

BIGGERS

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Cr. No. <u>20-cr-20179-TLP</u>
v.)	
)	<u>Filed Under Seal</u>
)	
)	18 U.S.C. § 2
SHARIKA LAVONTE CARPENTER,)	18 U.S.C. § 371
JANISHA LATOYA JONES,)	18 U.S.C. § 641
BRANDY DENISE SCAIFE,)	18 U.S.C. § 1343
STEPHANIE JOHNSON,)	26 U.S.C. § 7206(2)
and)	
KEVIN MACLIN,)	
)	
Defendants.)	

FIRST SUPERSEDING INDICTMENT

THE GRAND JURY CHARGES:

COUNT 1
CONSPIRACY

General Allegations

At all times material to this Indictment:

The Small Business Administration and the Cares Act

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 to communities after disasters. As part of its mission the SBA, among other things, made loans to borrowers after receipt and approval of loan applications and any other required supporting documentation.

2. In or around March 2020, the Coronavirus Aid Relief and Economic Security (CARES) Act was enacted to provide emergency financial assistance to the millions of Americans suffering adverse economic effects caused by the COVID-19 pandemic. The CARES Act established several new temporary programs and provided for expansion of others including programs created and / or administered by the SBA.

The Economic Injury Disaster Relief Program

3. The Economic Injury Disaster Loan ("EIDL") program was an SBA program that provided low-interest loans to small businesses, renters, and homeowners in regions affected by declared disasters.

4. The CARES Act also authorized the SBA to provide EIDLs of up to \$2 million to eligible small businesses experiencing substantial financial disruptions due to the COVID-19 pandemic. In addition, the CARES Act authorized the SBA to issue advances of up to \$10,000 to small businesses within three days of applying for an EIDL.

5. In order to obtain an EIDL and advance, a qualifying business was required to submit an application to the SBA and provide information about its operations, such as the number of employees, gross revenue for the 12-month period preceding the disaster, and cost of goods sold in the 12-month period preceding the disaster. In the case of EIDLs for COVID-19 relief, the 12-month period was the period preceding January 31, 2020. For a business to be eligible for an EIDL, the business must have been in operation before February 1, 2020. The applicant was also required to certify that all of the information in the application was true and correct to the best of the applicant's knowledge.

6. EIDL applications were submitted directly to the SBA and processed by the agency with support from a government contractor, Rapid Finance. Approval of a loan application and the amount of a loan was based, in part, on the information provided on the application about the number of employees, gross revenue, and cost of goods, as described above. Upon approval of an application for an EIDL or advance, SBA will disburse the funds. EIDL loan proceeds were permitted to be used for payroll expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage payments.

The Defendants

7. The defendants **SHARIKA LAVONTE CARPENTER, JANISHA LATOYA JONES, STEPHANIE JOHNSON, AND BRANDY DENISE SCAIFE** were employed at Better Days Tax Service (BDTS) located at 1391 N. Hollywood St, Memphis, Tennessee 38108. Defendant **KEVIN MACLIN** worked nearby and negotiated with defendant **SHARIKA LAVONTE CARPENTER** to receive compensation for referring individuals to the BDTS to complete fraudulent EIDL applications to SBA.

The Conspiracy

8. Beginning in or around April 2020, and continuing until at least in or around June 2020, the exact dates being unknown to the grand jury, in the Western District of Tennessee, and elsewhere the defendants,

**SHARIKA LAVONTE CARPENTER, STEPHANIE JOHNSON,
JANISHA LATOYA JONES, KEVIN MACLIN,
AND
BRANDY DENISE SCAIFE,**

knowingly and willfully conspired and agreed with each other, and with other persons known and unknown to the grand jury, to defraud the United States and to commit offenses against the United States, more specifically, to use and cause interstate wire communications to be used in furtherance of a scheme and artifice to defraud the SBA in relation to a presidentially declared major disaster and emergency in violation of Title 18, United States Code, Section 1343; and, to steal, purloin and convert to their own use property of the United States in violation of Title 18, United States Code, Section 641.

