

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF ARKANSAS
CENTRAL DIVISION

FILED
U.S. DISTRICT COURT
EASTERN DISTRICT ARKANSAS
APR 02 2024
By: TAMMY H. DOVINS, CLERK
DEP CLERK

UNITED STATES OF AMERICA)
)
v.)
)
CHANDLER WILSON CARROLL)

No. 4:24CR 00056 DPM
Title 18, U.S.C. §1343
Title 18, U.S.C. §1957

INDICTMENT

THE GRAND JURY CHARGES THAT:

COUNT 1

A. INTRODUCTION

At all times material herein:

1. On March 27, 2020, the U.S. President signed a \$2 trillion stimulus bill called the Coronavirus Aid, Relief, and Economic Security Act, (CARES), which was intended to ameliorate the economic impact of the COVID-19 pandemic. The CARES legislation authorized up to \$349 billion in forgivable loans to small businesses to pay their employees during the pandemic. This loan program is known as the Paycheck Protection Program (PPP) and it is administered by the U.S. Small Business Administration (SBA), which is a federal government agency. The PPP provides small businesses with funds to pay up to eight weeks of payroll costs, including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. The SBA provides funds in the form of loans that will be fully forgiven when used for payroll costs, interest on mortgages, rent, and utilities (the program requires that at least 60% of the forgiven amount must have been used for payroll costs).

2. Small businesses and sole proprietorships apply for PPP relief through one of over 4,900 SBA designated lending institutions. To apply, applicants must complete and transmit to the

lender an SBA Form 2483 or 2483-SD, which requires the applicant to identify the entity's average monthly payroll, as calculated according to the requirements of the CARES Act. The SBA Form 2483 also requires the applicant to certify that: "Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant" and that "the funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, as specified under the Paycheck Protection Program Rule..." Once a borrower provides their application to a lender, the lender underwrites the loan and transmits the application to the SBA via an electronic platform. Loans guaranteed under the PPP will be 100% guaranteed by the SBA, and the full principal amount of the loans may qualify for loan forgiveness.

3. COVID EIDL loans are distinct and different from regular Disaster Loan Program loans. "COVID EIDL" stands for COVID-19 Economic Injury Disaster Loan. In response to the COVID-19 pandemic, SBA was given the authority to make low-interest fixed-rate long-term COVID EIDL loans to help small businesses and other entities overcome the effects of the pandemic by providing borrowers with working capital to meet ordinary and necessary operating expenses. Borrowers may use COVID EIDL working capital loan proceeds to make regular payments for operating expenses and to pay or pre-pay business non-federal debt incurred at any time (past or future), including monthly payments, payments of deferred interest; pay regularly scheduled payments on federal debt; payroll; rent/mortgage; utilities; and other ordinary business expenses. COVID EIDL funds are disbursed directly from the SBA.

4. WILCARR VENTURES, LLC (WILCARR VENTURES) was an Arkansas-based Limited Liability Company filed with the Arkansas Secretary of State's office on February 17, 2020.

5. WILSON CARROLL RESEARCH SERVICES, LLC (WCRS), was a Texas-based Limited Liability Company filed with the Texas Secretary of State on May 22, 2017.

6. BROOK HAVEN LODGE, LLC was an Arkansas-based Limited Liability Company filed with the Arkansas Secretary of State on May 12, 2020.

7. CHANDLER WILSON CARROLL was an owner of WILCARR VENTURES, WCRS, and Brook Haven Lodge.

B. THE SCHEME

As part of the scheme, the following occurred:

8. On or about April 6, 2020, CARROLL applied for an EIDL loan for WCRS. CARROLL was listed as the CEO with 100% ownership of the company. The email address listed for CARROLL was research@wcresearchservices.com with a physical address of 5024 Crestwood Drive, Little Rock, AR, 72207. Carroll certified in the application by electronic signature, in part, “that all information in your application and submitted with your application is true and correct to the best of your knowledge, and that you will submit truthful information in the future.” The application also contained a warning which said in part, “...any false statement or misrepresentation to SBA may result in criminal, civil or administrative sanctions including, but not limited to...fines and imprisonment, or both.”

