ALINA HABBA
United States Attorney
JORDAN M. ANGER
Assistant United States Attorney
970 Broad Street, Suite 700
Newark, New Jersey 07102
Tel. (973) 645-2829
jordan.anger@usdoj.gov

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA, v. CORNELL MCCOY, *Defendant.*	HON. KAREN M. WILLIAMS, U.S.D.J. C.A. No. 1:22-cr-186 (KMW) **NOTICE OF MOTION FOR ORDER DIRECTING CLERK OF COURT TO AMEND VICTIM LIST**

PLEASE TAKE NOTICE that the United States of America, by Alina Habba, United States Attorney for the District of New Jersey (Jordan M. Anger, Assistant United States Attorney, appearing) will, on a date to be set by the Court, move, pursuant to Federal Rule of Criminal Procedure 36 and 18 U.S.C. § 3664(j)(1) for entry of an order that the Clerk of the Court shall amend the victim list in the above captioned case to replace victim/payee Ready Capital with the Small Business Administration for the full amount of the restitution owed.

Respectfully submitted,

ALINA HABBA
United States Attorney

s/ Jordan M. Anger
By: JORDAN M. ANGER
Assistant U.S. Attorney

July 14, 2025

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA, v. CORNELL MCCOY, *Defendant.*	HON. KAREN M. WILLIAMS, U.S.D.J. C.A. No. 1:22-cr-186 (KMW) **MOTION FOR ORDER DIRECTING CLERK OF COURT TO AMEND VICTIM LIST**

I. INTRODUCTION

The United States respectfully requests that the Court issue an Order directing the Clerk of the Court to amend the victim list in the above captioned case to replace Ready Capital as a victim/payee and order that all restitution payments be made to the Small Business Administration (SBA) because the SBA has assumed the debt for unpaid loan and has reimbursed Ready Capital for their losses.

II. FACTS

Defendant Cornell McCoy plead guilty to Bank Fraud on or about March 14, 2022 and was sentenced to, *inter alia*, 6 months of incarceration and to pay $251,743.49 in restitution. *See* Dkt. #22. The Court ordered that the restitution be paid to Ready Capital ($239,868.49) and the SBA ($11,875.00). *Id.* at 7. On or about May 12, 2025, the SBA assumed the debt and repaid Ready Capital[1] for its losses. *See* attached Ex. A.

---

[1] The undersigned has contacted counsel for Ready Capital and they consent to the filing of this motion.

III. THE COURT SHOULD ORDER THAT THE CLERK AMEND THE VICTIM LIST IN THIS CASE

A Court "shall order restitution to each victim in the full amount of each victim's losses . . . ." 18 U.S.C. § 3664(f)(1)(A). Further, "[i]n no case shall the fact that a victim has received or is entitled to receive compensation with respect to a loss from insurance or any other source be considered in determining the amount of restitution." 18 U.S.C. § 3664(f)(1)(B). Instead,

> If a victim has received compensation from insurance or any other source with respect to a loss, the court shall order that restitution be paid to the person who provided or is obligated to provide the compensation . . .

18 U.S.C. § 3664(j)(1).

In this case, the SBA has paid money to the victim Ready Capital that represents the full amount of the losses intended to be compensated by the issuance of the restitution order. As a result, the SBA should be compensated for that payment.

The Court is authorized to make amendment pursuant to Fed.R.Crim.P. 36, which reads:

> Clerical Error: After giving any notice it considers appropriate, the court may ***at any time*** correct a clerical error in a judgment, order, or other part of the record, or correct an error in the record arising from oversight or omission.

Fed.R.Crim.P. 36 (emphasis added).

The amendment sought is clearly clerical in nature as it does not seek to add a single day to Defendant's incarceration or a penny to his restitution debt. As a result, district courts routinely rely on this provision as a basis for adding or altering victims to restitution orders long after the sentencing. *See, e.g., U.S. v. Jones*, 2015 WL 525184, at *4 (E.D. Pa. Feb. 9, 2015) (granting motion to add insurance company to victim list of restitution order three and a half years after sentencing because "[u]nder Federal Rule of Criminal Procedure 36, however, this Court had the authority and jurisdiction to grant this relief"), *aff'd* 629 Fed.App'x 192 (3d Cir. 2015); *see also U.S. v. Stile*, 2019 WL 501456 (D. Maine Feb. 8, 2019) (amending the restitution order 3½ years after sentencing to include insurance company under § 3664(j)(1)).

The Third Circuit specifically affirmed a district court's reliance on Rule 36 as a basis for amending a restitution order three and half years later to substitute in an insurance company under 18 U.S.C. § 3664(j)(1). *See, e.g., Jones*, 2015 WL 525184, *aff'd* 629 Fed.App'x 192 (3d Cir. 2015). As the district court held, "[t]he Third Circuit and other courts have consistently relied on Rule 36 to make modifications to judgments of sentences where the corrections are deemed non-substantive." *Id.* at *4 (listing cases). And, as made clear in that language, the substitution of an insurance company or other payee into a restitution order pursuant to § 3664(j)(1) is a "non-substantive" correction. *See also United States v. Portillo*, 363 F.3d 1161 (11th Cir. 2004) (trial court correctly changed the payees in a restitution order under Rule 36 from the Georgia Bureau of Investigation to the six aliens directly harmed by defendant's crime); *Hatten v. United States*, 2009 U.S. Dist. LEXIS 131142, at *28-29 (S.D. Tex. Apr. 27, 2009) (Rule 36 motion granted to change the restitution victim from Visa USA to the 190 financial institutions actually defrauded).

