

IN THE DISTRICT COURT OF THE UNITED STATES  
FOR THE DISTRICT OF SOUTH CAROLINA  
GREENVILLE DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

ROOSEVELT ROSHELLE HUNT, a/k/a  
"Rosie,"

Defendant.

Case No. 6:20-cr-00466

**INFORMATION** for violation of:

Conspiracy to Commit Money Laundering;  
(18 U.S.C. § 1956(h))

THE UNITED STATES ATTORNEY CHARGES THAT:

*Conspiracy to Commit Money Laundering*

(18 U.S.C. § 1956(h))

**Background**

*The Small Business Administration*

1. The United States Small Business Administration ("SBA") was an executive branch agency of the United States government that provided support to entrepreneurs and small businesses. The mission of the SBA was to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

2. As part of this effort, the SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans have government-backed guarantees.

*The Paycheck Protection Program*

3. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act is a federal law enacted in or around March 2020 and designed to provide emergency financial assistance to

the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic.

4. One source of relief that the CARES Act provided for was the authorization of up to \$349 billion in forgivable loans to small businesses for payroll, mortgage interest, rent/lease, and utilities, through a program referred to as the Paycheck Protection Program (“PPP”). In April 2020, Congress authorized up to \$310 billion in additional PPP funding.

5. The PPP allows qualifying small businesses and other organizations to receive PPP loans. Businesses must use PPP loan proceeds on payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be entirely forgiven if the business spent the loan proceeds on these expense items within a designated period of time and used a certain percentage of the PPP loan proceeds on payroll expenses.

6. The amount of a PPP loan that a small business may be entitled to receive is determined by the number of employees employed by the business and the business’s average monthly payroll costs.

7. In order to obtain a PPP loan, a qualifying business was required to submit a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) had to state, among other things, its: (a) average monthly payroll expenses; and (b) number of employees. These figures were used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, businesses applying for a PPP loan had to provide documentation showing their payroll expenses.

8. The SBA oversees the PPP. However, individual PPP loans are issued by private, approved lenders who receive and process PPP applications and supporting documentation, and then make loans using the lenders' own funds, which are 100% guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender to the SBA in the course of processing the loan.

9. Financial Institution 1 was a Federal Deposit Insurance Corporation ("FDIC") insured financial institution headquartered in Salt Lake City, Utah. Financial Institution 1 participated in the SBA's PPP as a lender, and as such, was authorized to lend funds to eligible borrowers under the terms of the PPP.

#### **The Scheme to Defraud**

10. From at least in or around October 2019 through at least in or around July 2020, in the State and Federal District of South Carolina, and elsewhere, **ROOSEVELT HUNT** ("**HUNT**") did knowingly and willfully did combine, conspire, agree and have tacit understanding with others, both known and unknown to the United States Attorney, to:

- a. knowingly conduct and attempt to conduct financial transactions affecting interstate and foreign commerce, which involved the proceeds of a specified unlawful activity, that is, bank fraud and wire fraud, knowing that the transactions were designed in whole or in part to conceal or disguise the nature, location, source, ownership, and control of the proceeds of a specified unlawful activity, and that while conducting and attempting to conduct such financial transactions, knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i); and
- b. knowingly engage and attempt to engage in monetary transactions by, through, and to a financial institution, affecting interstate and foreign commerce, in criminal derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, that is, bank fraud and wire fraud, in violation of Title 18, United States Code, Section 1957.

### **Manner and Means**

#### ***The Fraudulent Tax Refund***

11. **HUNT** served as a money launderer for individuals who perpetrate fraud schemes and recruited other individuals to assist in the money laundering operation. In exchange for laundering the fraud proceeds, **HUNT** and the co-conspirators received a portion of the fraud proceeds.

12. In or around October of 2019, **HUNT** was recruited to participate in a fraud scheme. On October 2, 2019, as part of the scheme, co-conspirators fraudulently redirected a \$738,025.10 tax refund to the business checking account of Wild Stylz Entertainment LLC (“Wild Stylz”), and on October 3, 2019 transferred \$378,000 of the proceeds to a business checking account in South Carolina. After the proceeds were deposited into the South Carolina business checking account, a \$100,000 check was written to Harrah’s Cherokee Casino and Resort (“Harrah’s”) with **HUNT**’s name on the “memo/purchaser” line, and additional checks were written to Harrah’s with other co-conspirators names listed on the “memo/purchaser” lines.

13. On October 4, 2019, **HUNT** and co-conspirators traveled from Greenville, South Carolina to Harrah’s in North Carolina. Hunt cashed the \$100,000 check from the South Carolina business account at Harrah’s for \$100,000 worth of gambling chips, and a co-conspirator also cashed a \$100,000 check issued from the same account for \$100,000 worth of gambling chips.

14. After gambling for less than two hours, **HUNT** and co-conspirators cashed out from the casino and returned to South Carolina. **HUNT** cashed out from the casino with \$99,300. At approximately the same time, a co-conspirator cashed out from the casino with \$99,450. **HUNT** later delivered a portion of the cash to the co-conspirators who recruited him to join the fraud scheme.

*The Fraudulent PPP Loan Application*

15. On or around May 9, 2020, a co-conspirator submitted a fraudulent Wild Stylz PPP loan application to Financial Institution 1, a lender approved by the Small Business Administration to issue PPP loans. The co-conspirator submitted false materials, such as a false PPP loan application, false IRS Form 941s, and false IRS Form 940s to Financial Institution 1 to obtain PPP loan funding. The falsified form 940 purported to show that Wild Stylz made \$1,905,000 in payments to all employees in 2019. The falsified form 941 purported to show that the company had 20 employees who were paid a total of \$476,250 in the first quarter of 2020.

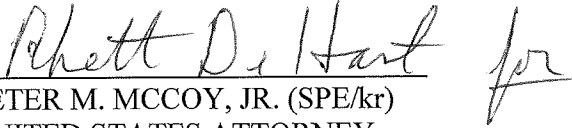
16. In addition, the loan applications certified each of the following representations:
- a. The Applicant business was in operation on February 15, 2020 and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC;
  - b. The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments; and
  - c. The information provided in the application and the information provided in all supporting documents and forms is true and accurate in all material respects.

17. As a result of and based on the co-conspirator's false documents, representations, and certifications, Financial Institution 1 issued a \$396,875 PPP loan to Wild Stylz on or about May 22, 2020. The co-conspirator then disseminated the fraudulently obtained funds to other members of the conspiracy to conceal the true nature of their fraudulently obtained funds.

18. In June 2020, co-conspirators sent **HUNT** screenshots of the Wild Stylz bank account statement showing the deposit of PPP funds. The co-conspirators then requested that **HUNT** recruit individuals to assist in a money laundering operation.

19. **HUNT** was interviewed by law enforcement and admitted that he had been working with co-conspirators since at least February 2017 to launder fraud proceeds. **HUNT** admitted the group would use a series of funnel accounts to launder money and would structure withdrawals from the accounts to avoid detection by the government. **HUNT** stated that him and his co-conspirators were aware that the funds were the result of fraud but were not aware of the exact nature of the fraud. **HUNT** stated that after he laundered the money at Harrah's, he received a portion of the proceeds as payment.

All in violation of Title 18, United States Code, Section 1956(h).

  
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