

AFFIDAVIT

I, James Bedsole, being sworn, state:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent with the Federal Bureau of Investigation (“FBI”), assigned to the FBI’s Boston, Massachusetts Field Office, where I investigate economic crimes, including corporate and securities fraud. At the FBI Academy in Quantico, Virginia, I received training in a variety of investigative and legal matters, including Fourth Amendment searches, the drafting of search warrant affidavits, and probable cause. Before joining the FBI, I worked for over four years as an attorney in private practice handling securities litigation and regulatory matters.

2. I submit this affidavit in support of an application for a criminal complaint charging ADRIAN KAWUBA with wire fraud, in violation of 18 U.S.C. § 1343 (“the Target Offense”). As set forth below, there is probable cause to believe that KAWUBA defrauded investors by telling them that he would personally guarantee their short term, high return investments in international sports projects, but instead of financing such projects, KAWUBA bought luxury items and used money from later investments to pay purported returns on earlier investments.

3. The facts in this affidavit come from my training and experience, an interview of a victim (“Investor 1”), financial records, KAWUBA’s communications with investors, and information obtained from other FBI personnel. In submitting this affidavit, I have not included every fact known to me about this investigation. Rather, I have included only those facts sufficient to establish probable cause for the requested complaint.

PROBABLE CAUSE TO BELIEVE THAT A FEDERAL CRIME WAS COMMITTED

A. Relevant Individuals

4. KAWUBA lived in Massachusetts. On LinkedIn, KAWUBA described himself as

“a serial entrepreneur, investor and senior executive” with over 11 years of experience.

5. Investor 1 lived in Washington and New York and worked at a biotechnology company.

6. Investor 2 and Investor 3 lived in California. Both are related to Investor 1.

7. Investor 4 lived in New York and Florida.

8. Investor 5 lived in Canada.

9. Investor 6 lived in the United Arab Emirates and the United Kingdom.

B. The Fraudulent Investment Scheme

10. Beginning no later than about May 2019, KAWUBA attracted investors by, among other things, offering purportedly lucrative investments in international sports and entertainment projects, principally in Africa. KAWUBA told investors that their money would be used to finance the projects and would pay returns of 25% to 50% over periods ranging from two weeks to seven months. KAWUBA personally guaranteed the investments to make them appear risk-free.

11. Based on these representations, KAWUBA obtained funds from Investor 1 and subsequently from Investors 2, 3, 4, 5, and 6 (“the Investors”) for a series of financing deals, including more than \$834,000 (not including interest due) in investments in June, August, and November 2021 that KAWUBA has not repaid.

12. Bank records that I have reviewed show that KAWUBA did not invest the money he received from the Investors. Instead, he paid purported returns on earlier investments using latter investment capital and funds from a relative, and he spent the Investors’ money on luxury items and entertainment. In the bank records that I have reviewed, I have identified no evidence consistent with the investment of the Investors’ funds to generate income as KAWUBA had represented to them.

13. In the bank records, I identified a \$6,000 wire transfer on or about October 10, 2018 to KAWUBA from an individual in California; the wire had the memo, “Investment Fund.” Based on this fact, and my training and experience, there is probable cause to believe that KAWUBA’s scheme existed by the fall of 2018.

Initial Investments by Investor 1

14. KAWUBA met Investor 1 in college no later than 2011. After college, KAWUBA and Investor 1 did not interact for a few years, but they re-connected in or about March 2019. KAWUBA told Investor 1 that KAWUBA was a successful investor and entrepreneur with experience financing international sports ventures that cannot use traditional forms of financing. KAWUBA offered Investor 1 investment opportunities in KAWUBA’s ventures.

15. On or about May 15, 2019, KAWUBA sent Investor 1 an email attaching a promotional document for an investment venture. The document said in part, “[A] sports lending opportunity has opened up to provide capital on attractive terms for youth sports businesses to meet their unique needs while creating short-term investment opportunities for investors.” The promotional document listed KAWUBA as the “Contact Person” for the investment.

16. In the same email to Investor 1, KAWUBA wrote, “I will be personally guarantee¹ your initial investment and quarterly return, leaving no risk on your end.” KAWUBA concluded the email by providing availability for a meeting with Investor 1 and stating “[p]lease shoot me a text 617-744-9601 for a time and I will make it work.”

17. On or about May 16, 2019, and following an in-person meeting between KAWUBA and Investor 1 on the same day, KAWUBA sent Investor 1 an agreement by email outlining the

¹ My quotations of others’ writings include typographical, spelling, and grammatical errors as they appear in the original text.

terms of a \$5,000 investment. The agreement stated that the funds would be “used to finance the short-term capital needs of youth sports businesses” and provided for the repayment of principal with 25% interest in three months. In the same email, KAWUBA provided his bank account details at Wells Fargo for Investor 1 to wire investment funds to KAWUBA.

