

**FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.**

In the Matter of:

YOANDY HIJUELO,
an institution-affiliated party of

Truist Bank
Charlotte, North Carolina

(Insured State Nonmember Bank)

Docket Nos.:
FDIC-25-0058e
FDIC-25-0059b
FDIC-25-0060k

**ORDER NO 2: ORDER OF DEFAULT AND RECOMMENDED DECISION FOR PROHIBITION FROM
FURTHER ACTIVITIES, RESTITUTION, AND THE ASSESSMENT OF A CIVIL MONEY PENALTY**

This order arises under a Motion for Entry of an Order of Default (Default Motion) pursuant to 12 C.F.R. § 308.19(c)(1)-(2) filed on August 7, 2025 by Federal Deposit Insurance Corporation (FDIC) Enforcement Counsel (EC) for the failure of the respondent, Yoandy Hijuelo, to file a timely answer to the underlying Notice of Charges (NOC). The NOC seeks an order of prohibition against Hijuelo, a former senior relationship banker at Truist Bank and an institution-affiliated party (IAP), from further participation in banking activities, restitution of \$59,000, and a civil money penalty of \$35,000 related to false statements made to the Small Business Administration (SBA) to secure CARES Act loans for two ineligible companies, and improperly spending the loan money on personal, as opposed to business-related, expenses. Yoandy Hijuelo filed neither a timely answer to the NOC nor a request for a hearing as required by the FDIC Rules of Practice and Procedure (Procedural Rules). Hijuelo also did not respond to the Default Motion.

For the reasons set forth below, the Default Motion is **GRANTED** and the Administrative Law Judge (ALJ) recommends that the Board of Directors of the FDIC (Board) enter an order of prohibition from future banking activities, an order of restitution in the amount of \$59,000, and the assessment of a \$35,000 civil money penalty against the respondent, Yoandy Hijuelo.

I. Yoandy Hijuelo has not shown good cause for failure to file an answer.

The Procedural Rules require a respondent to file an answer within twenty (20) days of service of the notice of charges.¹ By failing to file an answer within that timeframe, a respondent waives the right to appear and contest the allegations in the notice.² Before granting a motion for an order of default and issuing a recommended decision to the Board, the ALJ must find that “no good cause has been shown [by the respondent] for the failure to file a timely answer.”³

¹ 12 C.F.R. § 308.19(a) (2026).

² *Id.* at § 308.19(c)(1).

³ *Id.*

In this case, the record shows that EC confirmed Yoandy Hijuelo’s mailing address through public databases,⁴ and properly served the NOC on him by three different means: email, next day courier, and certified mail.⁵ The NOC and the ALJ’s preliminary order informed Hijuelo of both the requirement to timely file an answer and the consequences of failing to do so.⁶ Notwithstanding the warnings in the NOC and the preliminary order, Yoandy Hijuelo did not file an answer or make an appearance in these proceedings. The ALJ thus finds that Yoandy Hijuelo failed to file a timely answer to the NOC pursuant to 12 C.F.R. § 308.19(a) and did not show good cause for not doing so. Accordingly, Yoandy Hijuelo waived his right to appear and contest the allegations in the NOC.

II. Yoandy Hijuelo did not request a hearing on the civil money penalty, thereby converting the NOC into a final and unappealable order.

The Federal Deposit Insurance Act and the accompanying Procedural Rules require a respondent to request a hearing on the assessment of a civil money penalty within twenty (20) days of service of the notice of charges.⁷ If a respondent does not request a hearing within that time, the assessment of a civil money penalty becomes “a final and unappealable order.”⁸ In this case, both the NOC and the ALJ’s preliminary order informed Yoandy Hijuelo of the requirement to timely request a hearing on the civil money penalty and the consequences of failing to do so.⁹ Yoandy Hijuelo, however, did not file a request for a hearing. Accordingly, the ALJ finds that the FDIC’s assessment of a \$35,000 civil money penalty against Yoandy Hijuelo is final and unappealable.

