

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NOS. 23-CR-60173-KMW-1
23-CR-60173-KMW-2

UNITED STATES OF AMERICA, Miami, Florida
Plaintiff, October 22, 2024
vs.
9:32 AM - 11:06 AM
CAROLYN DENISE WADE and
TRACY D. WADE,
Defendant. Pages 1 to 71

TRANSCRIPT OF TRIAL (TESTIMONY OF TRACY WADE)
HELD BEFORE THE HONORABLE DONALD L. GRAHAM
UNITED STATES DISTRICT JUDGE

FOR THE GOVERNMENT:

DAVID A. SNIDER, AUSA
ADAM LOVE, AUSA
United States Attorney's Office

ON BEHALF OF THE DEFENDANTS:

JOHNNY L MCCRAY, JR., ESQ.
Law Office of Johnny L. McCray, Jr., P.A.
and
DARYL E. WILCOX, ESQ.

ALSO PRESENT: Carolyn Wade
Hendrith V.A. Smith, paralegal

LANCE W. STEINBEISSER, FCRR, RPR, FPR-C
Official Court Reporter
United States District Court
400 North Miami Avenue
Miami, Florida 33128
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Proceedings recorded by mechanical stenography; transcript
produced by computer-aided transcription.

1 First, I'm going to put two documents on your screen.

2 You're familiar with her PPP loan application?

3 A. No, sir.

4 Q. You're not.

5 A. Not with the application itself.

6 Q. I'm publishing for you Government Exhibits 117 and 116.

7 Do you see that on the left and right side of the screen?

8 A. Yes, sir.

9 Q. And you've seen these before; right?

10 A. Yes, sir.

11 Q. I'm going to enlarge the top half of 116. Do you see
12 that?

13 A. Yes, sir.

14 Q. And your wife doesn't have a business named Carolyn Wade;
15 right?

16 A. Never.

17 Q. Never has.

18 Never did business as Carolyn Wade; correct?

19 A. No, sir.

20 Q. And certainly she did not have \$113,560 from a business
21 named Carolyn Wade in 2019; correct?

22 A. No, sir.

23 Q. And there was no establishment of a business Carolyn Wade
24 in 2011; right?

25 A. No, sir.

TRACY WADE - CROSS

5

1 Q. And she doesn't have a sole proprietorship named Carolyn
2 Wade; right?

3 A. No, sir.

4 Q. So all of this information is false. Do you agree with
5 that?

6 A. Yes, sir.

7 Q. And looking at Government Exhibit 117, you agree that this
8 is identically false; correct?

9 A. Yes, sir.

10 Q. And you would agree that these are two PPP loan
11 applications; correct?

12 A. Yes, sir.

13 Q. Now, Carolyn Wade did have a Schedule C in her individual
14 tax return for the year 2019 for a business called 1 Step
15 A-Head; correct?

16 A. From what I saw in the trial, yes.

17 Q. And that Schedule C represented -- I should say reported
18 to the IRS that the business 1 Step A-Head in 2019 made \$6,800
19 in gross income; right?

20 A. I don't know. You would have to show me.

21 Q. Sure.

22 Publishing Government Exhibit 201, page 13. This is
23 the Schedule C for the business 1 Step A-Head and in line 7 it
24 shows \$6,800 gross income for the year 2019; correct?

25 A. Yes, sir.

1 Q. All right. No reason to dispute the accuracy of this. I
2 mean, this is your wife's tax return; correct?

3 A. Correct.

4 Q. And you never gave that tax return to -- that Schedule C
5 to Haydee Rivero; correct?

6 A. I never saw --

7 Q. It's a yes-or-no question.

8 Did you ever give it to Haydee Rivero?

9 A. No, sir. I never saw it.

10 Q. And I asked you yesterday, you never asked Perez
11 Accounting, your long-time trusted accountant, for assistance
12 with your PPP loan application and you said, "No"; correct?

13 A. Never a need.

14 Q. That's a "no," you never --

15 A. That's a "no."

16 Q. That's a "no."

17 And you never asked Perez Accounting for any
18 assistance with any PPP loan application for Carolyn Wade?

19 A. No, sir.

20 Q. Now, in 2021, this time frame we're talking about --
21 April, May, June, July, August -- Carolyn Wade also had
22 Verizon Wireless?