18. Investor 1 agreed to invest with KAWUBA and wired \$5,000 to KAWUBA’s account at Wells Fargo on or about May 17, 2019.

19. KAWUBA paid Investor 1 returns as promised for the May 2019 deal. Investor 1 told agents that based on this initial success, he gained the confidence to invest more funds with KAWUBA.

20. In or about January 2020, Investor 1 agreed to invest \$50,000 with KAWUBA under a new investment agreement providing for a 30% return over five months. The investment agreement stated that the funds would be used to finance upcoming events, including an event that Investor 1 understood to be a concert.

21. On or about January 31, 2020, Investor 1 wired \$50,000 to KAWUBA’S account at TD Bank.

22. In the following months, KAWUBA used Investor 1’s money to pay personal expenses and to transfer \$18,000 to Individual 1. Investor 1 told me that KAWUBA identified Individual 1 as another person (other than the Investors) who invested with KAWUBA. Based on my training and experience, and in light of my review of KAWUBA’s financial records and emails, I believe that KAWUBA sent Investor 1’s funds to Individual 1 as the purported return on an investment that Individual 1 made with KAWUBA in about August 2019.

23. On or about July 31, 2020—and with his bank account balance dwindling to less than \$13,000—KAWUBA received \$60,000 from a relative, referred to here as Relative 1. On or

about August 3, 2020, KAWUBA used these funds, along with the remaining funds from Investor 1's January 2020 investment, to pay Investor 1 purported principal and interest totaling \$65,000, as per the terms of the January 2020 investment agreement. I reviewed Relative 1's bank records; they show that Relative 1 held the \$60,000 before Investor 1's January 31, 2020 investment. I found no evidence that the funds derived from the investment activity that KAWUBA discussed with Investor 1.

Additional Investors Join Investor 1

24. Beginning in or around August 2020, two relatives of Investor 1, Investors 2 and 3, considered pooling their funds with Investor 1 to invest with KAWUBA. Investor 1 conveyed his relatives' interest in investing to KAWUBA and also expressed Investor 2's concern, based on a prior negative experience not involving KAWUBA, that Investor 2 might not be repaid. KAWUBA responded to Investor 1 by email, writing in part:

This is something that would never happen between us as I'd put up my own personal cash to deliver on my promise if it were ever the case (hence why I personally guarantee these deals). That's how much I value my relationships with my investors, partners, team etc. To me, no amount of money is worth destroying my reputation especially knowing how much I've had to kick and crawl to where I am today and where I hope to end up.

This email contained the footer "Sent from my iPhone."

25. On or about August 21, 2020, KAWUBA sent Investor 1 an investment agreement and personal guarantee via email for a combined investment by Investors 1, 2, and 3. The agreement (which included modified repayment language as requested by Investor 2) provided for a \$100,000 investment with 50% interest over a period of seven months. Regarding the "use of funds," the August 2020 investment agreement stated that the funds would be "deployed by Adrian Kawuba to provide short-term private financing solutions to soccer clubs for transfer market transactions and deals."

26. Also on August 21, 2020, KAWUBA sent Investor 1 an email containing KAWUBA's bank account information at TD Bank, and Investor 1 wired the \$100,000 pooled investment with Investors 2 and 3 to KAWUBA shortly thereafter. On or about August 25, 2020, KAWUBA used the newly received funds to transfer \$63,175 to Relative 1. In the following months, KAWUBA used the remaining money from Investors 1, 2, and 3 to pay personal expenses, including a trip to Mexico with a girlfriend.

27. In about February and March 2021, KAWUBA and Investors 1, 2, and 3 entered into two short-term investment agreements for \$10,000 and \$20,000, respectively, with each due to be repaid in approximately two weeks. I have reviewed emails and financial records showing that, in about February 2021, Individual 1 sent KAWUBA funds totaling \$60,000 for investment into "short-term private financing deals via Mr. Kawuba's investment vehicle" pursuant to an investment agreement and personal guarantee, with funds due to be repaid in November 2021. Based on my review of financial records, KAWUBA was only able to repay Investors 1, 2, and 3 under the February and March investments by using the \$60,000 received from Individual 1.

28. On or about April 14, 2021, KAWUBA paid out \$150,000 to Investors 1, 2, and 3 as the apparent return on the August 2020 investment as promised (though the funds were roughly three weeks late). I have reviewed bank records showing that between about April 5 and April 13, 2021, KAWUBA received \$80,000 from Investor 1 pursuant to a new investment agreement, \$30,000 from Investors 1, 2, and 3 pursuant to a new investment agreement, and \$70,000 from Relative 1. KAWUBA was only able to repay Investor 1's August 2020 investment using these newly received funds. I also reviewed Relative 1's bank statements; they show that Relative 1 held the majority of the \$70,000 before Investor 1's August 2020 investment. That \$70,000 does

not appear to have been derived from the investment activity that KAWUBA discussed with Investor 1.