III. The FDIC has jurisdiction over Yoandy Hijuelo.

The FDIC’s jurisdiction is uncontested. Truist Bank, Charlotte, North Carolina is a North Carolina corporation with its principal place of business in Winston-Salem.¹⁰ Truist Bank is an insured state nonmember bank.¹¹ Yoandy Hijuelo, a former senior relationship banker at Truist Bank, is an institution-affiliated party, or IAP, within the meaning of 12 U.S.C. § 1818.¹² Accordingly, the FDIC has jurisdiction over this matter.

IV. Uncontested Findings of Fact

Yoandy Hijuelo, by failing to file an answer, does not contest the allegations in the NOC. The NOC establishes that Yoandy Hijuelo filed applications for SBA loans related to the COVID-19 pandemic in 2020 for two newly created entities, Spross Tech Services (Spross Tech) and Herbal

⁴ Default Motion, Exhibits 4-6, 8, and 9.

⁵ On June 10, 2025, EC served the NOC on Yoandy Hujuelo by secure email. Two days later, on June 12, 2025, EC served the NOC on Hijuelo by UPS, which was delivered at his address on June 13, 2025. Finally, on July 10, 2025, EC served the NOC by certified mail with return receipt requested that showed the package was received on July 17, 2025 and “[l]eft with individual.” The return signature card was signed by Yoandy Hijuelo. *Id.*, Exhibits 1a, 2, 3, 7, and 10-12.

⁶ NOC at 15-16; June 13, 2025 Order No. 1 at 2.

⁷ 12 U.S.C. § 1818(i)(2)(H); 12 C.F.R. § 308.19(a) (2026).

⁸ 12 U.S.C. § 1818(i)(2)(H); 12 C.F.R. § 308.19(c)(2) (2026).

⁹ NOC at 15-16; June 13, 2025 Order No. 1 at 2.

¹⁰ NOC at 2.

¹¹ *Id.* at 2-3.

¹² *Id.* at 3.

Life & More Inc. (Herbal Life).¹³ As detailed below, contrary to cognizant laws and regulations, Hijuelo (1) made false statements to the SBA in his loan applications for Spross Tech and Herbal Life to induce the agency into making those loans,¹⁴ and (2) then impermissibly spent the loan money on personal expenses.¹⁵

A. The CARES Act

On March 27, 2020, in response to the COVID-19 pandemic, the United States Congress enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which empowered the SBA to issue Economic Injury Disaster Loans (EIDL).¹⁶ In addition to the EIDL, the SBA also administered EIDL advances that did not require repayment. Loan applications to the SBA required eligible entities to provide, among other things, the business's gross revenue for the year prior to the pandemic (as of January 31, 2020), number of employees, and cost of goods sold.¹⁷ An eligible entity constituted, in relevant part, businesses with fewer than 500 employees operating before January 31, 2020.¹⁸

Businesses were required to self-certify eligibility under penalty of perjury and authorize the Internal Revenue Service (IRS) to release tax transcripts to the SBA.¹⁹ The certification admonished that “any false statement or misrepresentation to the SBA may result in criminal, civil, or administrative sanctions, including but not limited to: fines and imprisonment, or both.”²⁰ EIDL money could only be spent on working capital, necessary business expenditures, and debt payments.²¹ EIDL recipients were prohibited from using loan money to refinance debt, make payments on loans owned by a federal agency, pay tax penalties or fines, repair physical damage to property, or pay dividends.²² EIDL advances could only be spent on enumerated costs including payroll, rent, and loan payments.²³ In other words, under either an EIDL or EIDL advance, personal expenses were unallowable.

B. Spross Tech Services EIDL Loan

On April 5, 2020, Yoandy Hijuelo applied to the SBA for an EIDL loan on behalf of Spross Tech.²⁴ Hijuelo stated on the application that Spross Tech was a 100 percent owned S-Corporation with only two employees.²⁵ Hijuelo further provided that Spross Tech had a gross revenue for the

¹³ *Id.* at 5-7, 10-11.

¹⁴ *Id.* at 8, 12-13.

¹⁵ *Id.* at 9, 10, and 13.

¹⁶ 15 U.S.C. § 636(b)(2).

¹⁷ NOC at 3-4; 15 U.S.C. § 636(b)(2).