23 A. I have Verizon Wireless. Carolyn Wade had Verizon
24 Wireless, and from 2012 to 2023 Haydee Granados also had
25 Verizon Wireless.

1 Q. I'm not sure how you know that. That also wasn't my
2 question --

3 A. I hired a private investigator last night, and he pulled
4 the records.

5 Q. So last night you hired a private investigator. That's
6 what you did?

7 A. Yes, sir.

8 Q. Okay. So your testimony to this jury is that when Haydee
9 Granados was here and she said that she had T-Mobile, she's
10 never had Verizon, that she's not telling the truth. Is that
11 what you're saying?

12 A. The phone number associated about her Verizon account ends
13 in 5338, which is Eduardo Rivero's phone number.

14 Q. I'm asking you, sir --

15 MR. MCCRAY: Judge --

16 BY MR. SNIDER:

17 Q. -- did your wife have Verizon at the same time that you
18 did in 2021?

19 A. Yes, sir.

20 Q. And she was on your account. Yes?

21 A. Yes.

22 Q. And her phone ended in 6800?

23 A. Yes, sir.

24 Q. And you've seen from the records that in this time frame
25 she had a Samsung Note 20 Ultra 5G; correct?

1 ending in 84?

2 A. Yes, sir.

3 Q. Now, you started Carolyn Wade's PPP loan application;
4 correct?

5 A. Correct.

6 Q. You were the one that put in her phone number and email
7 address, and you were the one that put in the business Carolyn
8 Wade?

9 A. I'm not sure of that, sir.

10 Q. Well, that's what the data shows; right?

11 A. Not necessarily.

12 Q. Not necessarily?

13 A. No, sir.

14 Q. Publishing for you Government Exhibit 1000. We're going
15 to look at slide 15. Do you see logins here on May 13, 2021?

16 A. I'm looking at it, yes, sir.

17 Q. And it shows logins from the Wade Funeral Home -- two of
18 them?

19 A. I see the first login, the identifier saying
20 ckidd1226@gmail.com. And if you go all the way to the end, it
21 says the IP address ending in 34.

22 Q. Correct.

23 And right below that, there's a login from the Wade
24 Funeral Home?

25 A. And it says -- the one underneath is 166 and the one

1 underneath is 125.

2 Q. Yep.

3 There's multiple people logging into this; correct?

4 A. Yes, sir.

5 Q. And you're one of them?

6 A. Yes, sir.

7 Q. And your wife is one of them?

8 A. Undeniably.

9 Q. I'm sorry?

10 A. Undeniably.

11 Q. "Undeniably."

12 A. Yes.

13 Q. This is the same slide with a little more detail. You
14 said "undeniably," and that's because this is your wife's
15 phone; right? That's the phone that she had. I just showed
16 you from -- that's your wife's phone, that Note Ultra 5G?

17 A. Yes. Yes, sir.

18 Q. She logged in five times on May 13?

19 A. Yes, sir.

20 Q. Did you log into your wife's PPP loan account from the
21 Broward Sheriff's Office network?

22 A. Can you repeat that question, please?

23 Q. Did you ever log into your wife's PPP loan account while
24 using the Broward Sheriff's Office network?

25 A. No, sir.

1 Q. So this login on page 30 from the Broward Sheriff's Office
2 IP, that's your wife logging in from work. Yes?

3 A. Yes, sir.

4 Q. And on slide 34 now, that's your wife logging into her PPP
5 loan application from home. Yes?

6 A. Yes, sir.

7 Q. And on slide 35, that's your wife logging into her PPP
8 loan application from Verizon's network. Yes?

9 A. No, that just clearly shows someone with a Verizon account
10 logging into that.

11 Q. Do you see where it says -- this is no different than the
12 slide we looked at before. Do you see how it says "user agent
13 SM-N986U?

14 A. Yes, sir.

15 Q. And that's the phone your wife was holding in her hands
16 when she identified her identity. That's what's shown in
17 Government 114.1?