KAWUBA Continued to Use Investor Funds to Pay Returns on Prior Investments

29. On or about April 5, 2021, Investor 1 and KAWUBA entered into another personally guaranteed investment agreement according to which Investor 1 would invest \$80,000 and would receive principal and interest totaling \$112,000 (a 40% return) by May 20, 2021. The agreement stated that the funds would be “deployed by Adrian Kawuba into a short-term private financing sports deal via Mr. Kawuba’s investment vehicle.” On or about April 5, 2021, Investor 1 wired \$80,000 to KAWUBA’s account at TD Bank.

30. By April 26, 2021, and with the deadline to repay Investor 1 less than one month away, KAWUBA’S account at TD Bank had reached a negative balance of \$145.85. However, on or about April 26, 2021, Investors 1, 2, and 3 entered into a new pooled investment agreement with KAWUBA, wiring \$200,000 to KAWUBA’s account at TD Bank the next day for a personally guaranteed investment in a “short-term private financing sports deal via Mr. Kawuba’s investment vehicle.”

31. On or about May 7, 2021, KAWUBA wired \$112,000 from his account at TD Bank to Investor 1 as the purported investment return on the April 5, 2021 investment agreement. KAWUBA did not tell Investor 1 that the April 26, 2021 investment funds from Investors 1, 2, and 3 would be used to pay the pre-existing investment returns owed by KAWUBA to Investor 1. Based on my review of financial records, KAWUBA was only able to repay Investor 1 due to the new investment funds received from Investors 1, 2, and 3 under the April 26, 2021 investment agreement.

32. Based on my training and experience, I understand this transaction—as well as the similar transactions described above—to indicate a Ponzi-style fraud in which the deposits of later investors pay “returns” to earlier investors. Moreover, in this instance, KAWUBA returned Investor 1’s own investment funds to Investor 1 as if it were profits from an earlier investment. Based on this fact, there is probable cause to believe that KAWUBA’s representation to Investor 1 about the deployment of funds from the April 5, 2021 deal was a material false statement intended to obtain Investor 1’s funds by deception. Similarly, there is probable cause to believe that KAWUBA’s statement to Investors 1, 2, and 3 about the use of their \$200,000 was a false statement in furtherance of a scheme to defraud.

Additional Investments by Investors 1, 2, and 3 in 2021

33. Investors 1, 2, and 3 entered into a total of twelve investment agreements involving more than \$1,000,000 with KAWUBA in 2021.² Some of these investments were repaid, but others were not.

34. On June 14, 2021, Investors 1, 2, and 3 were due to receive \$290,000 in principal and interest under the terms of the April 26, 2021 investment agreement referenced above. However, on or about June 16, 2021, Investors 1, 2, and 3 agreed with KAWUBA to accept an investment return of \$50,000 and to roll \$240,000 into a new investment agreement that would be due with interest of \$103,200 on November 30, 2021, *i.e.*, KAWUBA promised a return totaling \$343,200 by the end of November 2021. The rollover was memorialized in an investment agreement and included a personal guarantee from KAWUBA. KAWUBA did not pay out these funds as promised.

² This figure does not include the pooled investments that Investor 1 conducted with Investors 4 and 5 discussed below.

35. On or about August 5, 2021, Investor 1 entered into a personally guaranteed investment agreement with KAWUBA under which Investor 1 would invest \$150,000 and receive principal and interest totaling \$225,000 on November 17, 2021. Specifically, on August 5, 2021, KAWUBA sent an email to Investor 1 attaching an investment agreement and personal guarantee outlining the investment terms. The same day, Investor 1 replied to KAWUBA's email and attached a signed copy of the investment agreement. I have reviewed financial records showing that on that same day, August 5, 2021, KAWUBA made credit card purchases in Watertown and Cambridge, Massachusetts;³ accordingly, there is probable cause to believe that KAWUBA was in Massachusetts when he sent the above-referenced email to Investor 1 on August 5, 2021. Investor 1 told me that, based on a review of his own credit card charges and his work calendar, Investor 1 was in New York on August 5, 2021. Based on these facts, there is probable cause to believe that KAWUBA caused an interstate wire communication in furtherance of his scheme on August 5, 2021.

36. On that same day, August 5, 2021, Investor 1 funded the project as agreed by wiring \$150,000 to KAWUBA. KAWUBA never repaid these funds.

Investments by Investors 1, 4, and 5

37. In or around June 2021, Investor 1 introduced Investors 4 and 5 to KAWUBA for the purposes of investing. On or about June 17, 2021, as Investors 1, 4, and 5 contemplated a pooled \$150,000 investment with KAWUBA, KAWUBA sent an email to Investors 1, 4, and 5 stating in part:

Attached please find the investment contract for the 2-month sports deal (40% return). [Investor 1] - We're fast approaching 20 successful deals. [Investor 5] and [Investor 4] - I'm confident this is the first of many to come and hopefully gateway

³ Financial records also show that KAWUBA made credit card purchases in Massachusetts on August 2, 3, 4, and 6.

to a long-term mutually beneficial relationship. Looking forward to it. [Investor 1] you have the wire details. Please share with [Investor 5] and [Investor 4] if they are sending money individually. Thank you and talk soon.

