to make payments on the Cocoplum House;
- e. **KAPOOR** used misappropriated funds to make an approximately \$28,000 down payment on a 2.5 carat platinum ring in September 2022; and
- f. **KAPOOR** used misappropriated funds to make payments on Yacht 2.

9. **RISHI KAPOOR** concealed these unauthorized payments from investors. For example, on August 10, 2022, Location Ventures received \$1,259,887 from the sale of 800 Dixie. On August 15, 2022, **RISHI KAPOOR** emailed Chief Financial Officer 1 to send him \$1.328 million for “Orduna [aka 800 Dixie] LV profit”, a “broker fee” on 1505 Ponce, and several “equity fees” that were not allowed by the corresponding Location Ventures operating agreement. Neither the Location Ventures operating agreement nor the operating agreements for the Location Ventures Projects authorized **KAPOOR** to take “broker” fees or “equity” fees on investments he raised. After Location Ventures level investors, including Investors 4 and 5, asked about their expected distributions from the sale of 800 Dixie, **KAPOOR** emailed a Location Ventures employee on December 15, 2022 a “general update” to provide to Location Ventures investors and told her to say “Orduna [aka 800 Dixie] sold but we are holding the cash to help support . . . other projects.” **KAPOOR** had already distributed the cash to himself and Chief Financial Officer 1, contrary to what he instructed his employee to tell the investors.

10. In addition, **RISHI KAPOOR** instructed Chief Financial Officer 1 and Controller 1 not to accurately enter the unauthorized payments he took in the accounting records of Location Ventures. At times, **KAPOOR** instructed Chief Financial Officer 1 and Controller 1 to hide the payments to **KAPOOR** on the Location Ventures balance sheets provided to Location Ventures investors as an “asset” by: (a) making it look like the money **KAPOOR** took was still in a Location Ventures bank account even though it was not; and (b) falsely classifying the money **KAPOOR** took as an “investment” in a nascent project referred to as a “pipeline” project.

11. After Investor 2 questioned some of the unauthorized payments **RISHI KAPOOR** took from company bank accounts, **KAPOOR** sent false invoices totaling \$600,000 to Construction Company 1 for purported “business developing consulting services” that **KAPOOR** did not perform. **KAPOOR** paid Construction Company 1 a significant sum from an URBIN Miami Beach account and instructed Construction Company 1 to use \$500,000 of that money to pay **KAPOOR**. In February and March 2023, Construction Company 1 wired \$600,000 to **KAPOOR**’s personal bank account. **KAPOOR** used the \$600,000 to fund his mortgage payments on the Cocoplum Home. In March 2023, **KAPOOR** refused to fill out a W-9 form for the \$600,000 from Construction Company 1. **KAPOOR** never filed income taxes disclosing the payments from Construction Company 1.

12. **RISHI KAPOOR** also instructed Controller 1 not to report to the IRS on the required tax documents the significant money he received in 2021 and 2022, to conceal these misappropriations of investor money from the IRS as well.

13. If investors had known about **RISHI KAPOOR**’s significant personal liabilities, including significant tax due and owing to the IRS, it would have negatively impacted their trust in **KAPOOR**’s ability to safeguard and appropriately manage their investments.

Misuse of Investors Funds on Location Ventures Projects

14. According to the operating agreements of the Location Ventures Projects, the “sole business” of the project was the development of the specific parcel of land on which the project would be built. As a result, project level investors only signed operating agreements with respect to the project in which they invested. In conversations, **RISHI KAPOOR** represented to investors in the Location Ventures Projects that their investment would be used to develop the specific project they were investing in, including Investor 3 (an URBIN Coconut Grove investor who resided in the neighborhood).

15. When cash was short on one of the Location Ventures Projects, **RISHI KAPOOR** moved the money out of a different project bank account to cover the shortfall. **KAPOOR** often instructed Chief Financial Officer 1 and Controller 1 to make these intercompany transfers without proper accounting documentation or approval of the Location Ventures Projects investors.