¹⁸ 15 U.S.C. §§ 9009(a), (c)(2).

¹⁹ *Id.* at § 9009(e)(2).

²⁰ NOC at 5; 15 U.S.C. § 645(a) (“Whoever makes any statement [to the SBA] knowing it to be false . . . for the purpose of obtaining for himself or for any applicant any loan . . . or for the purpose of influencing in any way the action of the [SBA], or for the purpose of obtaining money, property, or anything of value . . . shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.”).

²¹ 15 C.F.R. § 123.303(a) (2026).

²² *Id.* at § 123.303(b).

²³ 15 U.S.C. § 9009(e)(4).

²⁴ NOC at 5.

²⁵ *Id.*

year prior to the COVID-19 pandemic of \$81,250 and earned \$0 from costs of goods sold.²⁶ On June 4, 2020, in response to an SBA verification request, Hijuelo opened a business checking account for Spross Tech at Truist Bank and deposited \$50.²⁷

On June 5, 2020, Yoandy Hijuelo submitted to the SBA an unsigned 2019 Form 1120-S tax return for Spross Tech that showed gross sales of \$3,408, cost of goods sold as \$9,467, and the company operating at a loss of \$6,059.²⁸ This 2019 tax return, however, was contravened by a tax transcript from the IRS, which showed gross receipts of \$0 for Spross Tech in 2019. Neither the unsigned return nor the transcript support Spross Tech’s \$81,250 annual revenue in 2019 as claimed in Hijuelo’s application.²⁹ The IRS also did not have a tax return for the company on file for 2018.³⁰ Indeed, Spross Tech itself was not incorporated until June 11, 2020, when Hijuelo filed the necessary documentation with the State of Florida – two months after the application for EIDL funds with the SBA, and well after the January 31, 2020 statutory cutoff.³¹

On June 12, 2020, Yoandy Hijuelo signed Spross Tech’s loan agreement with the SBA for \$38,700 in EIDL funds.³² In the agreement, Hijuelo certified that “[a]ll representations in [his application] (including all supplementary submissions) are true, correct and complete and are offered to induce SBA” to loan him money.³³ Hijuelo also certified that Spross Tech “[would] use all the proceeds . . . solely as working capital to alleviate economic injury caused by disaster.”³⁴ The agreement warned that any “false statements or misrepresentations to the SBA” in making the loan could “result in criminal, civil, or administrative sanctions.”³⁵ Notably, a follow-on loan application made to the SBA on April 25, 2021 was rejected based on unverifiable information.³⁶

On June 15, 2020, Yoandy Hijuelo received \$38,600 (minus \$100 for mandatory Uniform Commercial Code (UCC) filing fees) in EIDL money from the SBA which was deposited directly into the Spross Tech business account at Truist Bank.³⁷ On June 26, 2020, the SBA deposited an EIDL advance (i.e., one that did not need to be repaid under the CARES Act) in the amount of \$2,000 into Spross Tech’s account.³⁸ These deposits came to the attention of Truist Bank officials, who questioned Yoandy Hijuelo about them on February 25, 2021.³⁹ Hijuelo told them that the loan money was used for capital purchases and to pay his cousin who was employed by Spross Tech.⁴⁰ Further, on February 26, 2021, Hijuelo also gave a copy of the Spross Tech 2019 Form 1120-S submitted to the SBA to Truist officials.⁴¹

²⁶ *Id.*

²⁷ *Id.* at 6.

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ *Id.* at 6-7.

³² *Id.* at 7.

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.* at 9.

³⁷ *Id.* at 7.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.* at 8.

