IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

UNITED STATES OF AMERICA *ex rel.* PAUL PIETSCHNER, Plaintiff, v. KATHRYN PETRALIA; ROBERT FROHWEIN; and SPENCER ROBINSON, Defendants.	Civil Action No.: 4:21-cv-110-SDJ

JOINT RULE 26(f) CONFERENCE REPORT

TO THE HONORABLE UNITED STATES DISTRICT JUDGE:

COME NOW, Plaintiff United States of America ("United States" or the "Government"), Relator Paul Pietschner ("Relator"), and Defendants Kathryn Petralia, Robert Frohwein, and Spencer Robinson (collectively referred to as the "Parties"), and file this Joint Report pursuant to this Court's Order Governing Proceedings, ECF No. 69:

1. A brief factual and legal synopsis of the case.

This is an action against three executives of a former financial technology company, Kabbage, Inc., that participated in the Paycheck Protection Program ("PPP") as a direct lender and processor of PPP loans beginning in April 2020. The United States seeks to recover treble damages and civil penalties under the False Claims Act, 31 U.S.C. §§ 3729–3733 ("FCA"), and to recover on federal common law or equitable causes of action for payment by mistake and unjust enrichment. Specifically, the Government's Complaint in Intervention ("Government's Complaint") alleges that Frohwein, Petralia, and Robinson (collectively "Defendants"), violated the FCA by submitting, causing the submission of, and conspiring to submit false claims and statements to the United States Small Business Administration ("SBA") for payment of processing fees and forgiveness and guaranty payments of certain PPP loans.

The United States has intervened in this *qui tam* action, originally filed by Relator in 2021 under 31 U.S.C. § 3730(b), against Kabbage, Inc. ("Kabbage") and Defendants. *See* ECF Nos. 1, 28, 34. Kabbage is no longer a part of this action, as it settled its liability with the United States in 2024 and was dismissed by stipulation. *See* ECF Nos. 30. 31. Because the Government has intervened as to all claims against Defendants, "it shall have the primary responsibility for prosecuting the action." 31 U.S.C. § 3730(c)(1). The Relator is not independently pursuing any non-intervened claims in this litigation.

Pending before the Court are the Defendants' joint and individual motions to dismiss. ECF Nos. 65, 66, 67, and 68 (the "Dismissal Motions"). Defendants argue that the Government has not pleaded any claim with the requisite specificity of Fed. R. Civ. P 9(b), and also seek dismissal of this action under Fed. R. Civ. P. 12(b)(2) and (3), contending that this Court is not a proper venue for this action and that this Court lacks personal jurisdiction over Defendants. The Government has filed its Omnibus Response in Opposition to Defendants' motions to dismiss. ECF No. 72 (the "Opposition"). Briefing on these motions is due to complete by May 30, 2025. ECF No. 64.

Government's Factual Synopsis

The United States alleges that Defendants knowingly directed and controlled Kabbage to inflate PPP loan amounts by systematically double-counting employees' state and local taxes and by including annual per employee compensation in excess of $100,000 in calculating borrowers' average monthly payroll; to approve loans without confirming receipt of information demonstrating that borrowers had employees for whom the borrowers paid salaries and payroll taxes; and to participate in the PPP without sufficient fraud controls as required to comply with PPP requirements.

At all relevant times, Frohwein, Petralia, and Robinson were, respectively, CEO, President, and Head of Strategy at Kabbage. Defendants caused Kabbage to participate in PPP to save the company from financial distress and used PPP to increase Kabbage's value in preparation of an asset sale, from which Defendants earned lucrative payouts. As described in detail in the Government's Complaint, each Defendant was repeatedly warned by third parties and its own employees that its PPP loan calculation methodology was systematically miscalculating PPP loan amounts, yet they chose to do nothing to investigate or fix the calculation. Additionally, each Defendant knew prior to PPP that its fraud controls and identity verification were insufficient, and each was warned by Kabbage employees that Kabbage's review processes for PPP resulted in the approval of obviously fraudulent and ineligible borrowers, yet, they again chose to do nothing. Rather they expressly declined to pause processing of PPP loan applications. As a result of their conduct, Defendants knowingly submitted, caused the submission of, and conspired to submit thousands of false or fraudulent claims and statements to the United States, which resulted in the SBA's payment of millions of dollars for processing fees and loan forgiveness and guaranty purchase payments on PPP loans that were ineligible for payment. The United States also alleges that Defendants were unjustly enriched as a result of their conduct, and the United States made payments by mistake for which Defendants are individually liable.