18 A. What this shows is a Verizon user signing into this
19 account.

20 Q. Yeah, with a certain phone. And that phone belongs to
21 Carolyn Wade; correct?

22 A. I don't -- I can't deny or agree with that.

23 Q. Well, a moment ago you said undeniably that was her.
24 What's different about this slide?

25 MR. MCCRAY: Judge, objection.

1 A. They're somewhat similar, but I can't say that that's her
2 exact signature.

3 Q. Let's talk about these checks.

4 You have never worked as an employee for your wife;
5 correct?

6 A. No, sir.

7 Q. You have never been involved in the hairstyling business;
8 correct?

9 A. Repeat the question.

10 Q. You have never been involved in the hairstyling business
11 for your wife?

12 A. No, sir.

13 Q. And she has never paid you a salary; correct?

14 A. No, sir.

15 Q. And yet, she wrote multiple checks to you with the word
16 "salary" in the memo; correct?

17 A. Yes, she did.

18 Q. And it's your testimony that that was to withdraw cash;
19 correct?

20 A. Yes, it was. So, again, as I testified earlier, one of
21 the things that was explained for me when you get the proceeds
22 from the PPP loan, you need to be accountable for the proceeds
23 that -- how you spent the proceeds. There has to be
24 accountability. So what she's putting in the memo section --
25 it's not illegal to pay yourself salary when you have PPP

1 proceeds.

2 Q. I'm talking about the checks to you, sir, where she
3 wrote --

4 A. She was not paying me.

5 Q. She wasn't paying you?

6 A. No, sir.

7 Q. But she wrote "salary" to you, and you just testified
8 she's never --

9 A. She wrote a check to me for cash.

10 Q. Well, is that what it says, "cash" in the memo?

11 A. Maybe it should have said "cash," but she wrote it and I
12 gave her cash.

13 Q. And she wrote "salary." That was false. Yes?

14 A. No, it was her salary.

15 Q. I'm talking about the checks to you. Let's put it up so
16 there's no confusion here.

17 This is a check to you, sir, signed by Carolyn Wade
18 with the memo "salary." That's false. Yes?

19 A. No, it is not.

20 Q. Was it for salary or -- yes or no?

21 A. What's factual on this check, it's written out to me, and
22 in the memo section it says "salary." Technically, that's all
23 it says. It doesn't say it's for me. It doesn't say it's for
24 her. It says "salary." You asked me for an explanation and I
25 just told you why it says "salary."

1 A. I am not sure where you're getting that from, so...

2 Q. Did Wade Funeral Home ever have \$3 million in annual
3 payroll?

4 MR. MCCRAY: Objection as to relevance.

5 THE COURT: May I see -- come sidebar.

6 (The following proceedings were held sidebar:)

7 THE COURT: What is the \$3 million about?

8 MR. SNIDER: A PPP loan application that was
9 submitted on behalf of Wade Funeral Home that represents --
10 that had \$3,368,990 in payroll.

11 THE COURT: Well, what's --

12 MR. SNIDER: I'm asking if he ever did.

13 THE COURT: Well, based on his answer, you probably
14 should ask him is he familiar with this document. You're
15 publishing the contents of this document. Show him the
16 document and ask him if he recognizes it. And if he says no,
17 you go to your next question.

18 MR. SNIDER: Well -- okay.

19 (The following proceedings were held in open court:)