Notwithstanding the representations made to Truist Bank, the record shows that Yoandy Hijuelo made only personal purchases with the money, including credit card payments, dining at restaurants, and purchases at retail outlets.⁴² For example, he spent \$2,000 at Nissan Pembroke Pines and \$3,500 at Weston Nissan Volvo.⁴³ The record also shows that money was moved from Spross Tech’s Truist Bank business account to investment brokerages Robinhood Investments, Ameritrade, and Pennymac.⁴⁴ Even after his termination from employment with Truist Bank on June 25, 2021, Yoandy Hijuelo continued making personal purchases with EIDL money.⁴⁵

On June 25, 2021, Yoandy Hijuelo closed the Spross Tech account at Truist Bank and moved the remaining \$21,360.53 to a JPMorganChase account that he opened on July 20, 2021.⁴⁶ Hijuelo made personal purchases from this account at Expedia.com, Universal Orlando theme park, SeaWorld, movie theaters, vacation resorts, and retail stores.⁴⁷ Hijuelo even paid \$2,200 from the new JPMorganChase account to El Magos Roofing Corp.⁴⁸ Finally, on September 13, 2022, Hijuelo transferred the last \$4,735 in the JPMorganChase account to his wife.⁴⁹ Ten days later, on September 23, 2022, Spross Tech was administratively dissolved.⁵⁰ Ultimately, the SBA was forced to write off the entire \$38,700 EIDL loan and EIDL advance made to Spross Tech as a financial loss.⁵¹

C. Herbal Life & More Inc. EIDL Loan

Parallel with the Spross Tech EIDL loan, Yoandy Hijuelo also received EIDL funds for another entity, Herbal Life. On June 16, 2020, Hijuelo filed an application for an EIDL loan with the SBA on behalf of Herbal Life.⁵² In the application, Yoandy Hijuelo asserted that Herbal Life was an S-Corporation e-commerce company founded on January 1, 2018 with a gross revenue of \$180,456 for the year prior to the COVID-19 pandemic, monthly revenue of \$15,038, and cost of goods sold of \$143,789.⁵³ Notwithstanding the representations on the application, Hijuelo filed incorporation documents for Herbal Life with the State of Florida on June 19, 2020 – three days after his EIDL loan application for that business, and well after the January 31, 2020 statutory cutoff.⁵⁴ That same day, using his home address, Hijuelo opened a business checking account with \$20 at Truist Bank for Herbal Life.⁵⁵

⁴² *Id.* at 9 (stating that “[t]he Spross Bank Account records reflect no allowable business expenses, payroll, or any types of business activity” and that “there is no activity of any [business-related] deposits, payments, or credits made to Spross in the Spross Bank Account”).

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.* at 10.

⁴⁶ *Id.* at 9-10.

⁴⁷ *Id.* at 10.

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² *Id.*

⁵³ *Id.* at 10-11.

⁵⁴ *Id.* at 11.

⁵⁵ *Id.*

On June 20, 2020, Yoandy Hijuelo signed the loan agreement with the SBA for \$15,400 in EIDL funds.⁵⁶ In the loan agreement, as with Spross Tech, Hijuelo certified that “[a]ll representations in [his application] (including all supplementary submissions) are true, correct and complete and are offered to induce SBA” to loan him money.⁵⁷ Hijuelo also certified that Herbal Life “[would] use all the proceeds . . . solely as working capital to alleviate economic injury caused by disaster.”⁵⁸ The agreement warned that any “false statements or misrepresentations to the SBA” in making the loan could “result in criminal, civil, or administrative sanctions.”⁵⁹ On June 23, 2020, Herbal Life received \$15,400 from the SBA in EIDL money.⁶⁰ On June 30, 2020, Herbal Life received another \$3,000 for an EIDL advance.⁶¹ Notably, a follow-on loan application made to the SBA on April 25, 2021 was rejected based on unverifiable information.⁶²

On February 25, 2021, Truist Bank officials questioned Yoandy Hijuelo about the Herbal Life account.⁶³ Hijuelo told Truist officials that his wife sold dietary supplements through Herbal Life and that the EIDL money was used for inventory and to pay her salary.⁶⁴ Yoandy Hijuelo also told Bank officials that Herbal Life ceased operations at the end of January 2020.⁶⁵ On February 26, 2021, Hijuelo gave them a copy of what appeared to be Herbal Life’s 2019 Form 11-S tax return showing \$2,179 in revenue with a total loss of \$4,076.⁶⁶ Contrary to the Form 11-S provided to Truist Bank, IRS tax transcripts show that Herbal Life did not file returns in 2018 or 2019.⁶⁷

