

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

United States Courts  
Southern District of Texas  
FILED

*March 09, 2022*

Nathan Ochsner, Clerk of Court

**UNITED STATES OF AMERICA**

**vs.**

**LADONNA WIGGINS**



**CRIMINAL NO. 4:21-CR-66-S**

**SECOND SUPERSEDING CRIMINAL INDICTMENT**

THE GRAND JURY CHARGES THAT:

**A. INTRODUCTION**

At all times material to this Second Superseding Indictment:

1. The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a federal law enacted on March 27, 2020, designed to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of up to \$349 billion in United States Small Business Administration (SBA) guaranteed forgivable loans to small businesses through the Paycheck Protection Program (PPP). In April 2020, Congress authorized over \$300 billion in additional PPP funding.

2. In order to obtain a PPP loan, a qualifying business submitted a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application is SBA Form 2483. 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) stated, among other things, its: (a) average monthly payroll expense; 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.

3. A PPP loan application needed to be processed by a participating lender. If a PPP loan application was approved, the participating lender funded the PPP loan using its own monies, which were 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 a loan.

4. PPP loan proceeds needed to be used by the business on certain permissible expenses—such as 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.

5. Defendant LADONNA WIGGINS was a resident of Cypress, Texas.

6. On August 5, 2017, WIGGINS registered the business Wiggins & Graham Enterprise, LLC with the Texas Secretary of State.

7. On September 6, 2017, WIGGINS received a certificate of business for The Concession Stand as an assumed business of Wiggins & Graham Enterprise, LLC. Wiggins

& Graham Enterprise, LLC's office address was listed in Cypress, Texas, and was the address for WIGGINS' residence at the time.

8. On January 25, 2019, the Wiggins & Graham Enterprise, LLC business name was forfeited due to a tax forfeiture. According to the Texas Workforce Commission, there have been no wages associated with Wiggins & Graham Enterprise, LLC since its establishment.

9. On December 27, 2011, WIGGINS registered the business Pink Lady Line with the Texas Secretary of State. WIGGINS did not incorporate the business or its Tax Identification Number for Pink Lady Line. On March 31, 2012, the Pink Lady Line Tax Identification Number became inactive. Pink Lady Line's office address was listed in Houston, Texas, WIGGINS' prior residential address.

10. Woodforest National Bank ("Woodforest Bank") and J.P. Morgan Chase Bank ("Chase Bank") were financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation (FDIC).

11. Square Capital, now known as Block, Inc., and Kabbage, Inc. were financial technology companies ("lenders") providing funding to small businesses and consumers. PPP loan money provided by lenders was guaranteed by the SBA.

## **B. THE SCHEME AND ARTIFICE**

12. From in or about May 2020, and continuing through in or about August 2020, in the Houston Division of the Southern District of Texas and elsewhere, defendant,

## **LADONNA WIGGINS**

did knowingly execute and attempt to execute a scheme and artifice to defraud and to obtain moneys, funds and credits by means of materially false and fraudulent pretenses, representations and promises, including the concealment of material facts.

### **C. THE METHOD AND MEANS OF THE SCHEME AND ARTIFICE**

13. The scheme and artifice consisted essentially of a plan by WIGGINS to unlawfully enrich herself by capitalizing on the emergency financial assistance provided in response to the COVID-19 pandemic and obtaining money guaranteed by the SBA from lenders.

14. It was part of the scheme and artifice for WIGGINS to use the companies The Concession Stand, Wiggins & Graham Enterprise, LLC, and Pink Lady Line, to submit PPP loan applications and supporting documentation.

15. It was part of the scheme and artifice that WIGGINS would and did falsely represent average monthly payroll as part of PPP loan applications to fraudulently induce the lenders to approve the loan applications.

16. It was part of the scheme and artifice that WIGGINS would and did provide false Form W-3 Transmittal of Wage and Tax Statements for 2019 as part of PPP loan applications to fraudulently induce the lenders to approve the loan applications.

17. It was part of the scheme and artifice that WIGGINS would and did falsely represent the number of employees as part of PPP loan applications to fraudulently induce the

lenders to approve the loan applications.

18. It was a part of the scheme and artifice that WIGGINS would and did provide false payroll reports as part of PPP loan applications to fraudulently induce the lenders to approve the loan applications.

19. It was a part of the scheme and artifice that WIGGINS would and did provide an unverifiable business EIN as part of PPP loan applications to fraudulently induce the lenders to approve the loan applications.

20. It was a part of the scheme and artifice that WIGGINS would and did provide a false bank statement as part of a PPP loan application to fraudulently induce the lender to approve the loan application.

21. It was a part of the scheme and artifice to defraud that WIGGINS attempted to and did cause financial technology companies to wire transfer PPP loan funds to bank accounts controlled by WIGGINS.

