
THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice
U.S. Attorney's Office
Eastern District of Missouri

FOR IMMEDIATE RELEASE

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Grand Jury indicts two men accused of bank fraud involving Paycheck Protection Program

ST. LOUIS – A federal grand jury indicted Chris Carroll and George Reed today with three counts of bank fraud and six counts of money laundering.

The indictment charges Chris Carroll and George Reed with 3 counts of bank fraud and 6 counts of money laundering in connection with their company Square One Group's receipt of two fraudulent Paycheck Protection Program (PPP) loans, one in the amount of more than \$1.2 million, and the second loan in the amount of more than \$1.6 million.

The indictment alleges that Reed and Carroll submitted PPP loan applications in their spouses' names, rather than their own names, to misrepresent and conceal Carroll's status as a paroled felon, which would have precluded his company from receiving PPP funds. It is further alleged, that Carroll and Reed did not use the funds to compensate their employees, but instead, used the funds to start a trucking company and to fund \$660,000 in payments to themselves. The indictment further alleges that the company suspended their employees' pay and health insurance coverage after applying for PPP funds.

"The Paycheck Protection Program (PPP) was created for the sole purpose of helping businesses keep workers employed during the COVID-19 crisis," said Special Agent in Charge Richard Quinn of the FBI St. Louis Division. "With finite taxpayer dollars, those who commit fraud against the PPP are taking money from workers who depend on a stable paycheck."

Charges set forth in the indictment are merely accusations and do not constitute proof of guilt. Every defendant is presumed to be innocent unless and until proven guilty.

The case was investigated by the Federal Bureau of Investigation.

Component(s):
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