The record also shows that Yoandy Hijuelo used the EIDL funds in the Herbal Life Truist Bank business account only for personal expenditures.⁶⁸ For example, Hijuelo used \$18,261 of the EIDL money (from the loan and the advance) to pay credit card bills.⁶⁹ Subsequently, on September 23, 2022, Herbal Life was administratively dissolved. This occurred on the same day as Spross Tech’s dissolution.⁷⁰ On November 1, 2023, the SBA wrote off the entire \$15,400 EIDL loan and EIDL advance to Herbal Life as a financial loss.⁷¹

⁵⁶ *Id.*

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ *Id.*

⁶⁰ *Id.*

⁶¹ *Id.* at 11-12.

⁶² *Id.* at 13-14.

⁶³ *Id.* at 12.

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ *Id.* at 13 (stating that “[t]he [Herbal Life] account shows no allowable business expenses, payroll, or other type of business activity” and that “[a]side from the SBA funds, the Herbal Life Bank Account shows no history of any deposits, payments, or credits”).

⁶⁹ *Id.*

⁷⁰ *Id.* at 14.

⁷¹ *Id.*

V. The false statements made to the SBA in the EIDL loan agreements and the use of CARES Act funds for personal expenses merit an order of prohibition.

EC requests an order of prohibition against Yoandy Hijuelo, an IAP, from future activities in the banking industry. To obtain a prohibition order, EC must prove the IAP's conduct satisfies the distinct elements of (1) misconduct, (2) effect, and (3) culpability.⁷² EC may demonstrate misconduct by showing that the IAP has:

- 1) "directly or indirectly violated any law or regulation [or] any cease-and-desist order which has become final,"
- 2) "engaged or participated in any unsafe or unsound practice in connection with any insured depository institution or business institution," or
- 3) "committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty."⁷³

EC may prove the effect of the IAP's misconduct by demonstrating:

- 1) that the financial institution "suffered or probably will suffer financial loss or other damage,"
- 2) that depositors' interests "have been or could be prejudiced," or
- 3) that the IAP "received financial gain or other benefit."⁷⁴

Finally, culpability is demonstrated when the IAP's misconduct either "involves personal dishonesty" or "demonstrates willful or continuing disregard . . . for the safety or soundness of [the] insured depository institution."⁷⁵ In the instant case, the uncontested facts show that Yoandy Hijuelo's actions satisfy all three elements because (1) he violated provisions of the CARES Act and applicable regulations, which (2) resulted in a financial gain to himself of \$59,000, and (3) his actions involved personal dishonesty.

⁷² 12 U.S.C. § 1818(e)(1).

⁷³ *Id.* at § 1818(e)(1)(A).

⁷⁴ *Id.* at § 1818(e)(1)(B).

⁷⁵ *Id.* at § 1818(e)(1)(C).

A. Yoandy Hijuelo’s actions satisfy the element of misconduct because he obtained EIDL loans in violation of law and regulation.

i. The Spross Tech EIDL loan was obtained in violation of law and regulation.

a. Yoandy Hijuelo made false statements to the SBA that Spross Tech was eligible to receive an EIDL loan.

Yoandy Hijuelo’s conduct satisfies the element of misconduct because his false statements induced the SBA to make an EIDL loan for which Spross Tech was ineligible in violation of the CARES Act and applicable regulations. To be eligible for a CARES Act EIDL loan, the company must have been operating before January 31, 2020, the outset of the COVID-19 pandemic.⁷⁶ The CARES Act further required applicants to self-certify their eligibility under penalty of perjury.⁷⁷ Moreover, under 15 U.S.C. § 645(a), it is a crime to make false statements to the SBA “for the purpose of obtaining [] any loan . . . or for the purpose of obtaining money, property, or anything of value.” In the instant case, in his June 12, 2020 loan agreement with the SBA, Yoandy Hijuelo certified that Spross Tech’s gross revenue in 2019 was \$81,250.⁷⁸ Hijuelo, by signing the agreement, certified that “[a]ll representations in [his loan] application (including all supplementary submissions) [were] true, correct and complete and [] offered to induce [the] SBA to make [the l]oan.”⁷⁹