22. It was part of the scheme and artifice that WIGGINS would and did use PPP loan funds for her own personal benefit.

#### **D. THE EXECUTION OF THE SCHEME**

##### **COUNTS ONE THROUGH SIX**

##### **Wire Fraud (18 U.S.C. § 1343)**

23. Paragraphs 1 through 22 are re-alleged and incorporated by reference as though fully set forth herein.

24. On or about the dates set out in the counts below, in the Southern District of Texas and elsewhere, defendant,

**LADONNA WIGGINS,**

for the purposes of executing and attempting to execute the aforesaid scheme and artifice to defraud and intending to do so, and for obtaining money, funds, and credits by means of materially false and fraudulent pretenses, representations and promises, including the concealment of material facts, did knowingly transmit and cause to be transmitted by means of wire, radio and television communication in interstate commerce writings, signs, signals, pictures, and sounds, as described below:

<b>COUNT</b>	<b>APPROX. DATE</b>	<b>INTERSTATE WIRE COMMUNICATION</b>
1	May 4, 2020	The PPP loan application on behalf of The Concession Stand electronically submitted from Texas, and routed interstate through Square Capital's servers outside of Texas.
2	May 25, 2020	The PPP loan application on behalf of Wiggins & Graham Enterprise, LLC electronically submitted from Texas, and routed interstate through Square Capital's servers outside of Texas.
3	May 27, 2020	The PPP loan application on behalf of Wiggins & Graham Enterprise, LLC electronically submitted from Texas, and routed interstate through Kabbage, Inc.'s servers outside of Texas.
4	June 1, 2020	Wire transfer of \$1,828,568.00 representing PPP loan disbursement from Kabbage, Inc. to an account at Woodforest Bank 8895 in the Southern District of Texas.

5	June 23, 2020	The PPP loan application on behalf of Pink Lady Line electronically submitted from Texas, and routed interstate through Kabbage, Inc.'s servers outside of Texas.
6	June 25, 2020	Wire transfer of \$1,819,577.00 representing PPP loan disbursement from Kabbage, Inc. to an account at Chase Bank 8067 in the Southern District of Texas.

**All in violation of Title 18 U.S.C. § 1343.**

**COUNTS SEVEN THROUGH ELEVEN**

**Money Laundering  
(18 U.S.C. § 1957)**

25. Paragraphs 1 through 22 are re-alleged and incorporated by reference as though fully set forth herein.

26. On or about the dates set forth below, in the Southern District of Texas and elsewhere, defendant,

**LADONNA WIGGINS,**

knowingly engaged and attempted to engage in monetary transactions by and through a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, that is, wire fraud in violation of Title 18 U.S.C. § 1343, as follows:

<b>COUNT</b>	<b>APPROX. DATE</b>	<b>MONETARY TRANSACTION</b>
7	June 1, 2020	Transfer of \$500,000 from Woodforest Bank Account 8895 in the name of LaDonna Wiggins to Chase Bank Account 8067 in the name of LaDonna Wiggins
8	June 1, 2020	Transfer of \$270,000 from Woodforest Bank Account 8895 in the name of LaDonna Wiggins to Woodforest Bank Account 2518 in the name of LaDonna Wiggins and T.W.
9	June 10, 2020	Transfer of \$130,000 from Woodforest Bank Account 8895 in the name of LaDonna Wiggins to Woodforest Bank Account 2518 in the name of LaDonna Wiggins and T.W.
10	June 25, 2020	Transfer of \$125,000 from Woodforest Bank Account 8895 in the name of LaDonna Wiggins to Woodforest Bank Account 2518 in the name of LaDonna Wiggins and T.W.
11	June 25, 2020	Transfer of \$200,000 from Chase Bank Account 8067 in the name of LaDonna Wiggins to Chase Bank Account 8223 in the name of LaDonna Wiggins

**All in violation of Title 18, U.S.C. § 1957.**

**NOTICE OF FORFEITURE**  
**(18 U.S.C. § 981(a)(1)(C); 28 U.S.C. §2461(c))**

Pursuant to Title 18, United States Code, Section 981(a)(1)(C), the United States gives notice to defendant,

**LADONNA WIGGINS,**

that in the event of her conviction of any of the offenses charged in Counts Three through Six of this Second Superseding Indictment, all property, real or personal, which constitutes or is



derived from proceeds traceable to such offenses, is subject to forfeiture.

**NOTICE OF FORFEITURE**  
**(18 U.S.C. § 982(a)(1))**

Pursuant to Title 18, United States Code, Section 982(a)(1), the United States gives notice to defendant,

**LADONNA WIGGINS,**

that in the event of her conviction of any of the offenses charged in Counts Seven through Eleven of this Superseding Indictment, all property, real or personal, involved in money laundering offenses or traceable to such property, is subject to forfeiture.