38. On or about June 21, 2021, KAWUBA followed up with an email to Investors 1, 4, and 5 providing KAWUBA's personal guarantee for the investment.

39. Investors 1, 4, and 5 entered into a pooled investment agreement by which they invested a total of \$150,000 with KAWUBA and would receive principal and interest totaling \$210,000 (a 40% return) by August 23, 2021. The agreement provided that the funds would be "deployed by Adrian Kawuba to provide short-term private financing solutions to soccer clubs for transfer market transactions and deals."

40. On or about August 25, 2021, KAWUBA emailed Investors 1, 4, and 5 and stated in part: "Just wanted to let you know we've successfully completed our first deal together (40% return). Thanks for the opportunity to bring you all value and I look forward to many more deals together." This email contained the footer "Sent from my iPhone." When Investor 5 thanked KAWUBA and expressed interest in future deals, KAWUBA replied in part:

There are more similar deals sourced (that we can simultaneously do as we go) than the capital I have at hand so there's definitely opportunity to build up & compound quickly. Will reach out soon for the next one(s).

In regard to sending out investment returns, KAWUBA added in part:

I have to have an appointment to go in physically at a branch location to send out all the wires to every participant in the deal since the money is being sent from my personal account to allow for the personal guarantee I give you guys.

This email also contained the footer "Sent from my iPhone." On or about August 25, 2021, KAWUBA wired \$213,000 to Investor 1 from KAWUBA's account at TD Bank. This money comprised the \$210,000 due to Investors 1, 4, and 5 under the June 2021 investment agreement and a \$3,000 consulting fee to Investor 1.

41. Based on my review of financial records, KAWUBA paid the \$210,000 due to Investors 1, 4, and 5 under the June 2021 investment agreement using new funds received from the Investors and money that KAWUBA received from Relative 1. The \$210,000 did not derive from any bona fide investment. Specifically, by August 6, 2021, KAWUBA's account balance at TD Bank was approximately \$48,000. On or about August 9, 2021, KAWUBA received \$100,000 from Investors 1, 2, and 3 under yet another new investment deal. On or about August 23, 2021, KAWUBA received \$40,000 from Relative 1. That same day, KAWUBA received \$30,000 from Investor 1 under still another investment deal. Adding all of these incoming funds together, KAWUBA had about \$218,000, none of which appears to have derived from a bona fide profit-producing venture. Of the \$210,000 that KAWUBA paid out as apparent returns to Investors 1, 4, and 5, at least \$130,000 was a direct return of investment capital to the investors as if it were profit. Based on my training and experience, I know that this manner of paying investment returns is typical of investment fraud because none of the proceeds derive from actual investments.

42. On or about August 31, 2021, Investors 1, 4, and 5 entered into a second pooled investment agreement with KAWUBA under which they would provide principal of \$300,000 and receive interest of \$120,000 on November 10, 2021.

43. On or about November 10, 2021, KAWUBA sent Investors 1, 4, and 5 an email explaining there would be a delay in repayment of an investment return that was due that same day, writing in part:

Been a crazy busy time over here getting in as many deals as possible before the years end and traveling to work a few of them. I wanted to let you all know that we have completed another successful deal together and I can confirm that the wire was sent to me as of yesterday. Being a large international wire (as per usual), it's going to take just a few extra days (on the bank side) before it clears and at which point I will wire out the money...

...Since it's anticipating that it's going to take a few extra days longer (happens

every single time with large int'l wires I receive), I have set my appointment to physically go into a TD Bank location (required for any wires I sent out since they are coming from my personal bank account that I use to allow for the personal guarantees) for Wednesday next week to send out all wires for all the 10 investors who participated. I will roll my return and that of other investors into the next deal with similar return and time horizon, as well as other slightly shorter-terms deals and keep compounding. I will reach out to see if there's any interest from you guys.

KAWUBA added:

I'm proud to say I have completed 54 successful deals this year (54/54) and I'm hoping to get in 6 more deals before the years end and carry that momentum into the near year and not interrupt the compounding process to let the winners run. All of this wouldn't be possible without investors like you all and I'm grateful for our continued partnership and relationship; thank you.

This email contained a footer stating, "Sent from my iPhone."

44. Investors 4 and 5 each entered into an additional investment agreement with KAWUBA (this time separate from Investor 1) in or around November 2021. On or about November 29, 2021, Investor 4 wired \$150,000 to KAWUBA's account at TD Bank under a personal guarantee that KAWUBA would repay principal and interest totaling \$211,500 by March 19, 2022. On or about November 29, 2021, KAWUBA emailed Investor 5 an investment agreement and personal guarantee, later amended on December 2, 2021, to provide that KAWUBA would repay investor 5 principal and interest totaling \$204,450 by March 19, 2022. On or about November 30, 2021, Investor 5 wired \$144,980 to KAWUBA's account at TD Bank. KAWUBA never repaid the principal and interest due on these investments.

