UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA v. CHRISTOPHER SCOTT	No. 23 CR 97-2 Hon. Elaine E. Bucklo

GOVERNMENT'S SENTENCING MEMORANDUM

Beginning at the end of March 2020 (and likely earlier), during the height of the COVID-19 pandemic, defendant Christopher Scott and his co-defendant wife illegally took advantage of the U.S. Small Business Administration's Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) program meant to assist individuals and small businesses ravaged by the economic conditions wrought by the pandemic. The defendant and his wife devised, executed, and concealed a scheme to defraud the SBA and participant banks out of over half a million dollars in funds intended for the financial victims of COVID-19—a sum that would have been nearly four times greater had SBA safeguards not flagged and declined many of Scott's fraudulent loan applications. On April 4, 2025, Scott pled guilty to one count of wire fraud, and is now before this Court for sentencing.

With a total offense level calculated by U.S. Probation of 22 and in the highest criminal history category of VI, Scott's advisory Guidelines range is 84 to 105 months of imprisonment. For the reasons set forth below, the government respectfully requests a within-range Guidelines sentence of 96 months of imprisonment, three years of supervised release, and restitution in the amount of $567,333, to be paid along with any jointly liable co-defendant. Such a sentence is sufficient, but not greater than necessary, to achieve the goals of sentencing articulated in 18 U.S.C. § 3553(a).

I. THE OFFENSE CONDUCT

During the course of conduct alleged in the indictment in 2020 and 2021, defendant Christopher Scott and his wife, co-defendant Te Dora Brown, submitted numerous applications for both PPP and EIDL loans, which, as described in detail in the indictment and throughout the record, are forgivable loans authorized by the CARES Act to be lent to small businesses and sole proprietors which met certain eligibility requirements and who were harmed by the economic effects of the COVID-19 pandemic. During the fraud scheme, the defendant submitted loan applications to BMO Harris Bank, Signature Bank, and the SBA itself on behalf of entities that either did not exist, or existed nominally at some point in the past, but which were not in operation during (or harmed in any way by) the COVID pandemic. As to defendant Scott, those entities included EZ Link Golf LLC, and OLG Financing, Inc., neither of which existed at all; and Naper Montessori Academy, Inc., which may have been in varying degrees of operation in the past, but shuttered long before the time period alleged in the indictment. In those applications, Scott falsely and fraudulently represented the purported entities' number of employees, gross revenues, payroll, operating expenses, and very existence as companies with ongoing operations.

As an example of the egregious nature of Scott's conduct, in addition to willfully filling out materially false information on the PPP and EIDL loan applications in order to get free money from the government, on at least one occasion, Scott stole checks from a legitimate entity in order to buttress the legitimacy of one of his fake operations. As described in the U.S. Secret Service report attached hereto as **Exhibit 1**, Scott likely broke into a locked mailbox of a legitimate company called EZLinks Golf Holdings LLC, stole a check issued to this small business by a customer (in this case, Eastern Kentucky University), and attempted to deposit (then withdraw) that check into his fake EZ Link Golf account at Credit Union One, which promptly flagged the check as "altered/fictitious".

Bank records reflect that, as was common in the COVID fraud schemes which were so pervasive during the pandemic, Scott and Brown spent the PPP and EIDL loan proceeds on personal expenses, such as large retail purchases at Tiffany & Co. and Jared's Galleria jewelry stores in Orland Park; high ends stores such as Von Maur, Nordstrom, and Saks Fifth Avenue; and to purchase Uber Eats. But primarily, the funds were withdrawn in large, frequent ATM withdrawals drawing on the bank accounts in the name of the sham businesses Scott listed on the loan papers, and through large cash transfers between accounts owned by Scott and his wife.

