



Office of the Special Inspector General for
Pandemic Recovery

FOR IMMEDIATE RELEASE

Texas man sentenced to 7 years and 9 months in prison for defrauding government pandemic loan fraud programs and commercial lenders.

ALEXANDRIA, VA. – Special Inspector General Brian D. Miller today announced a California man was sentenced by United States District Judge Patricia Tolliver Giles to 7 years and 9 months in prison for schemes to defraud the Payroll Protection Program (PPP), the Main Street Lending Program (MSLP) and commercial lenders. The schemes involved approximately 360 fraudulently induced loans totaling more than \$70 million.

According to court documents, Craig David Davis, 50, owned Bright Vanguard, a Dallas Texas company, that Davis represented sold computer hardware, software, and services. From 2020 to 2021, Davis obtained two PPP and one MSLP loan by submitting false tax returns, financial statements, payroll records, and other documents to the lending institutions partnering with the United States Small Business Administration and the Federal Reserve Bank of Boston.

At the same time, Davis conducted the commercial loan fraud scheme in which he recruited business owners in need of operating capital and then gave them false invoices for computer equipment from Bright Vanguard. After the business owners submitted the invoices to lenders, the lenders sent Davis the loan money. Instead of providing computer equipment to the business owners, Davis gave large portions of the loans in cash to the business owners and kept the rest for Bright Vanguard and himself. Davis admitted that Bright Vanguard did little if any legitimate business.



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In addition to the prison sentence, the Court ordered Davis to pay more than \$8.9 million in restitution.

This case was investigated by special agents from the Special Inspector General for Pandemic Recovery; the Internal Revenue Service, Criminal Investigation; the Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau Office of Inspector General; and the Federal Deposit Insurance Corporation Office of Inspector General; with assistance from the FBI and the Small Business Administration Office of Inspector General.

This case was prosecuted by attorneys from the United States Department of Justice, Criminal Division, Fraud Section; and the United States Attorney's Office for the Eastern District of Virginia, Alexandria Division.

SIGPR's investigations have thus far resulted in 71 federal indictments/informations, 2 criminal complaints, 49 arrests, 31 guilty pleas, and 20 sentencings which have generated More than 300% of SIGPR's entire budget.

With ongoing investigations totaling nearly a half billion dollars and 130 potential defendants, SIGPR is urging Congress to extend us past our sunset date later this month.