Exhibit C

celticbank

February 28, 2022

Laura Connelly
Trial Attorney
Department of Justice
Criminal Division, Fraud Section

RE: Sentencing Statement of Celtic Bank Corporation in the matter of United States of America v. Eric Shibley (CR20-0174 JCC) in the U.S. District Court for the Western District of Washington.

Ms. Connelly:

Celtic Bank Corporation ("Celtic") provides the following sentencing statement:

1. Celtic is a state-chartered, federally insured bank located in Salt Lake City, Utah.

2. Celtic has been in operation for over 20 years and in the normal course participates in the Small Business Administration's 7(a) lending program to small businesses.

3. Celtic participated in the Paycheck Protection Program ("PPP") in order to provide direct governmental assistance to small businesses, many of whom were Celtic's customers, struggling during the COVID pandemic of 2020-2021.

4. In contrast to larger lending institutions, Celtic accepted applications from PPP Applicants who were not established customers. This came with some risk due to the structure of the PPP, but given the national emergency and the fact that the PPP provided an immediate and direct incentive for small businesses to keep their workers on payroll Celtic jumped in.

5. A key aspect of PPP Loan applications were the attestations made by Applicants as part of the application process. To be clear, due to the national emergency, the PPP implemented by the SBA and Treasury Department suspended normal bank underwriting processes and substituted them with Borrower attestations that banks were allowed to rely on. Therefore, Borrower attestations were a very critical part of the PPP.

6. The most relevant attestation depended upon by Celtic, read in its entirety:

   I further certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. I understand that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including under 18 U.S.C. 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to $250,000; under 15 U.S.C. 645 by imprisonment of not more than two years and/or a fine of not more than

$5,000; ***and, if submitted to a federally insured institution, under 18 U.S.C. 1014 by imprisonment of not more than thirty years and/or a fine of not more than $1,000,000.***

7. The vast majority of PPP Borrowers funded by Celtic have successfully submitted forgiveness applications or are in the process of loan repayment.

8. Unfortunately, the PPP attracted a number of bad actors like Mr. Shibley who took advantage of the PPP's relaxed underwriting requirements and attempted to get away with submitting false documents in order to unlawfully and improperly obtain PPP money.

9. The average size of a bona fide First Round PPP loan was about $20,126.[1]

10. In contrast to legitimate businesses, Shibley received over $2.8 million in COVID-19 relief funds as a result of his fraud. This means that somewhere around 140 legitimate businesses may have gone without funding due to Mr. Shibley's fraud. To be clear this means dozens of wage earners may have lost a paycheck that PPP funds may have prevented and suffered all of the trauma that loss of a paycheck entails for most Americans.

It is hard to overstate the disgust that Celtic has for fraudsters like Mr. Shibley who attempted to profit from a program designed to protect hard working Americans in a time of crisis. It is the hope of our institution that the Court holds Mr. Shibley fully accountable and applies the maximum possible sentence.

Sincerely,

Leslie K. Rinaldi
General Counsel

[1] See https://www.sba.gov/sites/default/files/2021-03/PPP_Report_Public_210328-508.pdf, viewed on February 28, 2022.