20 MR. SNIDER: May I approach the witness, Your Honor?

21 THE COURT: Yes, sir.

22 BY MR. SNIDER:

23 Q. Mr. Wade, I'm handing you what has been marked for
24 identification as Government Exhibit 167. Do you see that?

25 A. Yes, I see this.

1 Q. My question for you is did Wade Funeral Home ever have
2 \$3,368,909.56 in payroll?

3 MR. MCCRAY: Objection to the form. That's not the
4 question that was supposed to be asked from sidebar.

5 THE COURT: Ask the question -- show him the form.

6 MR. SNIDER: He has it.

7 THE COURT: Are you familiar with the exhibit?

8 THE WITNESS: No, sir. I've never seen this form.
9 Never seen this number ever in my life.

10 THE COURT: The next question, please.

11 BY MR. SNIDER:

12 Q. I'm showing you what is marked for identification as
13 Government Exhibit 168. Have you ever seen that before?

14 A. Never seen this form before. I'm not familiar with this.

15 Q. Okay. Showing you what is identified as Government
16 Exhibit 169. Have you ever seen that before?

17 A. I'm not familiar with this document. Who prepared this?

18 Q. Showing you what is marked for identification as
19 Government Exhibit 170. Have you ever seen that before?

20 A. I've never seen this document before. Is there other
21 documents attached to it?

22 Q. I'll take that back.

23 A. Okay.

24 Q. Mr. Wade, do you know what your payroll was for Wade
25 Funeral Home in 2020?

1 A. Not offhand.

2 Q. Can you give an approximation?

3 A. No, I don't want to approximate, sir.

4 Q. Did you ever have payroll of \$3 million?

5 A. I had laborers --

6 MR. WILCOX: Objection, Your Honor.

7 THE COURT: What's the objection? The basis?

8 MR. WILCOX: Relevancy.

9 THE COURT: Overruled.

10 BY MR. SNIDER:

11 Q. Did Wade Funeral Home ever have payroll of \$3 million?

12 A. Payroll of \$3 million?

13 Q. Yes.

14 A. I've never ever stated that, sir.

15 Q. Listen to the question --

16 A. The answer is no.

17 Q. Did Wade Funeral Home ever have 45 employees?

18 A. 45? No.

19 Q. Mr. Wade, who would know the EIN for Wade Funeral Home?

20 A. Anybody that logs on Sunbiz, sir.

21 Q. Oh, it's available on Sunbiz, the EIN?

22 A. Yes, it is, sir.

23 Q. Who would know your cell phone number?

24 A. Everybody that I've ever dealt with in my life as far as
25 business goes, personal. Everybody knows my number.

1 MR. WILCOX: And to go into this -- and we will say
2 stay away from it because it's prejudicial. It's a confusion
3 of the issues, Judge, under 403.

4 THE COURT: I don't think it's that confusing.
5 I'm going to allow a few questions.

6 Are we going to get through with this anytime today?

7 MR. SNIDER: Yes.

8 THE COURT: What time today?

9 MR. SNIDER: I don't know how long their redirect is.

10 THE COURT: No, don't worry about the redirect. I'm
11 asking you. What time are you finishing?

12 MR. SNIDER: I think I've got 15 minutes.

13 THE COURT: You're on the clock.

14 MR. SNIDER: Very well.

15 MR. MCCRAY: Judge, can we establish the two
16 questions?

17 THE COURT: I'm not going to go into that, Counsel.

18 (The following proceedings were held in open court:)

19 BY MR. SNIDER:

20 Q. Mr. Wade, you applied for an EIDL loan, E-I-D-L, from the
21 SBA for Wade Funeral Home; correct?

22 A. I did not know it to be called that. I know it to be an
23 SBA loan until you told me that's what it was.

24 Q. So you applied for an SBA loan for Wade Funeral Home that
25 was not a PPP loan; correct?

1 A. I was unaware that was considered a PPP loan --

2 Q. No, that was not. I'm talking about a different --

3 Did you apply for a loan from the SBA that you
4 believed was an SBA loan?

5 A. Yes, sir.

6 Q. And you did that in approximately 2020; correct?

7 A. I'm not sure. If you have the document and you show me, I
8 can verify that's the year.

9 Q. And in that application, you were asked by the SBA to put
10 in the gross revenue for Wade Funeral Home for the year
11 preceding 2020; correct?

12 A. I assume, if that's a part of the application process.

13 Q. Okay. And in that response, you put \$465 million;
14 correct?

15 A. What?

16 Q. In your response to that question, what is the gross
17 revenue for the 12 months prior to January 31, 2020, you put
18 \$465 million?

19 A. Sir, my tax documents -- I've never even been shown to
20 make 500,000 to a million dollars.

21 Q. Listen to the question. I'm not talking about your tax
22 documents.

23 In the application to the SBA for this other loan
24 that you just said you applied for, when you were asked to put
25 in the gross revenues for the 12-month period before

1 January 31, 2020, you entered \$465 million?

2 A. I don't recall that. Can you show me the document? Or
3 was that phone recorded?

4 MR. SNIDER: May I approach, Your Honor?

5 THE COURT: Yes, sir.

6 BY MR. SNIDER:

7 Q. Sir, I'm handing you what has been marked for
8 identification as Government's 900. Okay? And on the left
9 side, each side is numbered. Go to line 15, please.