As described in the PSR and documented in the spreadsheet addendum to the Government's Version of the Offense (GVO), the "actual loss" amount attributed to Scott is $567,333. PSR ¶¶ 16, 17, 30. This loss stems from loans actually funded by BMO Harris bank (for PPP loans) and the SBA (for EIDL loans). However, as detailed in the GVO and adopted in the PSR, the "intended loss" figure is much greater.[1] When

[1] Note (A) to Guideline § 2B1.1(b) governing loss amounts states that "loss is the greater of actual or intended loss." This note reflects the Sentencing Commission's reasoning that

accounting for loan applications that Scott either submitted himself or were tied to bank accounts he created to perpetuate his fraud scheme that were never funded—either because they were flagged for fraud or withdrawn—the intended loss amount balloons to nearly $1.9 million in funds Scott and his wife attempted to fraudulently obtain at the expense of individuals suffering during COVID-19. *Id.* ¶¶ 17, 31.

II. SENTENCING GUIDELINES CALCULATIONS

A. Offense Level Calculation

The government agrees with the offense level calculations set forth in the PSR recommended by Probation. In that regard, the government notes that the parties' plea agreement did not contemplate a two-level enhancement under Guideline § 2B1.1(b)(1)(A).[2] Indeed, as alleged in the indictment, three of the five entities the defendants used to perpetuate their fraud scheme were "educational organizations" as contemplated by the § 2B1.1(b)(1)(A) enhancement—Little Shepherd's Academy, Little Shepherd's Beginners, and Naper Montessori Academy, the last of which is noted in the PSR. PSR ¶ 32. *See* Indictment (R. 1), ¶ 3.

The government additionally notes that, while the parties' plea agreement did not contemplate it and the government inadvertently neglected to include information supporting it in its GVO, the Court could arguably also apply an additional two-level enhancement for obstruction of justice under Guideline § 3C1.1.

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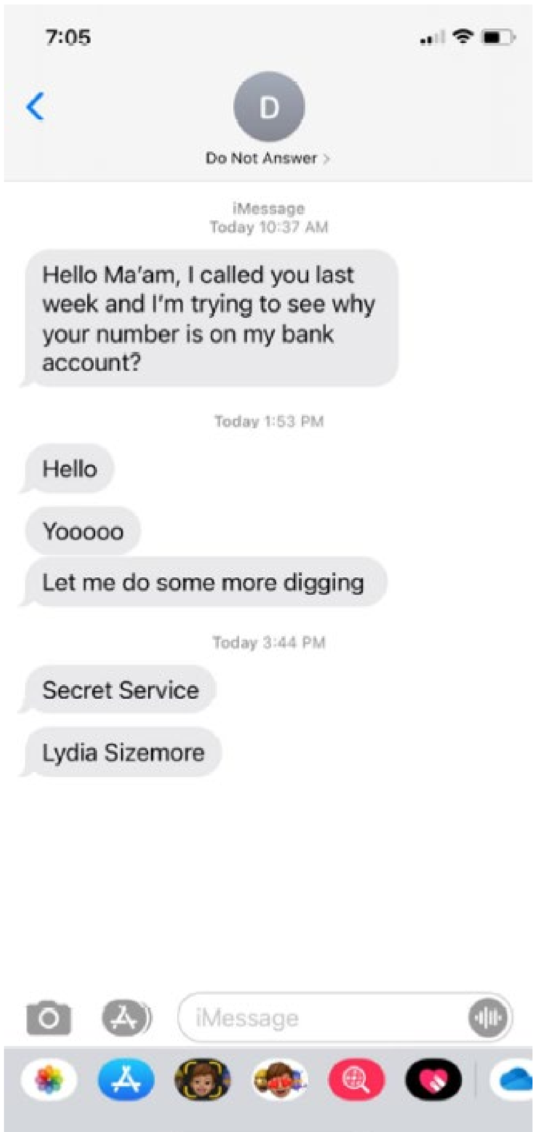
intended loss is as important, if not more important, than actual loss for the purpose of fashioning an adequate sentence.

[2] The PSR cites Guideline § 2B1.1(b)(9)(B) (¶ 32) but the government respectfully suggests that the correct citation is to subsection (A).