Misuse of Condominium Buyer’s Escrow Money

16. **RISHI KAPOOR** was aware of the Florida Condominium Act and the restrictions on use of buyer deposits in excess of 10 percent of the purchase price of a pre-construction condominium unit. **KAPOOR** personally signed escrow agreements with Escrow Agent 1 and Escrow Agent 2 confirming that he could only use the excess 10 percent deposit in compliance with the Florida Condominium Act and quoting the specific provision in the act that: “no part of these funds may be used for salaries, commissions, or expenses of salespersons; for advertising, marketing, or promotional purposes; or for loan fees and costs, principal and interest on loans, attorney fees, accounting fees, or insurance costs.” *Id.*

17. Each time **RISHI KAPOOR** wanted to release funds in excess of 10 percent deposits for URBIN Grove units held by Escrow Agent 1, he had to sign and send a letter that said: “all funds released to Developer will be used solely for construction purposes and that no part of

these funds will be used for salaries or commission, or for expenses of salesmen or for advertising purposes in compliance with the Condominium Act.” Escrow Agent 2 also required **KAPOOR** to agree over email that he was using the excess 10 percent deposits for Villa Valencia and URBIN Miami Beach for construction purposes only.

18. On several occasions, **RISHI KAPOOR** falsely represented to Escrow Agent 1 and Escrow Agent 2 that he would use the released excess 10 percent deposits from URBIN Grove, URBIN Miami Beach, and Villa Valencia in compliance with the Florida Condominium Act, and then used the excess 10 percent deposits contrary to that act, including:

a. **KAPOOR** used excess 10 percent deposits from URBIN Grove and Urbin Miami Beach to buy property in Montana, to buy property for URBIN Gables, and for Stewart Grove (instead of using the money on the construction of the URBIN Grove and Miami Beach projects as he was required to do).

b. **KAPOOR** used excess 10 percent escrow deposits from URBIN Grove and Urbin Miami Beach to pay the real estate commissions of Real Estate Broker 1 (despite the fact that the Florida Condominium Act prohibits using those deposits to pay the “commissions” of “salespersons”)

c. **KAPOOR** used excess 10 percent deposits for URBIN Coconut Grove to pay himself \$120,000 when he only had approximately \$5,000 in his personal savings account and had to cover a \$46,000 mortgage payment on the Cocoplum House.

d. **KAPOOR** used excess 10 percent deposits for URBIN Miami Beach to pay Pub 1 on Miami Beach to vacate the premises instead of using the funds to pay the “actual costs” of construction of the units.

19. In total, **RISHI KAPOOR** misused over \$9 million of excess 10 percent deposits from URBIN Miami Beach and URBIN Grove buyers, contrary to the Florida Condominium Act.

As a result, **KAPOOR** did not spend that money on the construction of those projects. As of January 2024, URBIN Grove and URBIN Miami Beach were never ultimately constructed and Villa Valencia was not completed.

Misuse of Investor Funds and Construction Loan Proceeds to Buy Out Investor 2

20. In 2022, Investor 2 became concerned about **RISHI KAPOOR**'s misappropriation of investor funds and raised the concerns with **KAPOOR** directly. In December 2022, Investor 2 signed an agreement with **KAPOOR** on behalf of Location Ventures and certain Location Ventures Projects, in which **KAPOOR** agreed to buy out Investor 2's interest for approximately \$41 million to be paid on an installment plan.

21. To finance the installment payments to Investor 2, **RISHI KAPOOR** misused investor funds and construction loan proceeds related to the Location Ventures Projects.

False Representation to Investors about Payroll Taxes

22. **RISHI KAPOOR** and Chief Financial Officer 1 withheld payroll taxes from the Location Ventures and Location Ventures Projects employees' paychecks. But **KAPOOR**, Chief Financial Officer 1, and others failed to file Forms 941 with the IRS and failed to remit the withheld trust fund taxes to the IRS.

23. **RISHI KAPOOR**, Chief Financial Officer 1, and their co-conspirators altered the Location Ventures accounting software to make it appear as if trust fund taxes had been paid and to conceal the unlawful retention of withheld trust fund taxes from investors.

24. **RISHI KAPOOR**, Chief Financial Officer 1, and their co-conspirators generated financial statements and other documents, which were provided to investors, that made it appear as though payroll taxes had been paid.

25. To induce investors to provide money to Location Ventures and the Location Ventures Projects, **RISHI KAPOOR** and his co-conspirators made and caused others to make

materially false and fraudulent statements to investors, and concealed and omitted to state, and caused others to conceal and omit to state, material facts to investors, including, among others, the following:

Materially False Statements

- (a) That Patriots United contributed \$13 million cash into Location Ventures, when in truth and in fact, Patriots United contributed approximately half of that amount;
- (b) That **RISHI KAPOOR**'s compensation was capped at \$400,000 with only certain agreed upon fees, when, in truth and in fact, **KAPOOR** was misappropriating millions of dollars in excess of his salary from the accounts of Location Ventures and Location Ventures Projects for his personal benefit;
- (c) That **RISHI KAPOOR** put the profit from the sale of 800 Dixie back into Location Ventures, when, in truth and in fact, **KAPOOR** transferred funds from the sale of 800 Dixie into his personal account;
- (d) That **RISHI KAPOOR** would use investor money for a Location Ventures Project on that project, when, in truth and in fact, **KAPOOR** used funds from investors dedicated for one project on other projects;
- (e) That **RISHI KAPOOR** was using Villa Valenica, URBIN Grove, and URBIN Miami Beach condominium deposits "in excess" of 10 percent of the purchase price on the "actual costs" of the construction of those projects, when, in truth and in fact, **KAPOOR** used millions of dollars of these funds for other purposes, including his own personal benefit;
- (f) That **RISHI KAPOOR** was paying payroll taxes to the IRS for the Location Ventures and Location Ventures Projects employees, when, in truth and in fact, **KAPOOR** was not paying payroll taxes; and

- (g) That **RISHI KAPOOR** misappropriated investor money and proceeds of construction loans to pay off Investor 2.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2-7
Wire Fraud
(18 U.S.C. § 1343)

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2016, continuing through in or around January 2024, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

did knowingly, and with the intent to defraud, devise, and intend to devise, a scheme and artifice to defraud, and obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and, for the purpose of executing the scheme and artifice, did knowingly transmit and cause to be transmitted, by means of wire communication in interstate commerce, certain writings, signs, signals, pictures and sounds, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for **RISHI KAPOOR** and his accomplices to unlawfully enrich themselves by: (a) soliciting millions of dollars in investor funds under false and fraudulent pretenses, representations, and promises, and by making material omissions; (b) misappropriating and converting investor funds for the personal benefit of the defendant and his accomplices; and (c) making false statements and engaging in other fraudulent

activities designed to conceal the commission of the offense.

THE SCHEME AND ARTIFICE

4. Paragraphs 4 through 25 of the Manner and Means Section of Count 1 are re-alleged and fully incorporated herein as a description of the scheme and artifice.

USE OF WIRES

5. On or about the dates specified below, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant, **RISHI KAPOOR**, for the purpose of executing and in furtherance of the aforesaid scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, did knowingly transmit and cause to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, signals, pictures, and sounds, as described below:

COUNT	APPROX. DATE	DESCRIPTION OF WIRE COMMUNICATION
2	August 3, 2021	RISHI KAPOOR caused a \$1.5 million teller transfer at the Coconut Grove branch of Bank 3, transferring the money from Location Capital account x8410 at Bank 3 to his personal account x0440 at Bank 3 via a server at Bank 3 outside the State of Florida.
3	February 8, 2022	RISHI KAPOOR caused a \$556,810.01 wire transfer via Fedwire from Location Capital account x8410 at Bank 3 to a title company with the memo "Pipeline Montana" for the purchase of land in Montana, funded by URBIN Miami Beach excess 10 percent condominium buyer deposits released from Escrow Agent 2.
4	July 1, 2022	RISHI KAPOOR caused a \$350,000 wire transfer via Fedwire from Urbin Miami Beach Partners account x5493 for a settlement payment with Pub 1 in Miami Beach, funded by URBIN Miami Beach excess 10 percent condominium buyer deposits released from Escrow Agent 2, despite KAPOOR's written agreement that he would use the funds "for the actual costs incurred by [KAPOOR] in the construction and development of [URBIN Miami Beach]."

COUNT	APPROX. DATE	DESCRIPTION OF WIRE COMMUNICATION
5	August 15, 2022	RISHI KAPOOR caused a \$1.328 million wire transfer via Fedwire from Location Capital account x8410 at Bank 3 to his personal account x3191 at Bank 3, for his purported “equity fees” that were not permitted in the Location Ventures operating agreements and for his 800 Dixie “LV profit” (a profit that KAPOOR hid from investors seeking their 800 Dixie profit distributing by telling his employee to falsely tell other Location Ventures investors he was “holding the cash [from the sale] to help support . . . other projects.”)
6	October 18, 2022	RISHI KAPOOR caused a \$1,146,900 intrabank transfer from Location Capital account x1450 at Bank 2 to 1505 Ponce Partners account x1244 at Bank 2 via a server at Bank 2 outside the State of Florida, for a “capital contribution,” funded by URBIN Grove excess 10 percent condominium buyer deposits released from Escrow Agent 1, contrary to KAPOOR’s written agreement that he would use the funds “solely for construction purposes ... in compliance with the Condominium Act.”
7	November 30, 2022	RISHI KAPOOR caused a \$120,000 wire transfer via Fedwire from Urbin Commodore Res II SPE Account x2879 at Bank 2 to his personal account x3191 at Bank 3, funded by URBIN Grove excess 10 percent condominium buyer deposits released from Escrow Agent 1, contrary to KAPOOR’s written agreement that he would use the funds “solely for construction purposes ... in compliance with the Condominium Act.”