Similarly, the Nineth Circuit in *U.S. v. Hankins*, 858 F.3d 1273 (9th Cir. 2019), found that the district judge has the authority – a full fourteen years after sentencing – to amend the judgment to name a new payee of the restitution over the objections of both the defendant and the victim. *Id.* at 1279-1280.[2]

As aptly explained in *Hankins*:

> We do not view the redirection of restitution as violating the rule that a district court cannot order restitution absent explicit statutory authority. [. . .] No one disputes that the district court entered a valid restitution order at the outset. The process of deciding where to send restitution payments already ordered is distinct from the authority to order restitution in the first instance.

Id at 1280-81 (citations omitted).[3]

Similarly, the court in *Stile* held:

> In amending the judgment to reflect the amounts E.W. Moore and Hanover Insurance paid, the Court has not changed the substance of the restitution order. Mr. Stile still owes the same amount, $13,306.93, the Court ordered him to pay on May 29, 2015. If E.W. Moore continued to receive money from Mr. Stile above the $1,000.02 it was entitled to receive, it would been required to forward the excess proceeds to Hanover Insurance. In conformance with § 3664(j)(1), instead of continuing to mandate a round-about method of payment, *the Court corrected a clerical error*.

---

[2] It is also worth noting that years earlier, the district court in *Hankins* already amended the judgment to substitute the restitution payee to a different victim a full ten years *after* the defendant was sentenced and nine years after the original victim assigned its interest in the restitution. *Id.* at 1275 ("In 2011, the district court entered an order substituting Horton as the assigned victim.").

[3] *See also id.* at 1278 ("Put simply, the district court ordered what makes practical sense within the spirit and confines of the MVRA: it did not modify the sentence itself but redirected payments to the Fund.").

Stile, at * 7 (emphasis added) (citing Fed.R.Crim.P. 36); *see also Jones*, at *5 (the substitution order made a "non-substantive correction to Petitioner's restitution order").

In this case, the United States seeks only to redirect a portion of the restitution to the SBA without altering the total restitution due by a single penny. Accordingly, pursuant to Fed.R.Crim.P. 36 and 18 U.S.C. § 3664(j)(1), this Court has the jurisdiction and authority to make the minor clerical, non-substantive correction to the Defendant's order of restitution to permit all future payments to be paid to the SBA.

IV. CONCLUSION

Based on the foregoing, the Court should order the Clerk to amend the victim list in this case to replace Ready Capital as a victim/payee direct all future payments to be made to the SBA.

DATED: July 14, 2025

Respectfully submitted,

ALINA HABBA
United States Attorney

s/ Jordan M. Anger
JORDAN M. ANGER
Assistant United States Attorney

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA, v. CORNELL MCCOY, *Defendant.*	HON. KAREN M. WILLIAMS, U.S.D.J. C.A. No. 1:22-cr-186 (KMW) **[PROPOSED] ORDER**

Pursuant to the Application of the United States and for good cause shown, IT IS ORDERED that the Clerk of the Court shall amend the victim list in the above captioned cases to remove Ready Capital as a victim/payee and direct all future restitution payments to the Small Business Administration.

DATED: _________________, 2025

____
KAREN M. WILLIAMS
UNITED STATES DISTRICT JUDGE

EXHIBIT A

Small Business Administration

Transcript of Account

				Ending Balances			
Name	Silver Cup Services Group LLC				**Transcript**	**LAS/ELIPS**	**Difference**
Loan Program	1050 - PPP Program - CARES						
Loan Number	6130238605	**Current Loan Status Code**	6	**Principal Balance**	$235,010.35	$235,010.35	$0.00
Loan Approval Date	03/20/2021	**Loan Type**	27	**Accrued Int Balance**	$3,975.69	$3,975.69	$0.00
				Payable Balance	$0.00	$0.00	$0.00

Payoff Balances

Payoff Date	Principal	Accrued Interest	Chargeoff Interest	Interest to Payoff Date	Payoff Amount	Daily Interest
05/12/2025	$235,010.35	$8,883.86	$4,908.17	$83.70	$243,977.91	$6.4386397