Investment by Investor 6

45. Investor 6 was an acquaintance of Investor 1. On or about October 10, 2021, Investor 1 introduced Investor 6 to KAWUBA by email as someone interested in investing in KAWUBA's soccer financing deals. On or about November 9, 2021, KAWUBA emailed Investor 6 to explain the investment opportunity, writing in part:

I have a very large deal on the table that is going out this week where I can deliver a 40% return for you over a 2.5 month window. As with any deal I do with [Investor 1] (and his family) or any of my other investors, I personally guarantee the deals (to eliminate any risk on your end as we build trust and a work relationship) and participate in all of the deals with my own capital.

Not sure how much capital you have or have access to but if we can go big on this it will obviously help me (I have more deals to bundle into this big one than I have capital) and it will benefit you as well. Again a 40% return is what I can personally guarantee on this one for anything between \$150k - \$450k. For anything above \$450k - \$750k (max) I can do a 47% return.

I just recently completed a 40% return on \$300k over 2.5 months on Zach's side (with his friends) marking our 28th successful deal together (28/28) and I look forward to bringing you this type of value as well.

This email contained the footer "Sent from my iPhone." When Investor 6 requested an explanation of the investment deal and how the return was generated, KAWUBA emailed Investor 6 the same day, writing in part:

In summary for this particular deal, I have a mandate to move (sell) 12 players ranging from \$300k - \$8M as the club's agent and on the other side I have the clubs (through relationships I've built over the years) that want to these players but don't have the cash on hand and that's where I come as the financier for the deals (with the help of investors like you). By "fronting" the deals and assuming the risk I charge a much higher rate also because traditional banks/institutions can't move quickly enough for them nor are they willing to play within this risk profile.

...

For full disclosure, on a deal like this I generate about 300%-400% hence how I'm able to give my investors/partners returns of 30%-45% per deal. I repeat this process over and over and that's how I've compounded capital over the deals. The deal flow is there through the relationships I've built and my goal is to finance more biggest deals as I get more access to capital.

This email contained the footer "Sent from my iPhone."

46. On or about November 18, 2021, Investor 6 invested \$150,000 with KAWUBA under a personal guarantee and an investment agreement that the funds would be "deployed by

Adrian Kawuba into private financing sports deals via Mr. Kawuba’s investment vehicle” and would be repaid on February 1, 2022, with 40% return guaranteed.

47. Based on my review of financial records, KAWUBA did not use the money from Investor 6 for soccer financing deals as represented. Rather, KAWUBA used the funds from INVESTOR 6—along with preexisting funds from the Investors and \$100,000 received from Relative 1 on or about November 16, 2021⁴—to send Investors 4 and 5 a total of \$280,000 on November 18 and 19, 2021 as purported returns on the August 31, 2021 investment referenced above. To date, I am not aware of KAWUBA returning any money to Investor 6.

KAWUBA Spent Funds Received From the Investors

48. On or about June 15, 2021, KAWUBA received a wire transfer for \$30,000 from Investor 1 under an investment agreement dated June 15, 2021. Under the terms of the investment agreement, KAWUBA agreed to invest the funds “into a short-term private lending deal via Mr. Kawuba’s investment vehicle.” In fact, KAWUBA used these funds—with funds received from Investors 1, 2, and 3 on or about May 12, 2021—to spend at least \$48,000 on a vehicle from a Lexus dealership on or about June 15, 2021.

49. Based on my review of financial records, KAWUBA used funds received from the Investors to make other purchases that appear to be for luxury goods. These expenditures include the following representative purchases:

- a. September 1, 2021: \$1,200.32 at Saks Fifth Avenue in Boston;

⁴ Though I have not interviewed Relative 1, I have reviewed an email showing that on or about December 17, 2021, KAWUBA emailed Relative 1 an investment agreement and personal guarantee memorializing that Relative 1 sent KAWUBA \$100,000 on November 16, 2021 for KAWUBA to invest in “a broad range of quality private financing deals primarily receivables financing and invoice factoring (loans against future revenue streams) for small to medium business via Mr. Kawuba’s investment vehicle.” The investment agreement provided for dividend payments of \$5,000 payable to Relative 1 every three to four weeks.