**Manner and Means of the Conspiracy and
Substance of the Scheme and Artifice**

9. It was a part of the conspiracy and substance of the scheme and artifice that the defendants submitted and caused to be submitted to the SBA, applications for EIDL's which contained materially false, fictitious and fraudulent information. It was further a part of the conspiracy and substance of the scheme and artifice that the submission of EDIL's with false, fictitious and fraudulent information would induce the SBA to disburse funds to the defendants and other unauthorized individuals. During the course of the conspiracy, the defendants submitted and caused to be submitted approximately 401 fraudulent EDIL applications to the SBA and attempted to obtain in excess of \$2,000,000 and fraudulently obtained approximately \$745,000 from the SBA.

OVERT ACTS

10. In furtherance of the conspiracy at least one of the defendants committed at least one of the following overt acts in the Western District of Tennessee:

A. On or around April 2020, **CARPENTER, JOHNSON, JONES, AND SCAIFE** discussed submitting applications to SBA for EIDLs under the CARES ACT. **CARPENTER** agreed to pay **JOHNSON, JONES, AND SCAIFE** a specified amount for every EIDL application they prepared that was funded by SBA.

B. On or about April 6, 2020, **JOHNSON** prepared and submitted a materially false, fictitious, and fraudulent EIDL application for "P.B." to induce the SBA to disburse payment to "P.B."

C. On or about April 2, 2020, **MACLIN** went to the BDTs office and caused a materially false and fictitious EIDL application number XXXXXX2038 to be filed

on his behalf including falsehoods, among other things, that he owned "MACKLIN's Market", a business established in January 20, 2018. On or around April 2020, **MACLIN** agreed with **CARPENTER** to recruit individuals to have EIDL applications submitted from **CARPENTER's** BDTs office. **CARPENTER** and **MACLIN** agreed that **MACLIN** would receive payment for each referral that resulted in SBA payment on the materially false, fictitious, and fraudulent EIDL application.

D. On or about May 4, 2020, **SCAIFE** accessed the IRS online portal to apply for and obtain a new Employer Identification Number ("EIN") 85-XXX4226. This online EIN application used **SCAIFE's** name, SSN and 2019 residential address. **SCAIFE's** reasoning for requesting the EIN is to start a new business.

E. Between May 4, 2020 to May 8, 2020, one or more of the conspirators accessed the IRS portal and applied for, and obtained, six additional EINs. All six new EINs were obtained using the IRS online portal from BDTs office at 1391 N. Hollywood St, Memphis, Tennessee 38108.

F. On or about May 7, 2020, **SCAIFE**, submitted EIDL Application, ID Number XXXXXX5841, using her newly acquired EIN, 85-XXX4226 for a business named BEE'S PRODUCE AND GOODS (BEE'S P&G) and on which said application **SCAIFE** falsely and fraudulently stated and caused to be stated, among other things, that BEE'S P&G was formed in 2016, had 10 employees and had gross revenues of \$27,698.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2-8
WIRE FRAUD

11. The allegations in paragraphs 1 thru 7, and paragraph 9 of this Indictment are realleged and incorporated by reference as if fully set forth herein.

12. Beginning in or around April, 2020, and continuing until on or about June 30, 2020, the defendants **SHARIKA CARPENTER, JANISHA JONES AND BRANDY SCAIFE** being aided, abetted, counseled and induced by each other and by other persons known and unknown to the grand jury, devised and intended to devise the scheme and artifice alleged in paragraph 9 of this Indictment to defraud the SBA and to obtain money and property from the SBA by means of materially false and fraudulent pretenses, representations and promises.

13. On or about the dates set forth below, the defendants named below, did for the purpose of executing the aforesaid scheme and artifice and in furtherance thereof, knowingly transmit and cause to be transmitted in interstate commerce from the SBA in Colorado to the bank account described below in the Western District of Tennessee, by means of wire communications the writings and signals, set forth below, the said

violations being committed in relation to a presidentially declared major disaster and emergency.

