

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF GEORGIA  
AUGUSTA DIVISION

UNITED STATES OF AMERICA

v.

JADA S. NELSON  
SONYA BARNES

) INDICTMENT NO. **CR 120 103**  
)  
) 18 U.S.C. § 1343  
) Wire Fraud  
)  
)

FILED  
U.S. DISTRICT COURT  
SAVANNAH DIV.  
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**THE GRAND JURY CHARGES THAT:**

At all times relevant to this Indictment:

**INTRODUCTION**

1. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted in or about March 2020 designed to provide emergency financial assistance to the millions who are suffering the economic effects caused by the COVID-19 pandemic.

2. Among other relief efforts, the United States sought to provide financial support to eligible businesses that could be used to offset certain business expenses.

3. **JADA S. NELSON** and **SONYA BARNES** fraudulently sought thousands of dollars in relief payments by making false and fraudulent representations to the Small Business Administration (“SBA”).

**The Defendant, Her Co-conspirators, and Their Businesses**

4. **NELSON** resided in the Southern District of Georgia, Augusta Division and claimed ownership in an unincorporated entity D/B/A “Jada Nail Care.”

5. **BARNES** was an individual residing in the Southern District of Georgia who claimed ownership in an unincorporated entity D/B/A “Sonya Salon Shop.”

6. Neither of “Jada Nail Care” nor “Sonya Salon Shop” are registered to do business in the State of Georgia.

**The Coronavirus Aid, Relief and Economic Security Act**

7. The SBA is an executive branch agency of the United States government that provides support to entrepreneurs and small businesses. The SBA’s mission is 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.

8. As part of this effort, the SBA enables and provides for loans through banks, credit unions, and other lenders. These loans have government-backed guarantees. In addition, the SBA provides loans that come directly from the U.S. Government.

9. One source of relief provided by the CARES Act was the authorization for the SBA to provide Economic Injury Disaster Loans (“EIDL”) to eligible small businesses experiencing substantial financial disruption due to the COVID-19 pandemic.

10. 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 (“EIDL Advance”). The amount of the EIDL Advance an eligible business could receive was determined based on the businesses number of employees certified by the applicant. The advances did not have to be repaid. Recipients did not have to be approved for an EIDL in order to receive an EIDL Advance.

11. In order to obtain an EIDL and/or EIDL Advance, a qualifying business had to submit an online application to the SBA and provide information about its operations, such as the number of employees, gross revenues for the twelve-month period preceding the disaster, and the cost of goods sold in the twelve-month period preceding the disaster. In the case of EIDLs and EIDL Advances for COVID-19 relief, the twelve-month period was that preceding January 31, 2020. The applicant also had to certify all the information the in application is true and correct to the best of the applicant's knowledge.

12. EIDL applications were submitted directly to the SBA online at <https://covid19relief.sba.gov/#/> and processed by the agency with support from a government contractor, Rapid Finance. The amount of the loan was determined based, in part, on the information provided by the application about employment, revenue, and cost of goods, as described above. Any funds issued under an EIDL or EIDL Advance were issued directly by the SBA.

13. EIDL funds could be used for payroll expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage payments.

**COUNTS ONE AND TWO**

*Wire Fraud*

18 U.S.C. §§ 1343 and 2

14. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 13.

15. From in or around July 2020, and continuing until in or about August 2020, in the Southern District of Georgia, the defendants,

**JADA NELSON and SONYA BARNES,**

aided and abetted by each other and others, known and unknown, did knowingly devise and intend to devise a scheme and artifice to defraud, and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises.

Manner and Means

16. It was part of the scheme that the Defendants **NELSON** and **BARNES**, aided and abetted by each other and others, known and unknown, unjustly enriched themselves by obtaining EIDL proceeds under false and misleading pretenses including by making false statements about the existence of their companies, the number of individuals their companies employed, and their companies' gross revenues.

17. It was further part of the scheme that the defendants, aided and abetted by each other and others, known and unknown, submitted, or caused to be submitted, SBA loan applications online at <https://covid19relief.sba.gov/#/> for the following businesses:

- a. On or about July 3, 2020, **NELSON** submitted, or caused to be submitted, an electronic application for an EIDL from the SBA (“EIDL Application -2022”) on of a fictitious business called “Jada Nail Care.” In connection with EIDL Application 2022, **NELSON** falsely affirmed, among other information, that “Jada Nail Care” was established on February 23, 2017, had ten employees as of January 31, 2020, and that in the twelve months prior to the disaster the business had \$70,550 in gross revenue. **NELSON** listed 3307 Greening Lane, Augusta, GA as the business’s address.
  - b. On or about July 3, 2020, **BARNES** submitted, or caused to be submitted, an electronic application for an EIDL from the SBA (“EIDL Application -6534”) on of a fictitious business called “Sonya Salon Shop.” In connection with EIDL Application 6534, **BARNES** falsely affirmed, among other information, that “Sonya Salon Shop” was established on June 24, 2016, had ten employees as of January 31, 2020, and that in the twelve months prior to the disaster the business had \$60,750 in gross revenue. **BARNES** listed 3307 Greening Lane, Augusta, GA as the business’s address.
18. On or about July 6, 2020, in reliance on **NELSON**’s false representations in “EIDL Application -2022” on behalf of “Jada Nail Care,” the SBA deposited money into a bank account in **NELSON**’s name at “Bank 1.”

19. On or about July 7, 2020, in reliance on **BARNES'** false representations in "EIDL Application -6534" on behalf of "Sonya Salon Shop," the SBA deposited money into a bank account in **BARNES'** name at "Bank 2."

The Wirings

20. On or about each of the dates set forth below, in the Southern District of Georgia, the Defendants,

**JADA NELSON and SONYA BARNES,**

aided and abetted by each other and others, known and unknown, for the purpose of executing the scheme and artifice described above, and attempting to do so, caused to be transmitted by means of wire communication from the Southern District of Georgia to a location outside the state of Georgia the signals and sounds described below for each count, each transmission constituting a separate count:

<u>COUNT</u>	<u>DATE OF WIRE</u>	<u>DESCRIPTION</u>
1	July 3, 2020	Online submission of EIDL Application *****2022 on behalf of "Jada Nail Care."
2	July 3, 2020	Online submission of EIDL Application *****6534 on behalf of "Sonya Salon Shop."

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

**FORFEITURE ALLEGATION**

The allegations contained in Counts One and Two of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(B), and Title 28, United States Code, Section 2461(c).

Upon conviction of one or more of the offenses alleged in counts One and Two of this Indictment, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, Defendants,

**JADA NELSON and SONYA BARNES,**

shall forfeit to the United States of America, any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation.

Additionally, upon conviction of one or more of the offenses alleged in counts One and Two of this Indictment, pursuant to Title 18, United States Code, Section 982(a)(2)(B), Defendant,

**JADA NELSON and SONYA BARNES,**

shall forfeit to the United States of America, any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation.

If any of the property described above, as a result of any act or commission 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,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A True Bill.



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