

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY**

In the Matter of:

ARMANDO DE LEON,
Former Store Manager

TD Bank, N.A.
Wilmington, Delaware

Docket No.:
AA-ENF-2024-35

**ORDER NO. 2: ORDER OF DEFAULT AND
RECOMMENDED DECISION**

On April 18, 2025, Enforcement Counsel for the Office of the Comptroller of the Currency (“OCC”) filed a “Motion for Entry of Order of Default and Recommended Decision to Prohibit Further Participation and Report on Proof of Service of Process” (“Motion”) pursuant to 12 C.F.R. § 19.19(c)(1). The Motion is based on the failure of Armando De Leon (“Respondent”) to file an answer in response to the OCC’s Notice of Intention to Prohibit Further Participation (“Notice” or “NOC”), issued pursuant to section 8(e) of the Federal Deposit Insurance Act, 12 U.S.C. § 1818(e).

On November 22, 2024, Enforcement Counsel served the Notice on Respondent by overnight delivery to Respondent’s current address. See Motion at 1, 3; see also Declaration of Alejandra G. Arias (“Arias Declaration”) at ¶¶ 7, 10; Exhibit A (UPS Delivery Notification Email); Exhibit B (UPS Proof of Delivery). The Notice was also served on November 27, 2024 by a process server at the Respondent’s home address, where the Notice was left with Respondent’s father. See Motion at 1, 3-4; Arias Declaration at ¶¶ 6, 11; Exhibit C (Affidavit of Service). Respondent was required to file an answer to the Notice by December 13, 2024. *See* 12 C.F.R. §§ 19.19(a). To date, Respondent has failed to file an answer. In addition, Respondent has failed to file a response to the Motion.

The undersigned finds that Respondent was properly served with the Notice pursuant to the OCC Rules of Practice and Procedure, 12 C.F.R. §§ 19.11(b) and 19.18(a), and has failed to file an answer to the Notice pursuant to 12 C.F.R. § 19.19(a). The undersigned further finds that, pursuant to 12 C.F.R. § 19.19(c)(1), Respondent has waived his right to appear and contest the allegations in the Notice, and that no good cause has been shown for Respondent's failure to file a timely answer. Respondent has had an opportunity to file an answer and has not shown good cause for his failure to do so.

Accordingly, Enforcement Counsel's Default Motion is GRANTED. The undersigned recommends that the Comptroller enter an order containing the findings and the relief sought in the Notice, namely that Respondent be permanently prohibited from further industry participation pursuant to 12 U.S.C. § 1818(e).

Findings of Fact

In support of the Notice and by virtue of Respondent's failure to answer the Notice, he has waived his right to appear and contest the following – at all times relevant to the findings set forth below:

(1) At all times relevant to the Notice, TD Bank, N.A., Wilmington, Delaware (“Bank”) was a “national banking association” within the meaning of 12 U.S.C. § 1813(q)(1)(A) and an “insured depository institution” as defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent was an employee of the Bank and was an “institution-affiliated party” of the Bank as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years from the date of this Notice. See 12 U.S.C. § 1818(i)(3).

(3) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this prohibition action against Respondent pursuant to 12 U.S.C. § 1818(e).

(4) In March 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act to provide emergency financial assistance to Americans suffering negative economic effects caused by the COVID-19 pandemic.

(5) Among other things, the CARES Act authorized the Small Business Administration (“SBA”) to provide forgivable loans to small businesses for job retention and certain other expenses through the Payment Protection Program (“PPP”).

(6) The purpose of PPP loans was to enable small businesses suffering from the economic downturn to continue to pay salary or wages to their employees.

(7) To obtain a PPP loan, a qualifying business was required to submit a PPP loan application, signed by an authorized representative of the business. The PPP loan application required the business to acknowledge the program rules and make certain affirmative certifications to obtain the PPP loan, such as: (a) that the small business was in operation on February 15, 2020; (b) the average monthly payroll expenses; and (c) the number of employees. These certifications were used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, businesses applying for PPP loans were required to submit documentation supporting their payroll expenses.

(8) Respondent was employed as a branch manager at a Bank branch in Hialeah, Florida from on or around September 10, 2007 until he was terminated on or around January 12, 2021.

(9) On or around October 25, 2022, Respondent pleaded guilty to one count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 1349. As part of his plea agreement, Respondent admitted to submitting fraudulent PPP and Economic Injury Disaster Loan applications to the Bank from January 2021 through at least July 2021.

(10) Respondent also submitted fraudulent PPP loan applications in April and May 2020, while he was a Bank employee.

(11) On or around May 15, 2018, Respondent formed De Leon Group & Associates LLC (“DLGA”), a Florida limited liability company. Respondent was the company’s registered agent, manager, President, and 100% owner.

(12) Respondent did not file an annual report for DLGA in 2019.

(13) On or around April 15, 2020, Respondent reinstated DLGA.

(14) On or around April 16, 2020, Respondent opened a business checking account at the Bank in the name of DLGA ending in 0266. Respondent was the account’s sole signatory.

(15) On or around April 27, 2020, Respondent applied for a PPP loan with the Bank on behalf of DLGA. In his application, Respondent stated that the company had four employees and an average monthly payroll of \$17,500. Respondent sought a loan in the amount of \$43,750. Respondent included in his application Internal Revenue Service (IRS) Form 941 (Employer’s Quarterly Federal Tax Return) for 1Q20. The tax form stated that DLGA had four employees and paid \$52,500 in wages in 1Q20. Additionally, Respondent certified that DLGA was in operation on February 15, 2020, and had employees for whom it paid salaries and payroll taxes. Respondent also certified that the loan proceeds would be used to retain workers and maintain payroll, lease payments, and utility payments.