9. On the application, CARROLL claimed WCRS' gross revenue for the 12 months prior to January 31, 2020, was \$90,570,864. However, CARROLL reported to the IRS on her 2019 Form 1040 Schedule C, Profit or Loss From Business, that the total gross receipts in 2019 for WCRS was \$499,999. CARROLL also claimed on the EIDL application that the number of employees at WCRS was “11”. According to IRS Form 941, for the 1st quarter of 2020, WCRS had “0” employees.

10. On April 30, 2020, the SBA approved a \$10,000 advance for WCRS. On or about May 1, 2020, the advance of \$10,000 from SBA was deposited into JP Morgan Chase account ending 6065 in the name of Wilson Carroll Research Services, LLC. On or about June 4, 2020, CARROLL electronically signed SBA Form 1391 Loan Authorization and Agreement, SBA Form 147 B Note, and SBA Form 1059 Security Agreement for SBA Loan # 7672457800 authorizing a \$150,000 EIDL loan to WCRS. On or about June 9, 2020, \$149,900 was deposited into JP Morgan Chase account ending 6065 in the name of Wilson Carroll Research Services, LLC. The \$100 difference in the amount was due to the deduction of a \$100 Uniform Commercial Code (UCC) handling charge.

11. Following the deposit of the EIDL monies, CARROLL used EIDL funds for purposes not authorized under the EIDL program, including the purchase of at least one Ford vehicle and items from Sissy's Log Cabin, an Arkansas jewelry store.

C. THE CHARGE

On or about April 6, 2020, in the Eastern District of Arkansas and elsewhere, the defendant,

CHANDLER WILSON CARROLL,

with intent to defraud, having voluntarily and intentionally devised and participated in a scheme to defraud and to obtain money by means of materially false and fraudulent pretenses and representations, as set forth above, for the purpose of executing the scheme, CARROLL caused to be transmitted by means of interstate commerce, a wire, that is, a loan application that contained false information to the SBA for an EIDL loan in the amount of \$150,000 for WCRS.

All in violation of Title 18, United States Code, Section 1343.

COUNT 2

The Grand Jury realleges and incorporates, as though set forth word for word herein, Count 1, section A.

A. THE SCHEME

12. In April 2020, Chandler Wilson CARROLL, on behalf of WCRS, applied for two PPP loans through JP Morgan Chase Bank using SBA Form 2483. The first application was electronically signed by CARROLL on April 13, 2020, under the title of Authorized Representative. The following information was entered for WCRS, Business Address: 400 W Capitol Ave, Ste 2690, Little Rock, AR, 72201, Business Phone: 501-350-4858, Primary Contact: Chandler Carroll, and Email Address: cwc@wcresearchservices.com. CARROLL listed herself as the 100% Owner of WCRS and listed her address as 8910 Misty Pine Dr. Temple, TX, 76502. On SBA Form 2483 CARROLL indicated the purpose of the loan was for Payroll, Lease/Mortgage Interest, Utilities, and Other, with no further explanation for “other.” CARROLL listed WCRS's Average Monthly Payroll as \$75,250 for 13 employees and the requested loan amount was \$188,125.

13. As part of the application, CARROLL provided a letter to JP Morgan Chase Bank stating, in part, “We have thirteen employees who's months payroll equals \$75,250 when we consider for employees that have to be prorated. That includes three employees who make over \$100,000.00.” The letter also contained a table containing columns labeled Employee Name, Title, Yearly Salary, Adjusted Gross Monthly Salary, and Date Employment Began. In this table only 12 employees are listed and when the adjusted gross monthly salary column is added up it equals \$76,349.83.

14. This first application for a PPP loan on behalf of WCRS was declined by JP Morgan Chase Bank.

15. A second PPP loan application (SBA Form 2483) was filed with JP Morgan Chase Bank by CARROLL on behalf of WCRS and was electronically signed on April 23, 2020. This application contained all the same information as the first application to JP Morgan Chase Bank except the Average Monthly Payroll was listed as \$76,350 and the number of employees was listed as 12. The loan amount requested was \$190,875.