As stated more fully in the Opposition, this Court has personal jurisdiction over defendants and venue lies in this district. This Court has venue and personal jurisdiction over all defendants in this action under Fed. R. Civ. Pro. 4(k)(1)(C) and 31 U.S.C. § 3732(a), which extends nationwide service of process to a federal court in "any judicial district in which . . . any one defendant can be found, resides, transacts business, or in which any act proscribed by section 3729 occurred." When Relator filed his Complaint in 2021, Kabbage, then a defendant, was transacting business in this district at the time; in addition, the Complaint alleges FCA violations that occurred in this judicial district. *See* 31 U.S.C. § 3732(a). Constitutional due process is satisfied under the applicable national contacts analysis because all Defendants are U.S. residents.

Contrary to the arguments in Defendants' Synopsis, below, the Government has sufficiently alleged all the elements of its FCA and common law claims, for the reasons stated in the Opposition. Defendants' Synopsis generally ignores allegations about the systematic loan calculation errors that occurred with Defendants' knowledge and under Defendants' direction and control. As to particular elements, *first*, the Government has sufficiently alleged materiality under the False Claims Act and the Supreme Court's opinion in *Universal Health Servs., Inc. v. United States ex rel. Escobar*, 579 U.S. 176, 193 (2016), which requires a holistic analysis. Not only did the false statements and certifications that Defendants submitted and caused have a tendency to influence SBA's payment decision, as required under the FCA, but they also satisfy *Escobar*'s materiality standard, where they are violations of a condition of payment, implicate millions of dollars in processing fees and inflated loan amounts, and ran contrary to the essence of the arrangement between SBA and PPP lenders. *Second*, the Government has sufficiently alleged a conspiracy, by alleging facts supporting a reasonable inference that Defendants agreed to commit FCA violations by submitting false claims to the SBA and alleging at least one act in support of that conspiracy. Dismissal of the FCA conspiracy claim is not appropriate because specific intent to defraud is not an element under the FCA, and the intra-corporate conspiracy doctrine does not and should not apply to FCA cases. Moreover, each Defendant had his or her own personal stake in Kabbage's PPP participation and received lucrative payouts as a result of their conduct. *Lastly*, the Government has sufficiently alleged its common law claims, unjust enrichment and payment by mistake, as a direct benefit by the Government to Defendants is not required pursuant to those doctrines, and the Government has adequately alleged that the Government conferred a benefit on Defendants in its Complaint.

<u>Defendants' Synopsis</u>

Defendants dispute the allegations and claims raised in the Complaint, which wrongfully seek to use the FCA to shift blame for the consequences of the SBA's design and administration of the PPP to Defendants, each former executives of the fintech company, Kabbage, which was founded in 2009 to provide capital to underserved small businesses. In short, Defendants did not participate in any scheme or conspiracy to defraud the government, nor can they be individually liable for either Kabbage's or borrowers' purported false claims for payment. To establish liability under the FCA (*see* Counts I-III), the Government must prove by a preponderance of the evidence: (i) that Defendants submitted or caused to be submitted a false claim or statement to the government, (ii) that Defendants' knew of its falsity, and (ii) that the claim was material to the Government's payment decision. The Government cannot satisfy its burden on any element.