Notwithstanding Hijuelo’s certification, Spross Tech was a newly created entity and ineligible for an EIDL loan under the explicit requirements of the CARES Act. Spross Tech was incorporated in Florida on June 11, 2020, well after the beginning of the pandemic and the January 31, 2020 statutory cutoff. Indeed, Yoandy Hijuelo did not even open a bank account for Spross Tech until June 4, 2020.⁸⁰ Finally, tax transcripts showed that Spross Tech grossed \$0 in 2020 and there was no record for a prior year return.⁸¹ Thus, the uncontested findings of fact demonstrate that Spross Tech was ineligible for the loans it received from the SBA (EIDL and EIDL advance). Accordingly, the ALJ finds that Yoandy Hijuelo made false statements to the SBA to induce loans to Spross Tech in violation of the CARES Act and 15 U.S.C. § 645(a).

b. Yoandy Hijuelo spent EIDL funds on personal expenses.

Yoandy Hijuelo also violated the CARES Act and applicable regulations by spending the proceeds of the Spross Tech EIDL loan and EIDL advance on personal expenses. The CARES Act required that EIDL loan and advance money be used only for working capital, necessary business expenditures, and debt payments.⁸² In his loan agreement with the SBA, Yoandy Hijuelo certified that Spross Tech “[would] use all the proceeds . . . solely as working capital to alleviate economic

⁷⁶ 15 U.S.C. §§ 9009(a), (c)(2).

⁷⁷ *Id.* at § 9009(e)(2).

⁷⁸ NOC at 5-6.

⁷⁹ *Id.*

⁸⁰ *Id.* at 6.

⁸¹ *Id.*

⁸² 15 U.S.C. § 9009(e)(3); 15 C.F.R. § 123.303(a) (2026).

injury caused by disaster.”⁸³ The uncontested facts show that Yoandy Hijuelo instead used the EIDL funds for personal expenses. The personal expenses included credit card payments, dining at restaurants, and purchases at retail stores, Expedia.com, Universal Orlando theme park, SeaWorld, movie theaters, and vacation resorts.⁸⁴ He also transferred EIDL loan money to investment accounts at Robinhood Investments, Ameritrade, and Pennymac.⁸⁵ Indeed, Yoandy Hijuelo also spent \$5,500 at two auto dealerships and \$2,200 on roofwork.⁸⁶ Accordingly, the ALJ finds that Yoandy Hijuelo impermissibly used EIDL loan money for personal expenses and had falsely stated to the SBA that he would do otherwise in violation of the CARES Act.

ii. The Herbal Life EIDL loan was obtained in violation of law and regulation.

a. Yoandy Hijuelo made false statements to the SBA that Herbal Life was eligible to receive an EIDL loan.

Yoandy Hijuelo’s conduct with respect to the loan to Herbal Life also satisfies the element of misconduct because his false statements induced the SBA to make an EIDL loan for a company that was ineligible in violation of the CARES Act. To be eligible for a CARES Act EIDL loan, the company must have been in operation before January 31, 2020, the outset of the COVID-19 pandemic.⁸⁷ The CARES Act further required applicants to self-certify their eligibility under penalty of perjury.⁸⁸ Moreover, under 15 U.S.C. § 645(a), it is a crime to make false statements to the SBA “for the purpose of obtaining [] any loan . . . or for the purpose of obtaining money, property, or anything of value.” In the instant case, in his June 20, 2020 loan agreement with the SBA, Yoandy Hijuelo certified that Herbal Life was an S-Corporation focused on e-commerce.⁸⁹ Hijuelo further certified that Herbal Life was established on January 1, 2018, and had a gross revenue of \$180,456 in 2019, monthly revenue of \$15,038, and cost of goods sold of \$143,789.⁹⁰

Notwithstanding these certifications, Herbal Life was a newly created entity and ineligible for an EIDL loan under the explicit requirements of the CARES Act and applicable regulations. The undisputed facts show that Yoandy Hijuleo filed incorporation documents for Herbal Tech with Florida on June 19, 2020, well after the January 31, 2020 statutory cutoff. On the same day, Hijuelo opened a business account for Herbal Life at Truist Bank using his home address.⁹¹ IRS tax transcripts also show that Herbal Life did not file tax returns in 2018 or 2019.⁹² Accordingly, the ALJ finds that Yoandy Hijuelo made false statements to the SBA to induce loans to Herbal Life in violation of the CARES Act and 15 U.S.C. § 645(a).