16. As reflected in Count 4 below, CARROLL, on behalf of WCRS, applied in March 2021 for a different PPP loan which was processed by Simmons Bank. In that application, CARROLL submitted a list of employees and monthly payroll information for 2020, identifying 14 employees and a monthly payroll amount of \$58,739.29. Only one employee submitted to Simmons was among the 13 employees submitted to JPMC. CARROLL also submitted IRS Form 941 for the first quarter of 2020 that reflected total wages of \$238,602. CARROLL provided Simmons an IRS Form 941 for the 1st quarter of 2020 reflecting first quarter wages of \$175,107. The IRS Form 941 filed with the IRS for that same quarter reflected wages of \$12,513. This second PPP loan with JP Morgan Chase Bank was approved and \$190,875 was deposited into an account ending in 6065 in the name of Wilson Carroll Research Services, LLC on or about May 1, 2020.

17. Following the deposit of the PPP monies, CARROLL used some of the funds for purposes not authorized under the PPP program, including the purchase of items from Sissy's Log Cabin, an Arkansas jewelry store.

B. THE CHARGE

On or about April 23, 2020, in the Eastern District of Arkansas and elsewhere, the defendant,

CHANDLER WILSON CARROLL,

with intent to defraud, having voluntarily and intentionally devised and participated in a scheme to defraud and to obtain money by means of materially false and fraudulent pretenses and representations as set forth above, for the purpose of executing the scheme, CARROLL caused to be transmitted in interstate commerce a wire, that is, CARROLL submitted a PPP Borrower Application Form which contained false information on behalf of her company, WCRS, in order to receive a loan guaranteed by the SBA in the amount of \$190,875.

All in violation of Title 18, United States Code Section 1343.

COUNT 3

The Grand Jury realleges and incorporates, as though set forth word for word herein, Count 1, section A.

A. THE SCHEME

18. In May 2020, Chandler Wilson CARROLL, on behalf of WILCARR VENTURES, applied for a PPP loan using SBA Form 2483. The application was processed by BlueVine for and on behalf of Celtic Bank Corporation (Celtic Bank). Celtic Bank records include a borrower application (SBA Form 2483) for WILCARR VENTURES listing the following information, Business Address: 400 West Capitol Avenue, Little Rock, Arkansas 72201, Business TIN: 84-4763991, Business Phone: (501) 500-0499, Primary Contact: Chandler Carroll, and Email Address: cwcarroll@wilcarr.com. On or about May 28, 2020, SBA PPP loan #4268427807 was awarded to WILCARR VENTURES in the amount of \$1,600,000. CARROLL was listed as the

sole owner of WILCARR VENTURES with an address of 5024 Crestwood Drive, Little Rock, Arkansas 72207. CARROLL marked Payroll as the purpose of the loan on the application. For WILCARR VENTURES the Average Monthly Payroll was reported as \$640,000.00.

CARROLL entered 121 as the Number of Employees. WILCARR VENTURES did not file any tax or information return with the IRS in 2019, 2020 or 2021. According to at least one former employee, WILCARR VENTURES was just beginning in or around 2019 and did not have more than four employees during 2020.

19. The application and a Promissory Note between WILCARR VENTURES and Celtic Bank was e-signed by CARROLL on May 28, 2020 and on or about June 15, 2020, \$1,600,000 was deposited into an Iberia Bank account number ending 1309 in the name of Wilson Carroll Research Services, LLC.

20. Following the deposit of the PPP monies, CARROLL used some of the funds for purposes not authorized under the PPP program, including at least one Ford vehicle and the purchase of a house and other items.

B. THE CHARGE

On or about May, 2020, in the Eastern District of Arkansas and elsewhere, the defendant,

CHANDLER WILSON CARROLL,

with intent to defraud, having voluntarily and intentionally devised and participated in a scheme to defraud and to obtain money by means of materially false and fraudulent pretenses and representations as set forth above, for the purpose of executing the scheme, CARROLL caused to be transmitted in interstate commerce a wire, that is, CARROLL submitted a PPP Borrower Application Form which contained false information on behalf of her company, WILCARR VENTURES, in order to receive a loan guaranteed by the SBA in the amount of \$1,600,000.

