ATTACHMENT A

STIPULATION OF FACTS

The undersigned parties stipulate and agree that the following facts are true and accurate and if this case had proceeded to trial, this Office would have proven the following facts beyond a reasonable doubt. The undersigned parties also stipulate and agree that the following facts do not encompass all of the evidence that would have been presented had this matter proceeded to trial.

Defendant Edward McCorkle, born March 1978, is a resident of Baltimore County, Maryland.

Beginning in May 2020 and continuing through February 2021, in the District of Maryland, Defendant and others, including Co-Conspirator 1 and Co-Conspirator 2 conspired together and engaged in a scheme to defraud a financial institution, Cross River Bank, and the United States Small Business Administration (SBA) to obtain fraudulent loan for various purported businesses owned by McCorkle, under the Paycheck Protection Program (PPP) which was part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Economic Injury Disaster Loan (EIDL) program.

For the purpose of executing and attempting to execute this scheme to defraud, Defendant and his co-conspirators knowingly and willfully transmitted and caused to be transmitted by means of wire communications, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. §§ 1349, 1343.

Ultimately, McCorkle fraudulently obtained $523,700 as part of this scheme and attempted to obtain a total amount of $946,500. He used the fraudulently obtained funds for multiple impermissible purposes, including numerous personal expenses, large cash withdrawals, and to purchase and rehabilitate real estate in Baltimore City.

McCorkle's conspiracy and wire fraud is described in more detail below.

PPP Loan Application and Kickback Payments

On May 20, 2020, McCorkle filed Articles of Reinstatement with the State of Maryland for his business that he had years earlier established—Real Transitions LLC—returning the business from forfeited status to good standing in Maryland.

On May 26, 2020, Co-conspirator 1, with the assistance of McCorkle, submitted a fraudulent PPP loan application to Cross River Bank for Real Transitions LLC.

The PPP loan application contained multiple material misrepresentations, including that Real Transitions LLC had 15 employees and an average monthly payroll of $98,600.00 (which equated to approximately $1,183,000.00 in total payroll expenses in 2019). In support of the loan application, four fabricated 2019 IRS Form 941 Employer's Quarterly Federal Tax Returns (one each for quarters one, two, three, and four). The documents falsely indicated that Real Transitions LLC had 15 employees and withheld over $100,000.00 in federal income taxes in 2019.

The IRS Forms 941 were not legitimate, and the information within them was false; Real Transitions did not pay any wages to or withhold federal income tax from any employees during the 2019 tax year.

Based on the false representations and fraudulent submissions made on behalf of McCorkle, as the owner of Real Transitions, on May 26, 2020, the PPP loan funded, and approximately $246,500.00 was distributed by Cross River Bank to a Municipal Employees Credit Union ("MECU") account number ending in 28417, controlled by McCorkle.

McCorkle agreed to pay Co-conspirator 1 a kickback payment for his work in submitting the false application and obtaining the fraudulent PPP loan. After the PPP loan funds were received by McCorkle, he provided his co-conspirator with a check in the amount of $49,300—exactly 20 percent of the PPP loan amount.

McCorkle has made no payments to Cross River in connection with the PPP loan obtained for Real Transitions, and the entire PPP loan amount of $246,500.00 remains outstanding.

McCorkle's Spending of PPP Funds

In addition to the $49,300 kickback McCorkle paid to Co-conspirator 1, McCorkle also used the fraudulently obtained PPP funds for multiple impermissible purposes under the PPP. For instance, he used the fraudulently obtained PPP funds to buy and rehabilitate real estate in Baltimore City, to pay credit card expenses, and to make large withdrawals for his own benefit.

For example, on June 5, 2020, over $98,000 was withdrawn from the account in two transactions, including a bank check payable to McCorkle for $49,100.00. On June 15, 2020, two withdrawals totaling over $28,000 were made from the account. On June 19, 2020, a withdrawal of $14,500 was made from the account. The remaining loan proceeds were accessed by Defendant via cash withdrawals, debit card purchases, and other electronic payments in June, July, August, and September 2020. By October 1, 2020, there was a balance of approximately $3,400.00 in the account.

Fraudulent EIDL For Transit Transport LLC

On June 30, 2020, Co-Conspirator 2 caused to be submitted an application for a fraudulent EIDL in the amount of $150,000 for Transit Transport—another of McCorkle's purported businesses—on behalf of McCorkle. The loan application information falsely indicated that Real Transitions LLC had nine (9) employees and gross revenues of $642,911 for the twelve months prior to January 31, 2020. In fact, the business had no employees and no gross revenues during this period.

On July 27, 2020, the EIDL was issued to Transit Transport in the amount of $150,000. The loan proceeds were disbursed via ACH transfer to the same to a State Employees Credit Union ("SECU") account number ending in 38665, controlled by McCorkle. The SECU account number ending in 38665 was opened by McCorkle on June 9, 2020, for the business Transit Transport LLC—three weeks before McCorkle applied for the EIDL for Transit Transport LLC—for the purpose of receiving the EIDL funds.