COUNT	DATE	DEFENDANT	DESCRIPTION
2	April 28, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer \$4,000 to her Bank of America Account XXXXXXXX8275
3	April 30, 2020	BRANDY DENISE SCAIFE	Wire transfer \$4,000 to her First South Bank Account XXXXXXXX6132
4	May 12, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$10,000 to Sun Trust Bank Account XXXXXXXX9985
5	May 14, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$16,700 to Sun Trust Bank Account XXXXXXXX9985
6	June 9, 2020	BRANDY DENISE SCAIFE	Wire transfer \$13,900 to Bank Of America Account XXXXXXXX5615
7	June 16, 2020	SHARIKA LAVONTE CARPENTER AND JANISHA LATOYA JONES	Wire transfer of \$3,000 to Green Dot Bank Account XXXXXXXX3001
8	June 16, 2020	SHARIKA LAVONTE CARPENTER AND JANISHA LATOYA JONES	Wire transfer of \$11,300 to Green Dot Bank Account XXXXXXXX3001

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT 9
THEFT OF GOVERNMENT PROPERTY

14. On or about April 28, 2020, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully and knowingly steal, purloin and convert to her own use, property of the United States having a value exceeding \$1,000, that is, \$4,000, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 10
THEFT OF GOVERNMENT PROPERTY

15. On or about April 30, 2020, in the Western District of Tennessee, the defendant,

BRANDY DENISE SCAIFE,

did willfully and knowingly steal, purloin and convert to her own use and the use of another, property of the United States having a value exceeding \$1,000, that is, \$4,000, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 11
THEFT OF GOVERNMENT PROPERTY

16. On or about May 12, 2020, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully and knowingly steal, purloin and convert to her own use and the use of another, property of the United States having a value exceeding \$1,000, that is, \$10,000, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 12
THEFT OF GOVERNMENT PROPERTY

17. On or about May 14, 2020, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully and knowingly steal, purloin and convert to her own use and the use of another, property of the United States having a value exceeding \$1,000, that is, \$16,700, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 13
THEFT OF GOVERNMENT PROPERTY

18. On or about June 9, 2020, in the Western District of Tennessee, the defendant,

BRANDY DENISE SCAIFE,

did willfully and knowingly steal, purloin and convert to her own use, property of the United States having a value exceeding \$1,000, that is, \$13,900, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 14
THEFT OF GOVERNMENT PROPERTY

19. On or about June 16, 2020, in the Western District of Tennessee, the defendant,

JANISHA LATOYA JONES,

did willfully and knowingly steal, purloin and convert to her own use, property of the United States having a value exceeding \$1,000, that is, \$3,000, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 15
THEFT OF GOVERNMENT PROPERTY

20. On or about June 16, 2020, in the Western District of Tennessee, the defendant,

JANISHA LATOYA JONES,

did willfully and knowingly steal, purloin and convert to her own use, property of the United States having a value exceeding \$1,000, that is, \$11,300, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNTS 16-33
WIRE FRAUD

21. The allegations in paragraphs 1 thru 7, and paragraph 9 of this Indictment are realleged and incorporated by reference as if fully set forth herein.

22. Beginning in or around April, 2020, and continuing until on or about June 30, 2020, the defendants **SHARIKA CARPENTER, JANISHA JONES, BRANDY SCAIFE, STEPHANIE JOHNSON AND KEVIN MACLIN** being aided, abetted, counseled and induced by each other and by other persons known and unknown to the grand jury, devised and intended to devise the scheme and artifice alleged in paragraph 9 of this Indictment to defraud the SBA and to obtain money and property from the SBA by means of materially false and fraudulent pretenses, representations and promises.

23. On or about the dates set forth below, the defendants named below, did for the purpose of executing the aforesaid scheme and artifice and in furtherance thereof, knowingly transmit and cause to be transmitted in interstate commerce from the SBA in Colorado to the bank account described below in the Western District of Tennessee, by means of wire communications the writings and signals, set forth below, the said violations being committed in relation to a presidentially declared major disaster and emergency.