In that regard, the government submits herewith as **Exhibit 2** an additional law enforcement report detailing Scott's efforts to intimidate the former U.S. Secret Service case agent Lydia Sizemore in May 2021, by, among other methods, calling her repeatedly and texting her "Hello…Yooooo…Let me do some more digging…Secret Service…Lydia Sizemore." A screenshot from Agent Sizemore's government issued cell phone obtained near the date of the incident is below:



See Ex. 2 at 2. The PSR also refers to this incident. PSR ¶ 23.

Adopting the PSR's recommended enhancements and the loss calculations set forth in the PSR and the GVO, the base offense level is 7, there is a 16-level increase for a loss amount between $1,500,000 and $3,000,000, another two-level increase under Guideline § 2B1.1(b)(1)(A) as described above, and a three-level decrease for acceptance of responsibility under Guideline § 3E1.1(a). *Id.* ¶¶ 29-40. The total offense level—without including an enhancement for obstruction of justice—is therefore 22. *Id.* ¶ 41.

B. Criminal History

The plea agreement and the PSR set forth Scott's criminal history. PSR ¶¶ 48-71. He has five scoreable convictions for a total of 13 criminal history points, in addition to 16 convictions that do not score. *Id.* His criminal history category is VI. *Id.* ¶ 69-70.

C. Advisory Guidelines Range

With a total offense level of 22 and a criminal history category of VI, the resulting advisory Guidelines range is 84-105 months of imprisonment. *Id.* ¶ 141.

III. § 3553(A) FACTORS AND GOVERNMENT'S RECOMMENDATION

Considering the factors set forth in 18 U.S.C. § 3553(a), the government recommends a sentence a within-Guidelines sentence of 96 months of imprisonment. Such a sentence is sufficient, but not greater than necessary, to reflect the seriousness of Scott's offense conduct; to account for his long criminal history and other characteristics; and to promote respect for the law, provide just punishment, and afford adequate deterrence.

A. The Nature and Circumstances of the Offense

The offense conduct in this case is incredibly serious. The defendant and his wife took advantage of an emergency federal program intended to help individuals and small business owners financially devastated by COVID-19. That is, during what was almost certainly one of the most vulnerable periods of their lives. Scott knowingly and willfully filled out and submitted numerous loan applications to banks and government agencies for emergency funds for companies that he knew did not exist. Per the spreadsheet the government submitted along with its GVO, Scott applied for no fewer than 20 EIDL loans and 7 PPP loans during the course of the scheme causing actual losses to the victims of over half a million dollars, and intended loss of nearly $2 million. This offense was not a simple lapse in judgment, or a crime born out of economic poverty or necessity. It was, at least, a year-long scheme to fraudulently obtain free money from the government. To further the scheme, Scott employed tactics like stealing checks and trying to intimidate federal agents investigating him by obtaining information from bank insider. Ex. 2, PSR ¶ 23. In short, Scott's conduct was as brazen as it was harmful to the public. The Court should consider all of this conduct in fashioning a sentence under § 3553(a).

B. Scott's History and Characteristics

The PSR and the Sentencing Recommendation describe in detail the defendant's long and serious criminal history, which includes two federal convictions in this same courthouse for fraud, and a third conviction for identity theft in Will County. PSR ¶¶ 58, 63, 65. Scott also has multiple convictions for aggravated unlawful use of a weapon, battery, and driving under the influence. *Id. passim*. Scott currently owes restitution of nearly $160,000 and has multiple outstanding liens against him, *id.* ¶¶ 58, 63, 136; and continues to maintain as of the date of the PSR that he is employed by a company—Opulent Credit Builders—that by all indicators is fraudulent, and, ironically, purports to run credit counseling services—a claim which is unverified. Rec. at 2-3; PSR ¶ 129.[3] All of these facts are aggravating, and the Court should consider them as such.

In mitigation, the defendant has admitted to his conduct and saved the government the time and expense in preparing for trial. Scott sat for two proffer sessions with law enforcement, and offered to sit for a third during the course of this case. The government respectfully suggests that it does not glean any additional mitigation in the defendant's history and characteristics as described in the PSR.

Put simply, Scott's crime was motivated by greed. He used stolen funds for personal expenses and to purchase luxury items; in other words, to enrich himself and his wife and the expense of individuals who legitimately needed emergency government funds during a global catastrophe. Unfortunately, this egregious conduct does not seem to be an aberration for this defendant, but rather the culmination of a history rife with white collar, and other, crime.