All in violation of Title 18, United States Code Section 1343.

COUNT 4

The Grand Jury realleges and incorporates, as though set forth word for word herein, Count 1, section A.

A. THE SCHEME

21. In March 2021, Chandler Wilson CARROLL, on behalf of WCRS, applied for a Second Draw PPP loan using SBA Form 2483-SD. The application was processed by Simmons Bank (Simmons). Simmons records include a borrower application (SBA Form 2483-SD) for WCRS listing the following information, Business Address: 400 West Capitol Avenue, Suite 2690, Little Rock, Arkansas 72201, Business TIN: 82-1628910, Business Phone: (500) 501-0499, Primary Contact: Chandler Wilson Carroll, and Email Address: research@wcresearchservices.com. CARROLL was listed as the sole owner of WCRS with an address of 5024 Crestwood Drive, Little Rock, Arkansas 72207. CARROLL marked Payroll as the purpose of the loan on the application. WCRS's Average Monthly Payroll was listed as \$58,739.29 with 14 employees and the requested loan amount was \$146,848.22. The 2020 Gross Receipts for WCRS were reported as \$1,063,526 and the 2019 Gross Receipts were reported as being \$1,636,195. CARROLL provided a copy of a 2019 Form 1040 Schedule C, Profit or Loss From Business, reflecting the total gross receipts for WCRS were \$1,636,195.

22. However, CARROLL reported to the IRS on her 2019 Form 1040 Schedule C, Profit or Loss From Business, the total gross receipts for WCRS were \$499,999. CARROLL provided to Simmons an IRS Form 941 for the 1st quarter of 2020 reflecting first quarter wages of \$175,107. The IRS Form 941 submitted to JPMC for that same quarter reflected wages of \$238,602. The IRS Form 941 filed with the IRS for that same quarter reflected wages of \$12,513. On or about

March 19, 2021, SBA PPP loan #4451858605 was awarded to WCRS in the amount of \$146,848.

23. On or about March 19, 2021, \$146,848.22 was deposited into a Simmons Bank account number ending 1579 in the name of WCRE Holdings, LLC. (WCRE Holdings, LLC, was an Arkansas-based Limited Liability Company filed with the Arkansas Secretary of State on June 9, 2020. The Arkansas Secretary of State's records reflect CARROLL and another individual were the officers of the company.)

24. Following the deposit of the PPP monies, CARROLL used some of the funds for purposes not authorized under the PPP program.

B. THE CHARGE

On or about March 1, 2021, in the Eastern District of Arkansas and elsewhere, the defendant,

CHANDLER WILSON CARROLL,

with intent to defraud, having voluntarily and intentionally devised and participated in a scheme to defraud and to obtain money by means of materially false and fraudulent pretenses and representations, as set forth above, for the purpose of executing the scheme, CARROLL caused to be transmitted in interstate commerce a wire, that is, CARROLL submitted a PPP Borrower Application Form which contained false information on behalf of her company, WCRS, in order to receive a loan guaranteed by the SBA in the amount of \$146,848.

All in violation of Title 18, United States Code Section 1343.

COUNT 5

25. The Grand Jury repeats and re-alleges the allegations contained in paragraphs 1-24 of this indictment, as though fully set forth herein.

26. On or about June 12, 2020, in the Eastern District of Arkansas and elsewhere, the defendant

CHANDLER WILSON CARROLL,

did knowingly engage in a monetary transaction, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, through a financial institution, that is, by a debit card transaction causing \$68,000.00 to be transferred from JPMC 6065, to Everett Ford in Benton, Arkansas, such proceeds having derived from a specified unlawful activity, that is wire fraud, in violation of 18 U.S.C. § 1343.

All in violation of 18 U.S.C. § 1957.

COUNT 6

27. The Grand Jury repeats and re-alleges the allegations contained in paragraphs 1-24 of this indictment, as though fully set forth herein.