COUNT	DATE	DEFENDANT	DESCRIPTION
16	May 5, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$3,548 to her Bank of America Account XXXXXXXX8275
17	May 8, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$10,000 to "JS" Wells Fargo Bank Account XXXXXX0905
18	May 15, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$22,200 to "JS" Wells Fargo Bank Account XXXXXX0905
19	May 1, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$7,000 to "LM" First Horizon Bank Account XXXXXXXX9783
20	June 16, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer \$24,300 to "LM" First Horizon Bank Account XXXXXXXX9783
21	May 27, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$18,000 to "CR" Bancorp Bank Account XXXXXXXX2849
22	June 1, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$10,000 to "CR" Bancorp Bank Account XXXXXXXX2849
23	June 1, 2020	SHARIKA LAVONTE CARPENTER AND KEVIN MACLIN	Wire transfer of \$10,000 to "KM" Orion Federal Credit Union Account XXXXXXXX6094
24	June 1, 2020	SHARIKA LAVONTE CARPENTER AND KEVIN MACLIN	Wire transfer of \$20,100 to "KM" Orion Federal Credit Union Account XXXXXX6094
25	June 15, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$12,200 to "RP" Navy Federal Credit Union Account XXXXXX5628

26	June 25, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$5,000 to "RP" Navy Federal Credit Union Account XXXXXX5628
27	June 16, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$13,500 to "TM" First South Financial Credit Union Account XXXXXXXXXXXX6666
28	June 25, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$4,000 to "TM" First South Financial Credit Union Account XXXXXXXXXXXX6666
29	June 16, 2020	STEPHANIE JOHNSON	Wire transfer of \$9,800 to "PB" Meta Bank Account XXXXXXXXXXXX8056
30	June 25, 2020	STEPHANIE JOHNSON	Wire transfer of \$3,000 to "PB" MetaBank Account XXXXXXXXXXXX8056
31	July 1, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$32,600 to "NB" Navy Federal Credit Union Account XXXXX0126
32	July 8, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$10,000 to "NB" Navy Federal Credit Union Account XXXXX0126
33	July 8, 2020	SHARIKA LAVONTE CARPENTER	Wire transfer of \$1,000 to "WJ" First South Financial Credit Union Account XXXXXXXXXXXXXX1818

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT 34
THEFT OF GOVERNMENT PROPERTY

24. On or about May 4, 2020, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully and knowingly steal, purloin and convert to her own use, property of the United States having a value exceeding \$1,000, that is, \$3,548, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 35
THEFT OF GOVERNMENT PROPERTY

25. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act authorized three new temporary unemployment insurance programs, including the Pandemic Unemployment Assistance (PUA) program. The PUA authorized assistance for individuals who are: (1) self-employed, seeking part-time employment, or otherwise would not qualify for regular Unemployment Insurance or extended benefits under state or federal law or PEUC under section 2107 of the CARES Act; and, (2) unemployed, partially unemployed, unable to work, or unavailable to work due to specific COVID-19 related reason(s). PUA claimants must answer specific questions to establish their eligibility for PUA benefits. Claimants must provide their name, Social Security Number, and mailing address and self-certify that they meet one of the COVID-19 related reasons for being unemployed, partially unemployed, or unable or unavailable to work.

26. Beginning on or about May 11, 2020 and continuing through on or about June 7, 2021, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully and knowingly steal, purloin and convert to her own use and the use of another, property of the United States having a value exceeding \$1,000, that is, approximately \$31,208, to which she was not entitled. All in violation of Title 18, United States Code, Section 641.

COUNT 36

PREPARATION AND PRESENTATION OF FALSE TAX DOCUMENTS

27. On or about January 30, 2019, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully aid and assist in, and advise in the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Tax Return, Form 1040, of "D.G." for the calendar year 2018. The return was false and fraudulent as to a material matter, in that the defendant created a fictitious W-2 for a GLP Enterprise, whereas the defendant then and there knew that the W-2 for employment and its wages were false, in violation of Title 26, Section 7206(2).

COUNT 37

PREPARATION AND PRESENTATION OF FALSE TAX DOCUMENTS

28. On or about March 12, 2019, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully aid and assist in, and advise in the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Tax Return, Form 1040, of "F.R." for the calendar year 2018. The return was false and fraudulent as to a material matter, in that the defendant falsely reported "F.R.'s" Adjusted Gross Income (AGI), omitted the filer's additional income reflected in "F.R.'s" Form 1099, and falsely reported information on "F.R.'s" Schedule EIC, whereas the defendant then and there knew that "F.R." earned additional income not included on the tax returns and that the Schedule EIC overstated the time that a dependent resided with "F.R.", in violation of Title 26, Section 7206(2).