Transaction History

Effective Date	Int Days	INT Rate	Remittance TC	Disburse CPC	Remittance	Principal	Interest	Accrued Interest	Principal Balance	Accrued Interest Balance	Changeoff Interest Balance	Payable Balance	Acct 4020	Payment Application
04/04/2023	0	1.000%	195	$-241,475.69	$0.00	$237,500.00	$0.00	$3,975.69	$237,500.00	$3,975.69	$0.00	$0.00	$0.00	PO
04/07/2023	3	1.000%	416	$0.00	$0.00	$0.00	$0.00	$0.00	$237,500.00	$3,975.69	$19.52	$0.00	$19.52	PO
07/18/2024	468	1.000%	385	$0.00	$547.90	$-547.90	$0.00	$0.00	$236,952.10	$3,975.69	$3,064.73	$0.00	$3,045.21	PO
08/29/2024	42	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$236,809.17	$3,975.69	$3,337.39	$0.00	$272.66	PO
09/19/2024	21	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$236,666.24	$3,975.69	$3,473.64	$0.00	$136.25	PO
10/24/2024	35	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$236,523.31	$3,975.69	$3,700.58	$0.00	$226.94	PO
11/07/2024	14	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$236,380.38	$3,975.69	$3,791.30	$0.00	$90.72	PO
12/19/2024	42	1.000%	385	$0.00	$714.63	$-714.63	$0.00	$0.00	$235,665.75	$3,975.69	$4,063.30	$0.00	$272.00	PO
01/23/2025	35	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$235,522.82	$3,975.69	$4,289.28	$0.00	$225.98	PO
02/05/2025	13	1.000%	385	$0.00	$83.68	$-83.68	$0.00	$0.00	$235,439.14	$3,975.69	$4,373.16	$0.00	$83.88	PO
02/27/2025	22	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$235,296.21	$3,975.69	$4,515.07	$0.00	$141.91	PO
03/27/2025	28	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$235,153.28	$3,975.69	$4,695.57	$0.00	$180.50	PO
04/29/2025	33	1.000%	385	$0.00	$142.93	$-142.93	$0.00	$0.00	$235,010.35	$3,975.69	$4,908.17	$0.00	$212.60	PO
			Summary:	$-241,475.69	$2,489.65	$235,010.35	$0.00	$3,975.69	$235,010.35	$3,975.69	$4,908.17	$0.00	$4,908.17	

LISTED ABOVE IS A TRANSCRIPT OF ACCOUNT AS OF THE DATES INDICATED, TAKEN FROM THE RECORDS OF THIS AGENCY.

Authorized Signature ______________________ Date 5-12-2025

SMALL BUSINESS ADMINISTRATION
Office of Performance, Planning, and the Chief Financial Officer
Program Accounting Division
Loan Accounting Branch
Denver, CO 80259

CERTIFICATE OF INDEBTEDNESS

I, Patrick Henning, Lead Accountant, Loan Accounting Branch, Program Accounting Division, Office of Performance, Planning, and the Chief Financial Officer, Small Business Administration, do hereby certify as such officer that I have the authority to make this Certificate and that the financial records of said Small Business Administration are under my custody including the records which are maintained in connection with a loan to: Silver Cup Services Group LLC 6130238605

Enclosed is a Statement of Account and Transcript of Account relating to said loan, certified as true by, Patrick Henning, Lead Accountant, Program Accounting Division, Loan Accounting Branch, Office of Performance, Planning, and the Chief Financial Officer, Small Business Administration. Said Statement of Account and Transcript of Account are true and correct to the best of my personal knowledge and from my examination of the books and records of the Small Business Administration with respect to said loan and are hereby incorporated with and made part of this certificate.

Executed this Monday 12th of May 2025

Patrick Henning, Lead Accountant
Authorized Signature and Title

I, Jerry Klein, a Notary Public in and for the State of Colorado, do hereby certify that the above-named Accountant signed this document, is employed by the United States Small Business Administration, and that such officer has custody of the official financial records of the Small Business Administration.

My commission expires:03/15/2028

Jerry Klein

E Notary 20244010885-211518

JERRY KLEIN

Digitally signed by JERRY KLEIN
Date: 2025.05.12 07:52:39 -06'00'

Small Business Administration

SMALL BUSINESS ADMINISTRATION
Office of Performance, Planning, and the Chief Financial Officer
Program Accounting Division
Loan Accounting Branch
Denver, CO 80259

CERTIFIED STATEMENT OF ACCOUNT

As of 05/12/2025

Loan Number:	6130238605
Lender Name:	Readycap Lending, LLC
Borrower Name:	Silver Cup Services Group LLC
Borrower Address:	33 Charman Ave Lawnside, NJ 08045-1658 US

Total Amount Disbursed by Lender to Borrower:

Loan	$237,500.00	
Less: Principal Payments	$0.00	
Less: Principal Purchased	$237,500.00	
Lender Principal Balance		$0.00

Total Amount Disbursed by SBA to Lender:

Principal Purchased	$237,500.00	
Less: Principal Payments	$-2,489.65	
Add: Purchased and Accrued Interest	$8,967.56	
Add: PPP Processing Fee	$11,875.00	
SBA Charges Outstanding		$255,852.91
Total Indebtedness		$255,852.91

Interest rate on loan is 1.000%. Interest calculated thru 05/12/2025 Daily interest rate is currently accruing at a rate of $6.44 per day.

Date of Last Transaction	Interest Paid Through
04/29/2025	N/A

Certified to be a true and accurate statement as reflected by the official accounting records of the Small Business Administration

Patrick Henning, Lead Accountant
Authorized Signature and Title
SBA FORM 596 B (8-81)

05/12/2025
Date