

THE UNITED STATES ATTORNEY'S OFFICE
WESTERN DISTRICT *of* NORTH CAROLINA

[U.S. Attorneys](#) » [Western District of North Carolina](#) » [News](#)

Department of Justice

U.S. Attorney's Office

Western District of North Carolina

FOR IMMEDIATE RELEASE

Thursday, March 17, 2022

Charlotte Woman On Federal Supervised Release Indicted For COVID-19 Fraud Scheme

The Defendant Allegedly Submitted False Information to Obtain Disaster Relief Loans

CHARLOTTE, N.C. – A federal grand jury has returned a criminal indictment charging Nkhenge Shropshire, 48, of Charlotte, with wire fraud conspiracy, for allegedly submitting fraudulent loan applications to the U.S. Small Business Administration (SBA) to obtain COVID-19 relief loans, announced Dena J. King, U.S. Attorney for the Western District of North Carolina.

U.S. Attorney King is joined in making today's announcement by Tommy D. Coke, Inspector in Charge of the Atlanta Division of the U.S. Postal Inspection Service (USPIS) which oversees Charlotte.

According to allegations contained in the indictment, Shropshire conspired with others to defraud the SBA by submitting fraudulent applications for Economic Disaster Relief Loans (EIDL), available under the expanded Coronavirus Aid, Relief, and Economic Security (CARES) Act, to business owners adversely impacted by the COVID-19 pandemic. To obtain a loan under the EIDL program, business owners are required to submit certain information in support of the application, including information about the business's gross revenues in the 12 months prior to COVID-19's impact and the number of workers employed by the company, among other things.

The indictment alleges that, between July 2, and September 2, 2020, Shropshire and her co-conspirators submitted at least 10 fraudulent EIDL applications to the SBA. The applications and supporting documents were allegedly for fictitious businesses and contained false information regarding the total number of employees employed by each business and total gross revenues. The indictment alleges that Shropshire and her co-conspirators attempted to obtain at least \$331,072 in relief funds. The SBA accepted and paid out at least \$45,000 to Shropshire and her co-conspirators as a result of the scheme. According to the indictment, Shropshire spent the fraudulent proceeds on personal expenses, including hotel stays, shopping sprees, and cars.

Court records show that, in 2014, Shropshire was convicted of filing false tax returns and lying on a loan application and was sentenced to 33 months in prison and five years of supervised release. Shropshire was on federal supervised release when she allegedly participated in the EIDL fraud scheme. She is currently in federal custody and will have her initial appearance in federal court in Charlotte.

The charges contained in the indictment are allegations. The defendant is presumed innocent until proven guilty beyond reasonable doubt in a court of law.

In making today's announcement, U.S. Attorney King commended USPIIS for their investigation that led to today's charges.

Assistant United States Attorney Matthew Warren, of the U.S. Attorney's Office in Charlotte, is prosecuting the case.

The Department of Justice and the U.S. Attorney's Office for the Western District of North Carolina need the public's assistance in remaining vigilant and reporting suspected fraudulent activity. To report suspected fraud, contact the National Center for Disaster Fraud (NCDF) at (866) 720-5721 or file an online [complaint](#). Complaints filed will be reviewed by the NCDF and referred to federal, state, local or international law enforcement or regulatory agencies for investigation. Members of the public in the Western District of North Carolina are also encouraged to call 704-344-6222 to reach their local Coronavirus Fraud Coordinator.

Topic(s):

Coronavirus

Component(s):

USAO - North Carolina, Western

Updated March 17, 2022