**Property Subject to Forfeiture**

Defendant is notified that the property subject to forfeiture includes, but is not limited to, the following personal property:

<b>Asset No.</b>	<b>Asset Type or Bank</b>	<b>Description (including VIN or account number) [store, date, purchase amount]</b>
1	Woodforest National Bank	\$374,830.20 seized from Account 8895
2	Woodforest National Bank	\$68,335.41 seized from Account 2518
3	J.P. Morgan Chase Bank	\$39,835.76 seized from Account 8233
4	J.P. Morgan Chase Bank	\$35,253.59 seized from Account 8067
5	Vehicle	2020 Land Rover Range Rover, VIN# SALYB2FV3LA275235
6	Vehicle	Black 2018 Nissan Murano, VIN #5N1AZ2MH4JN157388
7	Vehicle	White 2019 Nissan Murano, VIN #5N1AZ2MJ3KN102371

<b>Asset No.</b>	<b>Asset Type or Bank</b>	<b>Description (including VIN or account number) [store, date, purchase amount]</b>
8	Personal Property	Throne Chair, Java Low, Casanova Ivory [Noel Furniture 7/7/2020 \$4,238]
9	Personal Property	Mirage Vase, Grey/Red [Neiman Marcus 6/22/2020 \$500]
10	Personal Property	Painting Magenta Fusion, Edmunds [Noel Furniture 6/25/2020 \$3,500]
11	Personal Property	Plant 6 ft Yucca Two Head in Square Container [Noel Furniture 6/25/2020 \$1,506.70]
12	Personal Property	Chanel Trolley, Roller Suitcase Black [Chanel 6/16/2020 \$8,100]
13	Personal Property	Painting Peanut Butter Cup, Edmunds [Noel Furniture 7/7/2020 \$4,608]
14	Personal Property	Sunglasses, Women's Rectangle Black, Sostelairi [Dior 6/2/2020 \$350]
15	Personal Property	Sunglasses, Round [Chanel 7/23/2020 \$520]
16	Personal Property	Table Burleigh Cocktail Table [Noel Furniture 6/25/2020 \$3,027.70]
17	Personal Property	Lamp White Jett Table [Saks Fifth Avenue 7/1/2020 \$625]
18	Personal Property	Chanel Shopping Bag, Black Grained Calfskin and Gold Tone Metal [Chanel 7/23/2020 \$4,200]
19	Personal Property	Chanel Clutch, Lambskin, Pink and Gold Tone Metal [Chanel 6/16/2020 \$3,300]
20	Personal Property	Chanel Handbag, Purple Calfskin and Gold Tone Metal [Chanel 7/23/2020 \$5,000]

<b>Asset No.</b>	<b>Asset Type or Bank</b>	<b>Description (including VIN or account number) [store, date, purchase amount]</b>
21	Personal Property	Chanel Handbag, Pale Pink Grained Calfskin and Gold Tone Metal [Chanel 7/23/2020 \$4,000]
22	Personal Property	Chanel Sunglasses, Rectangle [Chanel 7/23/2020 \$515]
23	Personal Property	Chanel, Square Black Sunglasses [Chanel 6/16/2020 \$585]

Defendant is further notified that the property subject to forfeiture includes, but is not limited to, the following real property, together with all improvements, buildings, structures and appurtenances:

- (a) real property located in Katy, Texas, which is legally described as follows:

Lot Five (5), in Block Two (2), of LANTANA, Sec. 3, a subdivision in Harris County, Texas, according to the map or plat thereof, recorded under Film Code No. 689674 of the Map Records of Harris County, Texas.

The record owner is T.W., WIGGINS' relative.

- (b) real property located in Cypress, Texas, which is legally described as follows:

Lot Thirty-Nine (39), in Block Two 92), of TOWNE LAKE, Sec. 43, a subdivision in Harris County, Texas, according to the map or plat thereof, recorded under Film Code No. 680505 of the Map Records of Harris County, Texas.

The record owner is WIGGINS.

**Money Judgment**

Defendant is notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture.

**Substitute Assets**

Defendant is notified that in the event that one or more conditions listed in Title 21, United States Code, Section 853(p) exists, the United States will seek to forfeit any other property of the Defendant up to the total value of the property subject to forfeiture.

A True Bill:

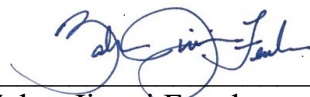
Original signature on file

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Grand Jury Foreperson

JENNIFER B. LOWERY  
United States Attorney

By:

  
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Zahra Jivani Fenelon  
Assistant United States Attorney