⁸³ NOC at 7.

⁸⁴ *Id.* at 10.

⁸⁵ *Id.* at 9-10.

⁸⁶ *Id.*

⁸⁷ 15 U.S.C. §§ 9009(a), (c)(2).

⁸⁸ *Id.* at § 9009(e)(2).

⁸⁹ NOC at 10.

⁹⁰ *Id.* at 10-11.

⁹¹ *Id.* at 11.

⁹² *Id.*

b. Yoandy Hijuelo spent EIDL funds on personal expenses.

Yoandy Hijuelo also violated the CARES Act and applicable regulations by spending the proceeds of the Herbal Life EIDL loan and EIDL advance on personal expenses. The CARES Act required that EIDL loan and EIDL advance money be used only for working capital, necessary business expenditures, and debt payments.⁹³ In his June 23, 2020 loan agreement with the SBA, Yoandy Hijuelo certified that he “[would] use all the proceeds . . . solely as working capital to alleviate economic injury caused by disaster.”⁹⁴ The uncontested facts, however, show that Yoandy Hijuelo instead used \$18,261 in EIDL money to pay his credit card bills.⁹⁵ Accordingly, the ALJ finds that Yoandy Hijuelo used EIDL money for personal expenses and had falsely stated otherwise to the SBA in violation of the CARES Act.

iii. Conclusion

For the reasons discussed above, the ALJ finds that Yoandy Hijuelo’s false statements made to the SBA to secure EIDL loans for ineligible companies and spending the loan money on personal expenses both constitute misconduct under 12 U.S.C. § 1818(e)(1)(A).

B. Yoandy Hijuelo’s misconduct led to a \$59,000 gain to himself.

Yoandy Hijuelo’s misconduct satisfies the element of effect. EC may prove the effect of the IAP’s misconduct by demonstrating that the IAP “received financial gain or other benefit.”⁹⁶ In this case, Hijuelo’s false statements to the SBA led him to receive EIDL loans for ineligible companies. He received a total of \$59,000 from the SBA, which he spent on himself.⁹⁷ Thus, the ALJ finds that Yoandy Hijuelo demonstrated the effect of his misconduct by violating laws and regulations, specifically 15 U.S.C. §§ 636(b)(2), 645(a), 9009, and 15 C.F.R. § 123.303, which resulted in a \$59,000 gain to himself.

C. Yoandy Hijuelo’s misconduct involved personal dishonesty.

Yoandy Hijuelo’s misconduct satisfies the element of culpability. One way to demonstrate culpability is when the IAP’s misconduct “involves personal dishonesty”⁹⁸ In this case, Hijuelo made false statements to the SBA to obtain EIDL loans, which he subsequently spent on personal purchases.⁹⁹ Thus, the ALJ finds that Yoandy Hijuelo demonstrated his culpability because his false statements and misspent loan money involved his personal dishonesty.

D. Conclusion

For the reasons discussed above, the ALJ recommends that the Board impose a prohibition from future bank-related activities on the respondent, Yoandy Hijuelo.

⁹³ 15 U.S.C. § 9009(e)(3); 15 C.F.R. § 123.303(a) (2026).

⁹⁴ NOC at 11.

⁹⁵ *Id.* at 11-13.

⁹⁶ 12 U.S.C. § 1818(e)(1)(B).

⁹⁷ NOC at 10, 14.

⁹⁸ 12 U.S.C. § 1818(e)(1)(C).

⁹⁹ NOC at 6-13.

VI. The false statements made to the SBA in the EIDL loan agreements and the use of CARES Act funds for personal expenses merit an order of restitution.