In violation of Title 18, United States Code, Sections 1343 and 2.

COUNTS 8-12
Money Laundering
(18 U.S.C. § 1957(a))

1. The General Allegations section and paragraphs 4 through 25 of the Manner and Means section of Count 1 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. On or about the dates as to each count set forth below, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

did knowingly engage and attempt to engage in a monetary transaction by, through, and to a financial institution affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, such property having been derived from specified unlawful activity, knowing that the property involved in the monetary transaction was derived from some form of unlawful activity, as set forth below:

COUNT	APPROX. DATE	DESCRIPTION OF MONETARY TRANSACTION
8	August 5, 2021	Wire transfer via Fedwire of \$1,107,231 from RISHI KAPOOR 's personal account x0440 at Bank 3 to Yacht Dealer 1 for the purchase of Yacht 1.
9	August 9, 2021	Wire transfer via Fedwire of \$17,000 from RISHI KAPOOR 's personal account x0440 at Bank 3 to a Miami-based yacht club for the "yacht club dock app fee".
10	August 15, 2022	Wire transfer via Fedwire of \$820,559 from RISHI KAPOOR 's personal account x3191 at Bank 3 to Yacht Dealer 2 for the purchase of Yacht 2.
11	September 28, 2022	Wire transfer via Fedwire of \$28,405.50 from RISHI KAPOOR 's personal account x0440 at Bank 3 to a Coconut Grove jewelry store for a 50 percent downpayment on a 2.5 carat platinum ring in a platinum setting with accompanying gold bands (referred to as "wifey bling" by KAPOOR).
12	October 11, 2022	Wire transfer via Fedwire of \$184,384.75 from RISHI KAPOOR 's personal account x0440 at Bank 3 to fund an accrued interest payment to his lender on the Cocoplum House.

It is further alleged that the specified unlawful activity is wire fraud, in violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1957 and 2.

COUNT 13
Conspiracy to Commit Offenses Against, and to Defraud, the United States
(18 U.S.C. § 371)

1. The General Allegations section of this Indictment is re-alleged and incorporated as though fully set forth herein.

2. From at least in or around 2017, through in or around September 2023, in Miami-

Dade, County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

did knowingly and willfully combine, conspire, confederate and agree with Chief Financial Officer 1, and others known and unknown to the Grand Jury, to:

(a) defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the IRS, an agency of the United States, in the ascertainment, computation, assessment and collection of revenue, that is trust fund taxes; and

(b) to willfully fail to truthfully account for and pay over the trust fund taxes due and owing to the IRS on behalf of the employees of Location Ventures and Location Ventures Projects, in violation of Title 26, United States Code, Section 7202.

PURPOSE OF THE CONSPIRACY

3. It was the purpose of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by (a) withholding trust fund taxes from the pay of Location Ventures and Location Ventures Projects employees, which taxes should have been remitted to the IRS; (b) failing to file Forms 941 with the IRS, which Forms 941 would have apprised the IRS of the Location Ventures and Location Ventures Projects trust fund obligations; (c) retaining those trust fund taxes instead of remitting them to the IRS; (d) using false and fraudulent pretenses, representations, and promises, and making material omissions, to conceal the retention of those trust fund taxes; and (e) using funds that could have been used to satisfy payroll tax liabilities to continue operating Location Ventures and the Location Ventures Projects and to fund discretionary expenses, including bonuses and profit distributions to defendant and his co-conspirators, among others.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which **RISHI KAPOOR** and his co-conspirators sought to

accomplish the purpose and object of the conspiracy included, among others, the following:

4. **RISHI KAPOOR**, Chief Financial Officer 1, and their co-conspirators would cause Location Ventures and the Location Ventures Projects to withhold payroll taxes from their employees.

5. **RISHI KAPOOR**, Chief Financial Officer 1, and their co-conspirators would fail to file Forms 941 with the IRS, which Forms would have apprised the IRS of the Location Ventures and Location Ventures Projects trust fund tax obligations.

6. **RISHI KAPOOR**, Chief Financial Officer 1, and their co-conspirators would fail to remit the withheld trust fund taxes to the IRS.

7. **RISHI KAPOOR**, Chief Financial Officer 1, and their co-conspirators would make false and fraudulent representations, would alter the Location Ventures accounting software to make it appear as if trust fund taxes had been paid, and would make material omissions to investors and lenders to conceal the unlawful retention of withheld trust fund taxes.