(16) The Bank did not approve the PPP loan application Respondent submitted on behalf of DLGA.

(17) On or around May 2, 2020, while Respondent's PPP application with the Bank was still pending, Respondent submitted to a state-chartered insured depository institution ("Bank 2") a second PPP application on behalf of DLGA. Respondent sought a loan in the amount of \$43,750. The application at Bank 2 contained the same representations about DLGA employees and average monthly payroll as the application he submitted to the Bank. The application also contained the same IRS Form 941 for 1Q20.

(18) Bank 2 approved the PPP loan application Respondent submitted on behalf of DLGA.

(19) On or around May 4, 2020, Respondent as DLGA's 100% owner, received the proceeds of the PPP loan, \$43,750, into an account at Bank 2 in the name of DLGA ending in 6741.

(20) The PPP applications Respondent submitted to the Bank and Bank 2 for DLGA contained false and fraudulent representations and supporting documentation, including:

- a. First, DLGA had no employees and did not spend thousands of dollars on payroll each month at the time Respondent submitted the applications.
- b. Second, DLGA did not use PPP loan proceeds to retain workers and maintain payroll, lease payments, and utility payments. Instead, DLGA transferred a large portion of the fraudulent DLGA PPP loan proceeds to Respondent and his family members and made other impermissible payments.
- c. Third, DLGA was not in operation on February 15, 2020. Respondent had not filed an annual report for DLGA in 2019 and had reinstated it on April 15, 2020.

(21) On or about January 30, 2019, Respondent formed The Vineyard of Florida, LLC, a Florida limited liability company (“Vineyard”). Respondent was the company’s registered agent, manager, President, and 100% owner.

(22) On or around April 16, 2020, Respondent opened a business checking account at the Bank in the name of Vineyard ending in 0373. Respondent was the account’s sole signatory.

(23) On or around April 27, 2020, Respondent applied for a PPP loan with the Bank on behalf of Vineyard. In his application, Respondent stated that the company had four employees and an average monthly payroll of \$16,333. Respondent sought a loan in the amount of \$40,832. Respondent included in his application IRS Form 941 for 1Q20. The tax form stated that Vineyard had four employees and paid \$49,000 in wages in 1Q20. Additionally, Respondent certified that Vineyard had employees for whom it paid salaries and payroll taxes and that the loan proceeds would be used to retain workers and maintain payroll, lease payments, and utility payments.

(24) The Bank did not approve the PPP loan application Respondent submitted on behalf of Vineyard.

(25) On or around May 1, 2020, while Respondent’s PPP application with the Bank was still pending, Respondent submitted to Bank 2 a second PPP application on behalf of Vineyard. Respondent sought a loan in the amount of \$40,832. The application at Bank 2 contained the same representations about Vineyard employees and average monthly payroll as the application Respondent submitted to the Bank. The application also contained the same IRS Form 941 for 1Q20.

(26) Bank 2 approved the PPP loan application Respondent submitted on behalf of Vineyard.

(27) On or around May 4, 2020, Respondent, as Vineyard's 100% owner, received the proceeds of the PPP loan, \$40,832, into an account at Bank 2 in the name of Vineyard ending in 6738.

(28) The PPP applications Respondent submitted to the Bank and Bank 2 for Vineyard contained false and fraudulent representations and supporting documentation, including:

- a. First, Vineyard had no employees and did not spend thousands of dollars on payroll each month at the time Respondent submitted the applications.
- b. Second, Respondent did not use PPP loan proceeds to retain workers and maintain payroll, lease payments, and utility payments. Instead, Respondent transferred a large portion of the fraudulent Vineyard PPP loan proceeds to himself and made other impermissible payments.

Conclusions of Law

(1) By reason of Respondent's misconduct described above, Respondent violated the law, including 18 U.S.C. § 1344(1) and (2).

(2) By reason of Respondent's misconduct, Respondent received financial gain; and

(3) Such violation involved personal dishonesty by Respondent.

Recommended Order to Prohibit Further Participation

As of this date, Respondent has not filed an answer to the OCC's Notice or Motion. Accordingly, Respondent failed to file a timely answer to the Notice pursuant to 12 C.F.R. § 19.19(a). A respondent's failure to file an answer within the time provided constitutes a waiver of the respondent's right to appear and contest the allegations in the Notice. 12 C.F.R. § 19.19(c)(1).

Based on the foregoing findings of fact and conclusions of law, it is recommended that Respondent be prohibited from further participation in any manner in the conduct of the affairs of any federally insured depository institution and any other institution, credit union, agency and entity referred to in 12 U.S.C. § 1818(e), as amended, pursuant to 12 U.S.C. § 1818(e)(1).

The record in this matter is hereby filed and certified for decision. A Proposed Order and Certified Index/Administrative Record are hereby attached pursuant to 12 C.F.R. §§ 19.38(a)-(b).

SO ORDERED.

A rectangular box containing a handwritten signature in blue ink that reads "Jennifer Whang".

Issued: June 3, 2025

Jennifer Whang, Administrative Law Judge
Office of Financial Institution Adjudication

CERTIFICATE OF SERVICE

On June 3, 2025, I served a copy of the foregoing **Order** upon the following individuals via email:

Hearing Clerk
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and via Certified Mail to:

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