28. On or about June 29, 2020, in the Eastern District of Arkansas and elsewhere, the defendant

CHANDLER WILSON CARROLL,

did knowingly engage in a monetary transaction, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, through a financial institution, that is, by purchasing a cashier's check causing \$51,000.00 to be transferred from Iberia 1309, to Everett Ford in Benton, Arkansas, such proceeds having derived from a specified unlawful activity, that is wire fraud, in violation of 18 U.S.C. § 1343.

All in violation of 18 U.S.C. § 1957.

COUNT 7

29. The Grand Jury repeats and re-alleges the allegations contained in paragraphs 1-24 of this indictment, as though fully set forth herein.

30. On or about June 29, 2020, in the Eastern District of Arkansas and elsewhere, the defendant

CHANDLER WILSON CARROLL,

did knowingly engage in a monetary transaction, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, through a financial institution, that is, by issuing a check causing \$43,796.20 to be transferred from USAA 7488, to Sissy's Log Cabin in Little Rock, Arkansas, such proceeds having derived from a specified unlawful activity, that is wire fraud, in violation of 18 U.S.C. § 1343.

All in violation of 18 U.S.C. § 1957.

COUNT 8

31. The Grand Jury repeats and re-alleges the allegations contained in paragraphs 1-24 of this indictment, as though fully set forth herein.

32. On or about July 17, 2020, in the Eastern District of Arkansas and elsewhere, the defendant

CHANDLER WILSON CARROLL,

did knowingly engage in a monetary transaction, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, through a financial institution, that is, after having transferred \$1,000,000 from IB 1309 to IB 1244, by purchasing a cashier's check causing \$568,575.06 to be transferred from IB 1244, to Sanders, Morgan and Clark Trust, in Mountain

Home, Arkansas, such proceeds having derived from a specified unlawful activity, that is wire fraud, in violation of 18 U.S.C. § 1343.

All in violation of 18 U.S.C. § 1957.

FORFEITURE ALLEGATION

Upon conviction of Count 1, 2, 3, or 4 of this Indictment, the defendant, CHANDLER WILSON CARROLL, shall forfeit to the United States, under Title 18, United States Code, Section 982(a)(1), all property, real or personal, involved in the offense, and all property that is traceable to the property involved in the offense, including, but not limited to, the following specific property:

- A. 2020 Ford F-150 Raptor, VIN 1FTFW1RG9LFB05359, license plate number 616ZJI, registered May 28, 2022. Owner: Ryan Carroll and Chandler CARROLL at 5024 Crestwood Drive, Little Rock, Arkansas.
- B. 2020 Ford Explorer VIN 1FM5K8HC0LGA10712, license plate number 756ZKK, registered June 3, 2022. Owner information: Ryan Carroll at 8204 Woodview Drive West, Sherwood, Arkansas.
- C. Watch described as, A03932z9 White Index P – Crocodile Brown Rolex Cellini Moonphase.
- D. Watch described as, Patek Philippe Manual Watch Burgandy Band White Dial.
- E. Diamond earrings described as, 14K WG 2.56CTW RND DIA Martini Set Studs 1 VS2/S11.
- F. Diamond described as, 0.61CT RD D S11 EGL 921093604D.
- G. The real and personal property located at Lot 18, Wildcat Shoals Subdivision, according to the official plat of record thereof in the official plat records of Baxter County,

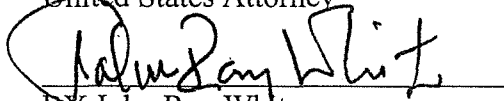
Arkansas, more particularly described in that deed executed from Donna L. Cordonnier as trustee of the Donna L. Cordonnier Living Trust dated July 5, 2016 (Grantor), to Brook Haven Lodge, LLC (Grantee), recorded July 21, 2020 at L202007106, including real property, a residence, and 1.5 acres of real property situated across the street from the residence.

A TRUE BILL.

REDACTED SIGNATURE

FOREPERSON

JONATHAN D. ROSS
United States Attorney

A handwritten signature in black ink, appearing to read "John Ray White", is written over a horizontal line.

BY John Ray White

AR Bar No. 91003

Assistant United States Attorney

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