8. **RISHI KAPOOR** and his co-conspirators would divert corporate funds that could have been used to satisfy trust fund tax obligations to fund discretionary expenses, including bonuses and profit distributions to **KAPOOR** and his co-conspirators, including distributions relating to the sale of Leucadendra and 800 Dixie to **KAPOOR** and Chief Financial Officer 1.

OVERT ACTS

In furtherance of the conspiracy and to achieve the purpose and object thereof, at least one of the co-conspirators committed and caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

1. On or about January 8, 2019, Chief Financial Officer 1 forwarded to **RISHI KAPOOR** an email from QuickBooks Online Payroll Support Team advising that \$11,713.98 in payroll taxes were due on January 15, 2019, and stated, "At some point we need to start paying

these! Not sure exactly what we owe but it's probably over 40k[.]”

2. On or about January 8, 2019, **RISHI KAPOOR** responded to Chief Financial Officer 1, “Understood. Maybe after VV and URBIN are all rolling fee wise?”

3. On or about February 26, 2019, **RISHI KAPOOR** sent Chief Financial Officer 1 an e-mail asking him to “put together a really detailed, professional looking Ops budget for our LV operations,” including, specifically, “Payroll tax,” to be provided to investors.

4. On or about June 9, 2020, with **RISHI KAPOOR**'s knowledge and direction, Chief Financial Officer 1 created a false entry in Location Ventures' accounting software to make it appear as though Location Development had made a \$225,203.65 payment towards its “payroll liabilities,” when in truth, and as **KAPOOR** and Chief Financial Officer 1 knew, no such payment had been made.

5. On or about April 14, 2021, **RISHI KAPOOR** and Chief Financial Officer 1 decided not to satisfy the Location Ventures and Location Ventures Projects payroll tax liabilities after Controller 1 specifically advised them of those liabilities via an April 14, 2021 e-mail, sent by Controller 1 to Chief Financial Officer 1 and copying **KAPOOR**, advising that the LV Entities had payroll tax liabilities in excess of \$600,000 and noting, “We need to discuss and create a plan of attack regarding payment on payroll taxes.”

6. On or about July 16, 2021, **RISHI KAPOOR** caused a \$685,737.78 transfer from Location Capital account x8410 at Bank 3 to his personal account x3191 at Bank 3, funded by the sale of Leucadendra, stating in an email, “For Rishi's share of Patriots and Kapoor Capital, I'm going to transfer \$685,737.78 to myself now.”

7. On or about August 15, 2022, **RISHI KAPOOR** caused a \$1.328 million transfer from Location Capital account x8410 at Bank 3 to his personal account x3191 at Bank 3, funded by the sale of 800 Dixie and investment in 1505 Ponce by Investor 2, claiming over email to

Controller 1 and Chief Financial Officer 1 that he was entitled to a series of “equity fees” for raising investor money.

All in violation of Title 18, United States Code, Section 371.

COUNTS 14-25
Failure to Account for and Pay Over Trust Fund Tax
(26 U.S.C. § 7202)

1. The General Allegations section of this Indictment is re-alleged and incorporated as though fully set forth herein.

2. On or about the dates set forth below, for the calendar quarter set forth below, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

did willfully fail to truthfully account for and pay over the trust fund taxes due and owing to the IRS on behalf of the employees of Location Ventures and Location Ventures Projects:

COUNT	APPROX. TRUST FUND TAX DUE DATE	QUARTER
14	April 30, 2020	March 31, 2020
15	July 31, 2020	June 30, 2020
16	October 31, 2020	September 30, 2020
17	January 31, 2021	December 31, 2020
18	April 30, 2021	March 31, 2021
19	July 31, 2021	June 30, 2021
20	October 31, 2021	September 30, 2021
21	January 31, 2022	December 31, 2021
22	April 30, 2022	March 31, 2022
23	July 31, 2022	June 30, 2022
24	October 31, 2022	September 30, 2022
25	January 31, 2023	December 31, 2022

In violation of Title 26, United States Code, Section 7202, and Title 18, United States Code, Section 2.