COUNT 38

PREPARATION AND PRESENTATION OF FALSE TAX DOCUMENTS

29. On or about January 21, 2020, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully aid and assist in, and advise in the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Tax Return, Form 1040, of "S.M." for the calendar year 2019. The return was false and fraudulent as to a material matter, in that the defendant created a fraudulent Schedule C for "S.M." for a fictitious business not owned or reported by "S.M.", whereas the defendant then and there knew that "S.M." did not own a business and that the only income was reflected on the W-2, in violation of Title 26, Section 7206(2).

COUNT 39

PREPARATION AND PRESENTATION OF FALSE TAX DOCUMENTS

30. On or about January 21, 2020, in the Western District of Tennessee, the defendant,

SHARIKA LAVONTE CARPENTER,

did willfully aid and assist in, and advise in the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Tax Return, Form 1040, of "K.C." for the calendar year 2019. The return was false and fraudulent as to a material matter, in that the defendant created a fraudulent Schedule C for "K.C." for a fictitious business not owned or reported by "K.C." and falsely reported information on "K.C.'s" Schedule EIC, whereas the defendant then and there knew that "K.C. did not own a business and that the Schedule EIC overstates the time that a dependent resided with "K.C.", in violation of Title 26, Section 7206(2).

FORFEITURE ALLEGATIONS

31. The allegations contained in this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

32. Upon conviction of one or more of the offenses set forth in Counts 1 – 39 of this Indictment, the defendants **SHARIKA LAVONTE CARPENTER, STEPHANIE JOHNSON, JANISHA LATOYA JONES, KEVIN MACLIN, and BRANDY DENISE SCAIFE**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property constituting, or derived from, proceeds the defendant obtained directly or indirectly, as the result of such violation. Such forfeitable property may include a money judgment in an amount equal to the amount of the proceeds obtained as a result of offenses.

33. If any of the property described above, as a result of any act or omission of the defendant:

- a. Cannot be located upon the exercise of due diligence;
- b. Has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States of America, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of the defendants up to the value of the property described above as being subject to forfeiture.

A TRUE BILL:

FOREPERSON

DATE: _____

JOSEPH C. MURPHY, JR.
ACTING UNITED STATES ATTORNEY

BIGGERS

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

UNITED STATES OF AMERICA,)	
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Plaintiff,)	Cr. No. <u>20-cr-20179-TLP</u>
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JANISHA LATOYA JONES,)	18 U.S.C. § 371
BRANDY DENISE SCAIFE,)	18 U.S.C. § 641
STEPHANIE JOHNSON,)	18 U.S.C. § 1343
and)	26 U.S.C. § 7206(2)
KEVIN MACLIN,)	
)	
Defendants.)	

NOTICE OF PENALTIES

FIRST SUPERSEDING INDICTMENT

COUNT 1

[nmt 5yrs. imprisonment; nmt \$250,000 fine, or both, nmt a 3 yr. period of supervised release and a special assessment of \$100; see 18 U.S.C. § 3013 (a)].

COUNTS 2-8 and 16-33

[nmt 20 yrs. imprisonment; nmt \$250,000 fine, or both, nmt a 3 yr. period of supervised release and a special assessment of \$100; see 18 U.S.C. § 3013 (a)], but if the fraud involved a presidentially declared major emergency or disaster, then nmt 30yrs. imprisonment, , nmt \$1,000,000 fine, or both, nmt a 5 yr. period of supervised release, and a special assessment of \$100

COUNTS 9-15 and 34-35

[nmt 10 yrs. imprisonment; nmt \$250,000 fine, or both, nmt a 3 yr. period of supervised release and a special assessment of \$100; see 18 U.S.C. § 3013 (a)].

COUNTS 36-39

[nmt 3yrs. Imprisonment; nmt \$100,000 fine, or both, nmt 1 yr. period of supervised release and a special assessment of \$100.]