SBA records indicate that a request to increase the EIDL amount to $500,000.00 was later submitted, seeking the issuance of $350,000.00 in additional loan funds for the Transit Transport LLC EIDL. In connection with the loan increase request, an IRS Form 4506-T Disaster Request for Transcript of Tax Return authorizing the release of tax information to the SBA was electronically signed by McCorkle on May 12, 2021. Further, in support of his request for the large loan, McCorkle executed and signed a "Certificate of LLC of Transit Transport" in which he—as managing member of the purported business—authorized it to obtain the EIDL in an amount up to $500,000.

The loan increase request was ultimately denied by the SBA, and no additional loan proceeds were disbursed.

McCorkle's Spending of the EIDL Funds

An initial deposit of $100.00 was made to fund the account when it was opened on June 9, 2020, and there was no other activity in the account until the EIDL proceeds were credited on July 28, 2020.

On September 21, 2020, a $50,000.00 withdrawal was made from the account which was issued in the form of a bank check payable to McCorkle. On October 2, 2020, a $60,000.00 withdrawal was made from the account which was also issued in the form of a bank check payable to McCorkle. The remaining loan proceeds were accessed via debit card purchases. By November 30, 2020, there was an account balance of approximately $150.00.

McCorkle used the loan proceeds to make more than $4,100.00 in mortgage payments for McCorkle's primary residence, to make purchases at restaurants and retail stores, and to make payments to relatives and associates. None of this spending is a permissible use of EIDL funds.

Fraudulent EIDL For Real Transitions

On February 24, 2021, Co-conspirator 2, caused to be submitted an application for a fraudulent EIDL in the amount of $127,200.00 for Real Transitions on behalf of McCorkle. The loan application information falsely indicated that Real Transitions LLC had nine (9) employees and gross revenues of $337,000 for the twelve months prior to January 31, 2020. These amounts are inconsistent with the numbers McCorkle reported on the PPP loan application submitted on May 26, 2020. He reported Real Transitions LLC had fifteen (15) employees on the PPP loan application, yet only nine (9) on the EIDL application.

On February 26, 2021, an EIDL was issued to Real Transitions LLC in the amount of $127,200.00. The loan proceeds were disbursed via ACH transfer to the same MECU account, ending in 28417, and controlled by McCorkle.

A request to increase the EIDL amount to $200,000.00 was later submitted, seeking the issuance of $72,800.00 in additional loan funds for the Real Transitions LLC EIDL. In connection with the loan increase request, an IRS Form 4506-T Disaster Request for Transcript of Tax Return authorizing the release of tax information to the SBA was electronically signed and submitted by McCorkle on April 29, 2021. The loan increase request was ultimately denied by the SBA, and no additional loan proceeds were disbursed.

McCorkle's Spending of the EIDL Funds

The proceeds of the EIDL were credited to McCorkle's MECU account on March 2, 2021. The balance on the account on March 1, 2021 was less than $2,300. On March 2, 2021 (the same date as the EIDL credit), over $62,000 was withdrawn from the account in three separate transactions, including a bank check payable to McCorkle for $50,000.00. The other two transactions consisted of kickback payments to Co-conspirator 2 in connection with her assistance in obtaining the fraudulent EIDL for him—a $5,325.23 check and a $7,114.77 check. Both checks, totaling $12,440, were deposited into accounts controlled by the co-conspirator. The remaining loan proceeds were accessed via a $60,000 withdrawal on March 30, 2021, which was issued in the form of a bank check payable to McCorkle. There were no debits from the account consistent with business payroll expenses during this time frame.

Federal Search Warrants

On December 22, 2021, the Honorable Thomas M. DiGirolamo authorized a search warrant for various electronic accounts, including an Apple iCloud account associated with McCorkle, the phone number 240-920-9550, and the account identifier edward.mccorkle@yahoo.com, all of which contained evidence related to the PPP and EIDL scheme discussed above, including messages between McCorkle and others regarding the submission of loan applications to the SBA, the spending of loan proceeds, SBA related web searches, and references to the office of Co-Conspirator 2.

On October 30, 2023, law enforcement executed a federal search warrant at McCorkle's residence and seized multiple electronic devices, including McCorkle's phone and copies of PPP submitted on behalf of McCorkle. That same day, McCorkle agreed to voluntarily speak with law enforcement post-*Miranda* and admitted, among other things, that he paid Co-Conspirator 1 20% of the PPP loan he received (approximately $50,000) in connection with the co-conspirator's assistance with the PPP loan application submitted on his behalf.

McCorkle executed the fraud scheme discussed herein, in part, through the use of mobile phones, the internet, multiple email accounts, and bank deposits and transfers, all of which involved interstate wires, and McCorkle was in Maryland when he transmitted wires to execute the scheme.

SO STIPULATED:

Paul A. Riley

Paul A. Riley
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Edward McCorkle

Edward McCorkle
Defendant

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