COUNT 26
Attempt to Evade or Defeat Tax
(26 U.S.C. § 7201)

1. The General Allegations section of this Indictment is re-alleged and incorporated as though fully set forth herein.

2. On or about October 17, 2022, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

a resident of Miami-Dade County, did willfully attempt to evade and defeat a tax due and owing by him to the United States of America for calendar year 2021 based upon taxable income he received during calendar year 2021 in excess of \$1.5 million, upon which there was due and owing to the United States of America a tax in excess of \$400,000, by failing to make an income tax return on or before October 17, 2022, as required by law, and at any time thereafter, to any proper officer of the Internal Revenue Service; by failing to pay to the Internal Revenue Service said tax; by instructing Controller 1 not to enter a payment of \$1.5 million to the defendant on or about August 3, 2021 into the Location Ventures corporate accounting records, so as to conceal the payment in Location Ventures financial statements; by instructing Controller 1 to conceal approximately \$1.59 million in payments to the defendant by falsifying the Location Ventures balance sheet on or about January 12, 2022 to make it look like the money was still in a Location Ventures bank account; by instructing Controller 1 not to file with the IRS a Form 1099 for the defendant for calendar year 2021, in violation of Title 26, United State Code, Section 7201, and Title 18, United States Code, Section 2.

COUNT 27
Attempt to Evade or Defeat Tax
(26 U.S.C. § 7201)

1. The General Allegations section of this Indictment is re-alleged and incorporated as though fully set forth herein.

2. On or about October 16, 2023, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

a resident of Miami-Dade County, did willfully attempt to evade and defeat a tax due and owing by him to the United States of America for calendar year 2022 based upon taxable income he received during calendar year 2022 in excess of \$1.328 million, upon which there was due and owing to the United States of America a tax in excess of \$400,000, by failing to make an income tax return on or before October 16, 2023 as required by law, and at any time thereafter, to any proper officer of the Internal Revenue Service; by failing to pay to the Internal Revenue Service said tax; by instructing Controller 1 not to timely enter a payment of \$1.328 million to the defendant on or about August 15, 2022 into the Location Ventures corporate accounting records, so as to conceal the payment in Location Ventures financial statements; by instructing Controller 1 not to file with the IRS a Form 1099 for the defendant for calendar year 2022, in violation of Title 26, United State Code, Section 7201, and Title 18, United States Code, Section 2.

COUNTS 28-32
Failure to File Tax Returns
(26 U.S.C. § 7203)

1. The General Allegations section of this Indictment is re-alleged and incorporated as though fully set forth herein.

2. On or about the dates set forth below, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

a resident of Miami-Dade County, did willfully fail to make and file with the Internal Revenue Service Center or any proper person of the Internal Revenue Service an income tax return for each of the calendar years set forth below, whereas, as the defendant well knew and believed, he had and received gross income in excess of the minimum filing threshold for each year, and by reason of such gross income, was required by law, on or before the dates set forth below, to make and file an income tax return with the Internal Revenue Service stating specifically the items of his gross income and any deductions and credits to which he was entitled:

COUNT	TAX YEAR	TAX RETURN DUE DATE
28	2019	October 15, 2020
39	2020	October 15, 2021
30	2021	October 17, 2022
31	2022	October 16, 2023
32	2023	October 15, 2024

In violation of Title 26, United States Code, Section 7203, and Title 18, United States Code, Section 2.

COUNTS 33-37
Bank Fraud
(18 U.S.C. § 1344)

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as though fully set forth herein.
2. From in or around April 2020, until at least in or around January 2024, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

RISHI KAPOOR,

did knowingly, and with the intent to defraud, devise, and intend to devise, a scheme and artifice to defraud financial institutions, that is, Bank 1 and Bank 2, which scheme and artifice would employ a material falsehood, and did knowingly and with intent to defraud, execute, and cause the execution of, a scheme and artifice to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, said financial institution, by means of materially false and fraudulent pretenses, representations and promises relating to a material fact, in violation of Title 18, United States Code, Sections 1344(1) and (2).

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for **RISHI KAPOOR** to unlawfully enrich himself by defrauding financial institutions, that is, Bank 1 and Bank 2, by submitting false and fraudulent financial documents, including fraudulently altered bank statements, personal financial statements containing material misstatements, unfiled tax returns submitted as if they had been filed, and attestations that the tax returns had been filed, in support of personal and corporate loan and line of credit applications to deceive Bank 1 and Bank 2 into believing the defendant's savings, liquidity, and overall financial health were sufficient to meet the financial institutions' lending criteria and would protect against loan default.

SCHEME AND ARTIFICE

The manner and means by which **RISHI KAPOOR** and his accomplices sought to accomplish the purpose of the scheme included, among others, the following:

4. **RISHI KAPOOR** applied for a \$2.5 million line of credit for Location Ventures from Bank 2 and it was approved on or about January 11, 2021. **KAPOOR** later applied to increase that line of credit to \$5 million and it was approved on or about June 24, 2022.