An order of restitution is appropriate when the respondent was unjustly enriched through misconduct that constitutes a reckless disregard for the law.¹⁰⁰ To merit an order of restitution, EC must demonstrate that an IAP, like Yoandy Hijuelo, “was unjustly enriched in connection with such violation or practice” or that “the violation or practice involved a reckless disregard for the law or any applicable regulation[.]”¹⁰¹ In the instant case, the uncontested facts show that Yoandy Hijuelo’s misconduct, by making false statements to the SBA to secure EIDL loans and spending those funds on personal expenses led to his unjust enrichment in the amount of \$59,000. Accordingly, the ALJ finds that Hijuelo’s actions merit an order of restitution.

VII. The false statements made to the SBA in the EIDL loan agreements and the use of CARES Act funds for personal expenses merit the imposition of a civil money penalty.

As discussed in section II of this Recommended Decision, Yoandy Hijuelo did not timely request a hearing as required by the applicable statute and regulations, thus converting the assessment of a civil money penalty in the NOC into a final and unappealable order.¹⁰² While it is sufficient under the statute and regulations to assess Hijuelo a civil money penalty once he has failed to timely request a hearing, the record demonstrates that the assessment of a civil money penalty is appropriate under the circumstances regardless. In order for an ALJ to recommend a civil money penalty, EC must prove, in relevant part, that the IAP engaged in actionable misconduct, which may be satisfied by a violation of law or regulation.¹⁰³ EC must further prove, in relevant part, that the IAP’s misconduct was “part of a pattern of misconduct” or that the misconduct “result[ed] in pecuniary gain or other benefit to such party.”¹⁰⁴ EC, however, must weigh the appropriateness of the civil penalty amount by considering mitigating circumstances like good faith on the part of the IAP, the seriousness of the misconduct, and any “other matters as justice may require.”¹⁰⁵

As discussed in section V of this Recommended Decision, Yoandy Hijuelo violated 12 U.S.C. § 1818(e)(1)(A)(i)(I) through his violations of the CARES Act and other applicable laws and regulations, specifically 15 U.S.C. §§ 636(b)(2), 645(a), 9009, and 15 C.F.R. § 123.303, by making false statements to induce the SBA to make EIDL loans to ineligible entities which in turn he spent on personal expenses.¹⁰⁶ Hijuelo’s misconduct demonstrates both a pattern of misconduct and resulted in a pecuniary gain to himself. First, the fraudulent activity encompassed two ineligible companies (Spross Tech and Herbal Life) and the false statements were made, not only to the SBA, but to Truist Bank officials as well. This demonstrates Hijuelo’s active engagement in an established pattern of misconduct.¹⁰⁷ Second, Hijuelo’s misconduct (i.e., spending the loan money

¹⁰⁰ 12 U.S.C. § 1818(b)(6).

¹⁰¹ *Id.* at § 1818(b)(6)(A).

¹⁰² 12 U.S.C. § 1818(i)(2)(H); 12 C.F.R. § 308.19(c)(2) (2026).

¹⁰³ 12 U.S.C. § 1818(i)(2)(B)(i).

¹⁰⁴ *Id.* at § 1818(i)(2)(B)(ii).

¹⁰⁵ *Id.* at § 1818(i)(2)(G).

¹⁰⁶ NOC at 6-13.

¹⁰⁷ *Id.*

on personal expenses) resulted in a pecuniary gain of \$59,000 to himself. Accordingly, the ALJ finds that the assessment of a civil money penalty is appropriate.

VIII. Conclusion and Recommended Remedies

For the foregoing reasons, the ALJ recommends that the Board enter an order of prohibition from future banking activities, an order of restitution in the amount of \$59,000, and assess a \$35,000 civil money penalty against the respondent, Yoandy Hijuelo.

SO ORDERED.

Issued: March 18, 2026



C. Scott Maravilla
Administrative Law Judge
Office of Financial Institution Adjudication

CERTIFICATE OF SERVICE

On March 18, 2026, I served a copy of the foregoing **Order** upon the following individuals via email:

Administrative Officer
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And upon the following individual by certified mail:

Respondent:

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Administrative Law Judge
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