- b. September 3, 2021: \$2,496.25 at Saks Fifth Avenue in Boston;
- c. September 7, 2021: \$1,224.68 at the Ritz Carlton in Ft. Lauderdale, Florida;
- d. September 7, 2021: \$13,122.00 at Cartier in Miami;
- e. September 8, 2021: \$6,366.50 at Dior in Miami;
- f. September 9, 2021: \$1,904.60 at a luxury eyewear store in Miami;
- g. September 20, 2021: \$3,197.19 at Dior in Boston;
- h. September 23, 2021: \$5,520.10 to purchase airline tickets;
- i. September 27, 2021: \$2,961.00 charged to a luxury hotel in Greece;
- j. September 28, 2021: \$4,291.57 at Louis Vuitton in Boston;
- k. September 29, 2021: \$2,846.88 at a luxury clothing website;
- l. October 4, 2021: \$1,285.31 at Louis Vuitton in Boston;
- m. October 5, 2021: \$6,845.50 charged to a luxury hotel in Greece;
- n. October 12, 2021: \$1,848.44 at Saks Fifth Avenue in New York;
- o. October 18, 2021: \$1,295.63 to an online luxury clothing store;
- p. October 20, 2021: \$2,369.38 at Louis Vuitton in Boston;
- q. November 3, 2021: \$2,825.63 at Burberry;
- r. November 15, 2021: \$4,982.81 at Jimmy Choo (a designer shoe store) in Boston;
- s. November 15, 2021: \$2,200.25 at a men's designer clothing store in Boston; and
- t. November 18, 2021: a total of \$26,295.96 to rent a private jet for a flight to Miami.

50. Based on my review of bank records, I have not identified any instances of any investment or financing activity consistent with KAWUBA's representations to the Investors.

KAWUBA Fails to Repay the Investors

51. As multiple investment agreements came due for payment in November 2021, KAWUBA repaid only a portion of the principal and interest due under those agreements.

52. KAWUBA failed to repay Investors 1, 2, and 3 a total of \$343,200 (\$240,000 in

principal⁵ and \$103,200 in interest) that was due on November 30, 2021 under the terms of a June 17, 2021 investment agreement. KAWUBA also failed to repay Investor 1 a total of \$225,000 (\$150,000 in principal and \$75,000 in interest) that was due on November 17, 2021 under the terms of an August 5, 2021 investment agreement.

53. In the months that followed, KAWUBA also failed to repay the principal and interest owed to Investors 4, 5, and 6 for their investments of \$150,000, \$144,980, and \$150,000, respectively, that were made in November 2021.

54. KAWUBA'S final repayment to the Investors was a \$150,000 transfer to Investors 1, 2, and 3 on or about December 1, 2021; this was the purported return on an August 2021 investment. To send these funds, KAWUBA used new money received from the Investors in late November 2021. Following this transfer, KAWUBA's account balance at TD Bank fell to about \$6,000.

55. In late 2021 and throughout 2022, as the Investors ceased sending new investment funds, KAWUBA continually gave excuses to the Investors for why he could not repay their funds. Despite repeated assurances that payments would be made promptly, KAWUBA did not make any payments to the Investors after December 1, 2021. During this time, members of the Investors continued to request repayment of the outstanding balances.

56. KAWUBA'S excuses led the Investors to believe that payment would be forthcoming.

⁵ The relevant investment agreement refers to the \$240,000 figure as the investment "principal." However, these funds constituted a roll-over of \$200,000 in investment principal that was first made on April 26, 2021; of this amount, \$50,000 was returned to the Investors in June 2021, while the remaining principal and interest due was rolled into the new investment agreement due on November 30, 2021. Thus, one interpretation is that only \$150,000 of the June 17, 2021, investment constituted actual investment principal.

57. For example, on or about December 3, 2021, KAWUBA sent Investor 1 a text message stating in part, “I have an appointment for Thursday to send wires.” However, on or about December 9, 2021, KAWUBA sent Investor 1 a text message stating in part, “I’m all-in and maxed out on deals and my next deal to have a bulk of my capital back doesn’t return until January 15th.”

58. On or about January 20, 2022, KAWUBA sent Investor 1 a text message stating in part:

Just wanted to confirm with you that my return wire (international) was sent yesterday and as soon I hit clears and I will send to the total amounts to respective accounts. I’m glad this we nearing the end of of this...if you can let [Investor 2] and other parties know that I can confirm that my return wire was sent that would be great because we can finally resolve this.

59. On or about January 27, 2022, KAWUBA sent Investor 1 a text message with a screenshot purporting to show that KAWUBA’s account at TD Bank was receiving a pending wire transfer for \$10,500,000. I have reviewed KAWUBA’s bank records, including from the TD Bank account referenced by KAWUBA, and I have seen no record of this pending wire transfer.

60. However, KAWUBA soon provided additional reasons for why he could not wire the funds due to the Investors. On or about February 1, 2022, in response to a question from Investor 1 about whether or not the \$10,500,000 wire transfer had settled, KAWUBA sent a text message to Investor 1 stating in part, “What’s up man sorry for the late response. Wire didn’t settle yet. I’m hopefully for the end of the week.”