5. **RISHI KAPOOR** applied for an approximately \$4.2 million personal loan from Bank 1.

6. In support of the loan and credit applications, and to obtain or maintain eligibility for the loans and lines of credit, **RISHI KAPOOR** provided false and fraudulent financial documents, including (a) personal bank statements of **KAPOOR** that were fraudulently altered to make it appear to Banks 1 and 2 that the defendant had millions of dollars in certain bank accounts when, in truth and in fact, he did not; (b) personal financial statements of **KAPOOR** that made it appear that he had sufficient liquidity to secure the loans and lines of credit from Banks 1 and 2 and that he owned certain personal real estate free of mortgages when, in truth and in fact, he did not; (c) signed personal tax returns of **KAPOOR** that made it appear that he had filed these returns with the IRS when, in truth and in fact, he had not; (d) and attestations that the tax returns had been filed with the IRS, when, in truth and in fact, they had not.

7. After receiving approval for the loans and lines of credit from the financial institutions, **RISHI KAPOOR** used the funds from the fraudulently obtained loans for his own use and gain, including towards the purchase of Yacht 2 for approximately \$5.3 million and to pay himself discretionary income.

EXECUTION OF THE SCHEME AND ARTIFICE

8. On or about the dates specified below, in Miami-Dade County, in the Southern District of Florida, **RISHI KAPOOR**, did knowingly and with the intent to defraud, execute, and cause the execution of, a scheme and artifice to defraud financial institutions, that is, Bank 1 and Bank 2, which scheme and artifice would employ a material falsehood, and did knowingly and with intent to defraud, execute, and cause the execution of a scheme an artifice to obtain moneys, funds, credits, assets, securities and other property owned by, and under the control and custody of said financial institutions, by means of materially false and fraudulent pretenses, representations and promises relating to a material fact, as specified below:

COUNT	APPROX. DATE	ACT IN EXECUTION OF THE SCHEME
33	July 22, 2020	Submission to Bank 2 of false and fraudulent Personal Financial Statement as of June 12, 2020, signed by RISHI KAPOOR , attesting that KAPOOR had \$3,110,373.81 cash in a Bank 3 checking account, when in truth and in fact, KAPOOR had less than \$25,000 in said account.
34	May 3, 2022	Submission to Bank 2 of false and fraudulent bank statement for RISHI KAPOOR 's Bank 3 personal account x3191, showing an ending balance of \$2,356,806.23, when in truth and in fact, the ending balance was \$356,806.23.
35	November 16, 2022	Submission to Bank 2 of Personal Financial Statement Affirmation, signed by RISHI KAPOOR on September 13, 2022, attesting that income tax returns had been filed through 2020, when in truth and in fact, KAPOOR had not filed income tax returns for tax years 2017, 2018, 2019, and 2020.
36	December 6, 2022	Submission to Bank 2 of false and fraudulent bank statement for RISHI KAPOOR 's Bank 3 personal account x0440, showing an ending balance of \$9,148,426.44, when in truth and in fact, the ending balance was \$148,426.44.
37	February 8, 2023	Submission to Bank 1 of loan package for RISHI KAPOOR , including (1) a false and fraudulent bank statement for KAPOOR 's Bank 3 personal account x0440, showing an ending balance of \$9,100,424.67, when in truth and in fact, the ending balance was \$100,424.67; (2) a false and fraudulent Personal Financial Statement "As of 01.12.23" misrepresenting "Cash on Hand and in Banks" at KAPOOR 's Bank 3 personal checking and savings accounts; misrepresenting that income taxes had been "Settled Through" 2021; and misrepresenting that the Cocoplum House was not encumbered by a mortgage; and (3) signed income tax returns of KAPOOR from tax years 2020 and 2021 that were never actually filed with the IRS.

In violation of Title 18, United States Code, Sections 1344 and 2.

FORFEITURE

(18 U.S.C. § 981(a)(1)(C))

(18 U.S.C. § 982(a)(1))

(18 U.S.C. § 982(a)(2)(A))

1. The allegations of this Indictment are hereby re-alleged and by this reference fully

incorporated herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant, **RISHI KAPOOR**, has an interest.

2. Upon conviction of Title 18, United States Code, Section 1343, or a conspiracy to commit such offense, as alleged in this Indictment, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense of conviction pursuant to Title 18, United States Code, Section 981(a)(1)(C).

