



Department of Justice

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Twenty-Two Charged in Connection with a More than \$11-Million Paycheck Protection Program Fraud Scheme

Seventeen more individuals have been charged in connection with a fraudulent scheme to obtain approximately \$11.1 million in Paycheck Protection Program (PPP) loans and to use those funds to purchase luxury vehicles, jewelry and other personal items.

According to court documents and statements made in court, between May and August 2020, the defendants submitted, or assisted in the submission of, PPP loan applications on behalf of 14 businesses seeking loans of approximately \$800,000 for each company. In the loan applications, the defendants certified that each applicant business was in operation on Feb. 15, 2020, and had employees for whom it paid salaries and payroll taxes or that it paid independent contractors; that the funds would be used to retain workers and maintain payroll or to make mortgage interest payments, lease payments and utility payments; and that the information provided in the application and in all supporting documents was true and accurate in all material respects.

In the PPP loan applications, each business reported that it had approximately 60 employees and approximately \$300,000 in average monthly payroll expenses. To support these payroll figures, each business's loan application was accompanied by an IRS Form 941, which employers use to report payroll taxes. But, in reality, each Form 941 was fraudulent.

After the PPP loan proceeds were deposited into the businesses' accounts, the funds were distributed to conspirators through a series of transactions that were devised to disguise the origins of the funds and how the funds were spent. The defendants and co-conspirators used the PPP loan proceeds to purchase luxury goods, including two Range Rovers, an Acura NSX, and a Mercedes Benz S-Class S65 AMG.

Seventeen Additional Defendants Charged

Fourteen defendants were charged in a first superseding indictment unsealed on July 14, including:

Ricky Dixon, 52, of Warren, Michigan, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, false statements to a federally insured financial institution, aggravated identity theft, and money laundering in connection with his involvement in the loan obtained by his business, RK Painting Co., and several other businesses' loans.

Meghan Thomas, 32, of Alpharetta, Georgia, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, and false statements to a federally insured financial institution in connection with her involvement in several businesses' loans.

Jesika Blakely, 34, of Atlanta, Georgia, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, false statements to a federally insured financial institution, and money laundering in connection with her involvement in several businesses' loans.

Amanda Christian, 33, of Blythewood, South Carolina, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, and false statements to a federally insured financial institution in connection with her involvement in the loan obtained by her business, Advertising and Then Some Inc., and several other businesses' loans.

Dwan Ashong, aka Dwan Gilpin, 40, of Jacksonville, Florida, is charged with conspiracy to commit wire fraud, wire fraud, and money laundering in connection with her involvement in several businesses' loans.

John Gaines, aka Marty Gaines, 56, of Marietta, Georgia, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, false statements to a federally insured financial institution, and money laundering in connection with the loan obtained by Gaines Reservation and Travel.

Charles Petty, aka Charles Knight, 48, of Atlanta, Georgia, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, false statements to a federally insured financial institution, and money laundering in connection with the loan obtained by Transportation Management Services Inc.

Jerry Baptiste, 43, of College Park, Georgia, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, false statements to a federally insured financial institution, and money laundering in connection with the loan obtained by Transportation Management Services Inc.

Derek Parker, 56, of Rochester Hills, Michigan, is charged with conspiracy to commit wire fraud, wire fraud, and money laundering in connection with the loan obtained by his business, D Parker Holdings Inc.

David Belgrave II, 49, of Lexington, South Carolina, is charged with conspiracy to commit bank fraud and wire fraud, bank fraud, wire fraud, false statements to a federally insured financial institution, and money laundering in connection with the loan obtained by his business, Continuing Success Inc.

Charles Hill IV, 45, of Norcross, Georgia, is charged with conspiracy to commit wire fraud, wire fraud, and money laundering in connection with the loan obtained by his business, Infinite Education Services Inc.

Ryan Whittley, 35, of South Holland, Illinois, is charged with conspiracy to commit wire fraud, wire fraud, and money laundering in connection with the loan obtained by his business, ML Exotic Customs Inc.

El Hadj Sall, 39, of Jacksonville, Florida, is charged with conspiracy to commit wire fraud, wire fraud, and money laundering in connection with the loan obtained by his business, Bellevie Corp.

Rick McDuffie, 50, of Little Rock, South Carolina, is charged with conspiracy to commit wire fraud and wire fraud in connection with the loan obtained by his business, Mickies Auto and Tire LLC.