61. On or about February 9, 2022, KAWUBA sent Investor 1 another text message stating in part, “[w]ire hasn’t been released yet but they have everything they needed from us to do their verifications or whatever they need to do. You will be the first to know when my wire clears and will be at the TD [Bank] to send out the wires.”

62. On or about February 15, 2022, KAWUBA sent Investor 1 a text message stating in part:

Hey man, again no sign of wire today. . . .I've decided to take measures of reaching out to my close friends/people I do business with that I have helped out in the past who have the liquidity to hold me down and cover you and investors on your side and others while I wait this out so I don't have to my liquidate other assets (which can take some time). . . .I'm going to close this out for [members of the INVESTORS] this week while I deal with this wire. Please pass the word to everyone. I'm head down until Friday to get this done and no later than Monday EOD [end of day]. You have my word. The next time you hear from me between now and then will be to tell you that wires have been sent. Talk soon.

63. On or about February 21, 2022, KAWUBA sent Investor 1 a text message stating:

[Investor 1] – good news and about time!!. It took me having to travel to get my wire/money to be cleared so I will be back in town and wire your and families money on Friday. I set the appointment. I also touched base with [Investor 6] through text and communicated update as well. WhatsApp (same number) until I get back. I appreciate you trust in me to finally get this done.

64. On or about February 26, 2022, KAWUBA sent Investor 1 a text message stating in part: “Confirming all wires are now officially out so please confirm with me Monday by EOD that you got the wires.”

65. However, KAWUBA did not send the funds due to the Investors, even after additional requests from Investor 1 in the following days.

66. On or about March 13, 2022, KAWUBA sent Investor 6 a WhatsApp message stating in part:

Hi [Investor 6] - I'm doing everything I can to square this away and you will get your return back with 100% certainty. You have my word. I just need a little bit more time as I sort out some of the challenges I'm facing. I'm working with the bank to figure out what exactly is going on because they are not giving me access to any of my funds or accounts. Any new deposits I can't access to and any wires or pending transactions were stopped/reversed until they finish looking into things. I want to be careful about what I can or can't say as they are doing their investigation/due diligence as advised and to also not bring any headaches to anyone.

In summary, my bank is not giving me access to any of my funds or accounts and

I'm working with them to find out exactly what is going on, provide them with any information they need and solve any matters. All new deposits I don't have access to either and any pending transactions/wires were all stopped.

67. On or about March 22, 2022, KAWUBA sent Investor 1 the following text message via WhatsApp:

Hey [Investor 1], hope you're doing good man. Hoping to get an update later in the week and will contact you right away when I do. I'm working tirelessly and doing everything I can to get concrete dates as I don't have access to my personal accounts/funds and working with the banks and other parties to resolve things. Probably best not to write, talk or discuss about any details as we resolve any matters in my end so that I can have dates for everyone. Talk to you soon.

68. Also on March 22, 2022, KAWUBA sent Investor 5 an email (with a footer stating "Sent from my iPhone") stating in part:

Hey [Investor 5], Hope you've been doing well. I got your wire details and will make sure there's no issues with the currency conversion. Just want to also let you know that the deal was successful but just having a bit of a delay being an international wire. As soon as we're clear on my end I will send the wire and confirm as well.

69. On or about March 31, 2022, KAWUBA sent Investor 1 the following text messages via WhatsApp:

[Investor 1]!!

I got a date

May 5th is the date my funds will be released. We worked with the bank and the other parties that were involved. Please send this to everyone. Everyone's fund will be sent on May 7th.

70. Also on or about March 31, 2022, KAWUBA sent Investor 6 the following messages using WhatsApp:

Hi [Investor 6], I wanted to provide an update as I got a concrete date. My funds will be released May 5th and May 7th your funds will be sent out.

I'm extremely sorry about this whole ordeal but I'm relieved that I can provide you something concrete

71. On or about April 2, 2022, KAWUBA sent Investor 1 two photos via WhatsApp of

KAWUBA's account at TD Bank, writing in part, "[H]ere's the picture and screenshot of my account." One photo appears to be a picture of a laptop screen taken with a phone camera, and the other photo appears to be a screen capture from an Apple computer. The screenshots purported to reflect that on Saturday, April 2, 2022, KAWUBA had an available balance of \$15,313,700.61 in his account at TD Bank ending in 2201. KAWUBA followed up with Investor 1 via WhatsApp, writing: "I took both a picture on my phone but didn't seem too clear so I took a screenshot as well." Based on the records for the account referenced by KAWUBA, from Friday, April 1, 2022 to Sunday, April 3, 2022, KAWUBA's TD Bank account ending in 2201 had a negative balance of \$413.61; in fact, KAWUBA's TD Bank account had a negative daily balance from February 22, 2022 until it was closed on or about April 26, 2022.⁶ KAWUBA's representation to Investor 1 that he had over \$15 million in the account was false.

72. Following this assurance from KAWUBA, the Investors were placated for a time. For example, Investor 5 told Investor 1 via WhatsApp, "This is encouraging."