3. Upon conviction of a violation of Title 18, United States Code, Section 1957, as alleged in this Indictment, the defendant shall forfeit to the United States any property, real or personal, involved in such offense, and any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

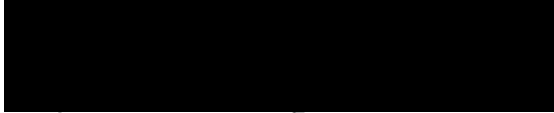
4. Upon conviction of a violation of Title 18, United States Code, Section 1344, as alleged in this Indictment, the defendant shall forfeit to the United States any property, constituting, or derived from, proceeds the person obtained directly or indirectly as result of such offense, pursuant to Title 18, United States Code, Section 982(a)(2)(A).

5. The property directly subject to forfeiture as a result of the alleged offenses includes, but is not limited to, the following:

- a. a Rolex Daytona 40mm 18kt yellow gold watch; and
- b. a 2.5 carat platinum ring in a platinum setting with accompanying gold bands.

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All pursuant to Title 18, United States Codes, Sections 981(a)(1)(C) and 982(a) and the procedures set forth in Title 21, United States Code, Section 853, as incorporated by Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(b)(2).



/A TRUE BILL
FOREPERSON

A handwritten signature in blue ink, appearing to read "J. Reding Quiñones" with a flourish and the word "for" written to the right.

JASON A. REDING QUIÑONES
UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF FLORIDA

A handwritten signature in blue ink, appearing to read "Elizabeth Young" with a flourish.

ELIZABETH YOUNG
ASSISTANT UNITED STATES ATTORNEY

A handwritten signature in blue ink, appearing to read "Daya Nathan" with a flourish and the word "for" written to the right.

DAYA NATHAN
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: RISHI KAPOOR

Case No: _____

Count #1:

Conspiracy to Commit Wire Fraud

Title 18, United States Code, Section 1349

- * **Max. Term of Imprisonment:** Twenty (20) Years imprisonment
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$250,000 or twice the pecuniary gain or loss

Counts #2-7:

Wire Fraud

Title 18, United States Code, Section 1343

- * **Max. Term of Imprisonment:** Twenty (20) Years imprisonment as to each count
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$250,000 or twice the pecuniary gain or gross loss

Counts #8-12:

Money Laundering

Title 18, United States Code, Sub Section 1957(a)

- * **Max. Term of Imprisonment:** Ten (10) Years imprisonment as to each count
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$250,000 or twice the value of laundered funds

*Refers only to possible term of incarceration, supervised release and fines. It does not include restitution, special assessments, parole terms, or forfeitures that may be applicable.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

PAGE 2

Defendant's Name: RISHI KAPOOR

Case No: _____

Count #13:

Conspiracy to Commit Offenses Against, and to, Defraud, the United States

Title 18, United States Code, Section 371

- * **Max. Term of Imprisonment:** Five (5) Years imprisonment
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$250,000 or twice the pecuniary gain or loss

Counts #14-25:

Failure to Account for and Pay Over Trust Fund Tax

Title 26, United States Code, Section 7202

- * **Max. Term of Imprisonment:** Five (5) Years imprisonment as to each count
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$10,000 or twice the pecuniary gain or loss

Counts #26 and 27:

Attempt to Evade or Defeat Tax

Title 26, United States Code, Sub Section 7201

- * **Max. Term of Imprisonment:** Ten (10) Years imprisonment as to each count
- * **Mandatory Min. Term of Imprisonment (if applicable):** N/A
- * **Max. Supervised Release:** Three (3) Years
- * **Max. Fine:** \$100,000 or twice the pecuniary gain or loss

*Refers only to possible term of incarceration, supervised release and fines. It does not include restitution, special assessments, parole terms, or forfeitures that may be applicable.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

PAGE 3

Defendant's Name: RISHI KAPOOR

Case No: _____

Counts #28-32:

Failure to File Tax Returns

Title 26, United States Code, Section 7203

* **Max. Term of Imprisonment:** Five (5) Years imprisonment as to each count

* **Mandatory Min. Term of Imprisonment (if applicable):** N/A

* **Max. Supervised Release:** Three (3) Years

* **Max. Fine:** \$25,000 or twice the pecuniary gain or loss

Counts #33-37:

Bank Fraud

Title 18, United States Code, Section 1344

* **Max. Term of Imprisonment:** Thirty (30) Years imprisonment as to each count

* **Mandatory Min. Term of Imprisonment (if applicable):** N/A

* **Max. Supervised Release:** Five (5) Years

* **Max. Fine:** \$1,000,000 or twice the pecuniary gain or gross loss

*Refers only to possible term of incarceration, supervised release and fines. It does not include restitution, special assessments, parole terms, or forfeitures that may be applicable.