Three additional defendants have been charged by criminal information:

Teldrin Foster, 39, of Decatur, Georgia, is charged with conspiracy to commit wire fraud in connection with the loan obtained by Bellator Phront Group Inc.

Denesseria Slaton, 52, of Stockbridge, Georgia, is charged with conspiracy to commit bank fraud and wire fraud in connection with the loan obtained by Transportation Management Services Inc.

Charmaine Redding, 27, of Macomb, Michigan, is charged with conspiracy to commit wire fraud in connection with the loan obtained by her business, All Star Room and Board Services of Michigan Inc.

Another defendant, Carla Jackson, 53, of Tucker, Georgia, was previously charged by indictment on Aug. 4, 2020, with money laundering in connection with laundering the proceeds of Gaines Reservation and Travel's PPP loan.

If convicted, the defendants face a maximum penalty of 20 years in prison on the wire fraud and money laundering charges and a maximum of 30 years on the bank fraud and false statement to a federally insured bank charge. Dixon also faces an additional two-year sentence on the aggravated identity theft charge. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Six Plead Guilty, Including Mastermind

Six defendants have pleaded guilty based on their roles in the fraudulent scheme since the original indictment was returned on August 4, 2020, including the mastermind, Darrell Thomas, and one defendant has been sentenced to date:

Darrell Thomas, 35, of Duluth, Georgia, pleaded guilty on June 16, to one count of conspiracy to commit bank fraud and wire fraud and one count of money laundering. As part of his guilty plea, Darrell Thomas admitted his participation in fraudulent conduct totaling more than \$14.7 million, including approximately \$11.2 million in fraudulent PPP loans, more than \$1.15 million in fraudulent Economic Injury Disaster Loans, and more than \$2.4 million in fraudulent automobile loans. He also agreed to forfeit various assets, including more than \$2.1 million in seized funds, three luxury vehicles – a 2018 Mercedes-Benz S-Class S65AMG, a 2018 Land Rover Range Rover, and a 2017 Acura NSX – and several items of jewelry, including a gold Rolex. Darrell Thomas's sentencing is set for Sept. 15, before Judge J.P. Boulee.

Denesseria Slaton, pleaded guilty on June 16, to one count of conspiracy to commit bank fraud wire fraud in connection with the loan obtained by Transportation Management Services Inc. Slaton's sentencing is set for Oct. 6.

Khalil Gibran Green Sr., 47, of Cleveland, Ohio, pleaded guilty on Sept. 1, 2020, to one count of conspiracy to commit bank fraud and wire fraud in connection with the loan obtained by his business, Impact Creations LLC. On Jan. 14, Judge J.P. Boulee sentenced Green to three years and five months in prison and five years of supervised release, and ordered him to pay \$830,000 in restitution and forfeiture of \$157,035.71.

Bern Benoit, 45, of Burbank, California, pleaded guilty on March 11, to one count of conspiracy to commit bank fraud and wire fraud in connection with the loan obtained by his business, Transportation Management Services Inc. Benoit's sentencing is set for Sept. 8, before Judge J.P. Boulee.

Charmaine Redding, pleaded guilty on July 14, to one count of conspiracy to commit wire fraud in connection with the loan obtained by her business, All Star Room and Board Services of Michigan Inc. Redding's sentencing is set for Oct. 21, before Judge J.P. Boulee.

Andre Lee Gaines, 67, of Dallas, Georgia, pleaded guilty on June 17, to one count of making false statements to the FBI in connection with the loan obtained by his business, Gaines Reservation and Travel. Andre Gaines's sentencing is set for Oct. 6, before Judge J.P. Boulee.

Assistant Attorney General Kenneth A. Polite Jr. of the Justice Department's Criminal Division and Acting U.S. Attorney Kurt R. Erskine of the Northern District of Georgia made the announcement.

This case is being investigated by the FBI, the U.S. Treasury Inspector General for Tax Administration, and the Small Business Administration-Office of the Inspector General.

Trial Attorney Siji Moore of the Criminal Division's Fraud Section and Assistant U.S. Attorney Tal Chaiken and Nathan Kitchens of the Northern District of Georgia are prosecuting the case.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

An indictment is merely an allegation and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

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Disaster Fraud

Financial Fraud

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Criminal - Criminal Fraud Section

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