73. On or about April 26, 2022, KAWUBA sent Investor 1 a text message using WhatsApp offering another investment opportunity, stating in part: "I had a 3k on that comes back \$4500 this Friday if that can be of any help." Investor 1 declined the investment opportunity.

74. On or about May 9, 2022, KAWUBA sent Investors 1, 2, 4, 5, and 6 a text message via WhatsApp stating:

Hi all -

Just communicating and letting everyone know that I have access to my funds now. I'm still with TD Bank (they just had me open a brand new account and closed the old one). As I continue to send out the several wires I have to get done that everyone will get this week, I will confirm each completed one by attaching the wire from

⁶ From the account's opening in January 2020 to its closure in April 2022, the account's highest daily balance was on or about September 1, 2021, when it held about \$298,000—all of which was money received from the INVESTORS as investment principal.

from the bank and Fedwire number. Once you receive your respective wire, if you can please respond (via email) saying that you got it I'd appreciate that.

Please bare with me as I have a few wires to get through.

75. On or about May 19, 2022, Investor 6 communicated with KAWUBA by text message. In this exchange, KAWUBA stated: "Good morning [Investor 6]. Yes I can confirm that I'm transferring funds Monday. I've been so sick and in bed and I apologize[.]" When Investor 6 asked KAWUBA follow-up questions and received no immediate response, Investor 6 stated "Adrian – can you please respond? Getting concerned that you are leading me on again into believing that you are making the transfer and then on Monday you will come up with another excuse." KAWUBA replied: "[Investor 6] – I can confirm I'm sending your your money on Monday. My appointment is 3pm and will provide you with the Fedwire."

76. On or about May 23, 2022, Investor 6 sent KAWUBA a text message asking about the transfer, and KAWUBA replied: "Hi [Investor 6], yes I will be going to the bank." On or about May 27, 2022, KAWUBA sent Investor 6 a text message reiterating KAWUBA's purported track record of success and personal guarantee:

Yes I have every single intention of returning your money and others and that is without a question. In all of my 10 years I have always returns capital to every single person as promised even when I came across some challenges. This is everyone's hard earning money & I get that including my own mother's retirement money. I've just been facing and overcoming issue after issue in the process of returning capital to each & every single investor. There's a reason why I have a personal guarantee with everyone to make me personally liable to all of this and let investors know that I will return the capital no matter what obstacle gets in my way.

77. On or about May 28, 2022, KAWUBA sent Investor 6 text messages stating:

[Investor 6] you are going to get your money and all of you. Please I'm working through it. I'm not going to do any of your wrong. I promise you that. I'm slow on here sometimes because I'm literally working night and day to solve the obstacle I have. Please bare with me. I'm going to figure it. You will all have your funds I promise.

I promise you that. You guys have been nothing to good to me and Wouldn't then

turn around and do your wrong. That's not okay. I'm going to figure this out quickly.

And I'm Almost there too.

78. On or about June 18, 2022, KAWUBA sent Investor 6 a text message stating:

Hi [Investor 6], you're absolutely right man and need to be and do better in providing an update. I'm sorry. I want to be able to come you (your guys) with a concrete dates and better yet just confirmation of the wires sent. And there's nothing I want more than that so that you guys can know hindered by word and getting you guys your money/returns. Right now I don't have an exact date but all I get is that this won't take weeks and weeks from attorneys. It kills me to not be able to come back to you/your guys with confirmations of your wires sends but here we are so all I (and others) can do is not put any more roadblocks because we all (and should be) aligned around the range outcome with us to get you guys your money as quickly as possible.

79. KAWUBA provided additional excuses—including excuses made to Investor 6 by text message as recently as September 2022—but never wired the funds that were due to the Investors, despite repeated requests from members of the Investors. To date, I am not aware of KAWUBA having repaid any of the outstanding investments detailed above.

CONCLUSION

80. Based upon the evidence set forth above, as well as my knowledge, training, and experience, I submit there is probable cause to believe that between at least May 2019 and June 2022, KAWUBA perpetrated a scheme to defraud by making materially false representations to Investors 1 through 6 in order to obtain funds from them as set forth above.

81. Specifically, on or about August 5, 2021, in the District of Massachusetts, KAWUBA, having devised the scheme and artifice to defraud described above, did transmit and cause to be transmitted the following wire communication in interstate commerce for the purpose of executing the scheme to defraud: an email from KAWUBA in Massachusetts to Investor 1 in New York, as described in Paragraph 35 above.

All in violation of Title 18, United State Code, Section 1343.

Respectfully submitted,
/s/ James Bedsole

James Bedsole
Special Agent
Federal Bureau of Investigation

Subscribed and sworn to before me by phone under Fed. R. Crim. P. 4.1(a) on November 9,
2022,


Hon. M. Page Kelley
United States Chief Magistrate Judge