[3] The government notes that defendant has submitted 7 PPP and/or EIDL applications for companies using variations of the theme "Opulent"—which is the name of Scott's purported credit repair service. *See* Addendum to GVO.

C. The Seriousness of the Offense, Need to Promote Respect for the Law, Afford Adequate Deterrence, and Protect the Public

A within-Guidelines sentence is necessary to reflect the seriousness of the offense, promote respect for the law and provide adequate deterrence to prevent recidivism. *See* 18 U.S.C. § 3553(a)(2)(B).

The duration of the scheme and the sheer number of false loan applications that Scott submitted demonstrate a lack of respect for the law and highlight the serious nature of the offense. The Guidelines range of 84-105 months of imprisonment appropriately addresses the intended loss amount, the aggravating factors described in the PSR and this memorandum, Scott's criminal history, and his Scott's assistance to the government and acceptance of responsibility. Given Scott's repeated serious criminal violations, *see* Rec. at 3, the government believes a sentence of 96 months' imprisonment is sufficient, but not greater than necessary, to incapacitate Scott from continuing to commit this fraudulent activity, to deter him from further criminal activity, and to generally deter the public from engaging future public benefits fraud, especially in a time of national need.

Indeed, a below-Guidelines sentence would not promote a respect for the law, adequately reflect the seriousness of the offense, or provide general deterrence. The Seventh Circuit has repeatedly concluded that white-collar criminals often "act rationally, calculating and comparing the risks and the rewards before deciding whether to engage in criminal activity." *United States v. Brown*, 880 F.3d 399, 405 (7th Cir. 2017) (quoting *United States v. Warner*, 792 F.3d 847, 860-61 (7th Cir. 2015)); *see also United States v. Schultz,* 743 F. App'x 5, 9 (7th Cir. 2018) (finding district court's consideration of general deterrence in a wire fraud case "entirely appropriate"). Because white collar defendants often calculate the costs and benefits of their actions, "[t]hey are . . . 'prime candidates for general deterrence.'" *Brown*, 880 F.3d at 405 (quoting *Warner*, 792 F.3d at 860); *see also United States v. Musgrave*, 761 F.3d 602, 609 (6th Cir. 2014) ("Because economic and fraud-based crimes are more rational, cool, and calculated than sudden crimes of passion or opportunity, these crimes are prime candidates for general deterrence." (cleaned up).

D. Supervised Release

Consistent with the Seventh Circuit's guidance in *United States v. Thompson*, 777 F.3d 368 (7th Cir. 2015) and for the reasons set forth in **Exhibit 3** hereto, the government agrees with the Probation Office's recommendation for conditions for supervised release. *See* PSR pp. 36-42. The government recommends that the Court impose a term of supervised release of three years with the following recommended conditions. PSR ¶ 144, Rec. at 1.

IV. FINE AND RESTITUTION

The government does not disagree with Probation's assessment of Scott's financial condition, or that Scott likely has liabilities in excess of his assets. PSR ¶¶ 131-39. However, based on the information available to the government, Scott continues to hold himself out as operating legitimate businesses, and as such, may possess assets in excess of what he has represented to Probation.[4] Given this, the

[4] For example, as of the date of this memorandum, Scottland Development Corporation has a fully functional website and, as noted, is an incorporated state entity. *See* https://scottlanddevelopment.com/about/ (last accessed June 25, 2025).

government suggests that a fine may be appropriate. *Id.* ¶ 139. The government also believes that restitution in the amount of $567,000, or the total actual loss, is appropriate. As described in the plea agreement and provided for in 18 U.S.C. § 3663A, this amount will be joint and several with any co-defendant found to be liable. Plea Agreement (R. 85) ¶ 13.

V. CONCLUSION

For the reasons above, the government respectfully requests that this Court impose a within-Guidelines sentence of 96 months of imprisonment and order a period of three years' supervised release with the conditions proposed in the PSR.

Respectfully Submitted,

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