10 A. Can you make this bigger? Because I'm having trouble
11 seeing it. Can you publish it and I will try to follow along.

12 Q. Okay. Sure.

13 If you can't read it, I'll be happy to do that. I'm
14 just going to turn it on your screen.

15 A. Okay. Do that, then.

16 Q. Okay. No problem.

17 Can we please publish only for the witness and
18 defense counsel and the Government's table what's identified
19 as 900? Okay. It's not going to publish to the jury?

20 THE COURTROOM DEPUTY: No.

21 BY MR. SNIDER:

22 Q. So, sir, I'm going to -- do you see 900 on your screen --
23 what's identified as Government 900?

24 A. Okay.

25 Q. Do you see line 15?

1 A. Okay. And for what year is this?

2 Q. Do you see line 15?

3 A. I can see it.

4 Q. Does this refresh your recollection that in answer to the
5 question by the SBA for gross revenues for the 12-month period
6 prior to January 31, 2020, there was an entry of \$465 million?

7 A. Clearly that has to be a typo because I've never claimed
8 that.

9 Q. Okay. So you're saying that's a typo?

10 A. Sir, the accurate documents for this particular loan have
11 been submitted. This loan is current and there's no issues
12 with this loan.

13 Q. Just answer the question.

14 Is this a typo? Is that what you're saying?

15 A. Absolutely.

16 Q. And below that you were asked how much the Wade Funeral
17 Home had in cost of goods sold, which are expenses; correct?
18 Cost of goods sold are expenses --

19 A. Yes, sir.

20 Q. -- for the same period, the year before January 31,
21 2020 --

22 A. Okay.

23 Q. -- and you entered 175 million?

24 A. That's what it's saying here. But, sir, clearly, I have a
25 full-time job. I ran a full-time business. I am a full-time

1 dad and a husband. The difference between a hundred thousand
2 and millions is zeroes. Clearly that's a typo.

3 Q. So that's your testimony; this is a typo. 465 million in
4 revenue was a typo and 175 million was a typo?

5 A. Yes, sir.

6 Q. I'm going to publish for you Government Exhibit --

7 A. If I had that kind of money, why would I need any loan?

8 Q. 906. Do you see 906 on your screen?

9 A. Yes, sir.

10 Q. Okay. Do you see line 14?

11 A. Yes, sir.

12 Q. And this is a separate application for an SBA loan with
13 different information than the one we just looked at; correct?

14 A. The discrepancy is zeros.

15 Q. And what does it say that you put in for when asked the
16 question gross revenues for the 12 months prior to the date of
17 the disaster?

18 A. That's an inaccurate typing.

19 Q. Does it say 350 million?

20 A. Yes, it does.

21 Q. And line 15 for the cost of goods sold, did you put in 250
22 million?

23 A. The discrepancy is zeros, sir.

24 Q. So it's two different sets of typos in two different
25 applications. Is that what you're saying?

1 A. All my correct tax documents are supporting what we
2 initially put, and the phone conversations were recorded.

3 Q. And you asked the SBA for the status of this loan;
4 correct?

5 A. Absolutely.

6 Q. And you called them multiple times asking for the status?

7 A. It was phone-recorded conversations.

8 Q. Okay. And you never --

9 A. Nothing fraudulent was discussed or brought up. That loan
10 was funded. It was never put under investigation, and it is
11 current as of this day.

12 Q. So you asked the SBA for the status of the loan where you
13 had represented that Wade Funeral Home had 465 million in
14 revenues and 350 million in expenses?

15 A. Never. Never. Never. At some point in time -- you
16 clearly see that was corrected.

17 Q. So just to summarize, Mr. Wade. You sought from the
18 SBA --

19 THE COURT: Are these questions you've already asked?

20 MR. SNIDER: I'm just summarizing what we --

21 THE COURT: No, don't summarize. Are these questions
22 that you've asked --

23 MR. SNIDER: No.

24 THE COURT: -- and have been answered?

25 MR. SNIDER: No.