Defendants did not knowingly submit or cause to be submitted any false statements or claims for payment. The SBA directed lenders like Kabbage to relax their underwriting standards, conduct no more than a "good faith review" of borrower applications, and rely on borrower attestations in order to get money into the hands of small business as quickly possible. Kabbage did that and more, using robust controls to detect and report fraud. As far as Defendants knew, Kabbage's processes—which were developed by a team of highly-skilled Kabbage employees who had deep experience in SBA lending, were in regular contact with the SBA, and carefully reviewed the SBA guidance—complied with applicable PPP regulations. At company-wide town hall meetings that Defendants hosted, Defendants and other members of Kabbage's leadership team stressed that employees should reject and report suspected PPP fraud, and, to the extent issues or concerns about Kabbage's PPP processes were raised to Defendants at town hall meetings or otherwise, they dealt with them appropriately.

Moreover, Kabbage's statements or certifications were not material to the Government's payment decisions, especially considering the government's knowledge of the widespread fraud in the PPP and its continued payments in spite of it. The SBA was well-aware of risks of fraud in the PPP and nonetheless specifically designed the program to have minimal lending requirements and a streamlined application process to encourage participation and distribute capital to small businesses as quickly as possible. By design, the SBA's streamlined loan application and review process rested largely on borrower attestations regarding the accuracy of their applications, not lenders' statements or certifications. As a result, the Government cannot meet the FCA's "rigorous" and "demanding" materiality standard. *Universal Health Servs., Inc. v. U.S. ex rel. Escobar*, 579 U.S. 176, 192-94 (2016).

Like its other FCA claims, the Government's conspiracy claim (Count III) also fails. To state a conspiracy claim under the FCA, the Government must establish (1) the existence of an unlawful agreement between defendants to get a false or fraudulent claim allowed or paid, (2) at least one act performed in furtherance of that agreement, and (3) the Defendants shared specific intent to defraud the Government. Critically, however, under the intra-corporate conspiracy doctrine, employees who are acting within the scope of their employment cannot conspire among themselves. *U.S. ex rel. Head v. Kane Co*., 798 F. Supp. 2d 186, 201 (D.D.C. 2011) (internal citation omitted). Because the Defendants were all Kabbage employees and indisputably acting within the scope of their employment at the time of the alleged conspiracy, the Government's conspiracy claim fails as a matter of law.

Equally flawed are the Government's common law claims for unjust enrichment and payment by mistake. It is beyond dispute that the SBA paid Kabbage—and not any of the Defendants, individually—for services Kabbage provided under the PPP. Because the Defendants did not, and could not have, received any direct benefit from the fees the SBA paid Kabbage, the Government's claims for unjust enrichment and payment by mistake also fall flat. *See, e.g.*, *U.S. ex rel. Silva v. VICI Mktg., LLC*, 361 F. Supp. 3d 1245, 1257-58 (M.D. Fla. 2019) (dismissing where defendant did not directly benefit); *Gearhart v. Express Scripts, Inc*., 422 F. Supp. 3d 1217, 1226-27 (E.D. Ky. 2019) (rejecting unjust enrichment claim where "at least two steps" separated any benefit from plaintiff to defendant).

2. The jurisdictional basis for this suit.

The Parties agree that this Court has federal question subject matter jurisdiction over this action arising under the FCA and federal common law pursuant to 28 U.S.C. §§ 1331 and 1345.

Defendants Petralia, Frohwein, and Robinson have each disputed this Court's personal jurisdiction over him or her, as set forth in the Dismissal Motions. As stated in its Opposition and summarized above, the United States contends that this Court may exercise personal jurisdiction over all defendants in this action under Fed. R. Civ. Pro. 4(k)(1)(C) and 31 U.S.C. § 3732(a).

While Defendants have separately moved to stay discovery pending the Court's order on their legal jurisdictional claims, by submitting this report and/or participating in this Court-mandated discovery, Defendants do not waive and expressly preserve their objection to this Court's personal jurisdiction over them.

3. A list of the correct names of the parties to this action and any anticipated additional or potential parties.

The Parties' names are correctly listed in the caption. The Plaintiff is the United States of America. Defendants are Kathryn Petralia, Robert Frohwein, and Spencer Robinson. The Relator is Paul Pietschner.

At this time, the United States does not anticipate additional potential parties.

4. A list of any cases related to this case pending in any state or federal court, identifying the case numbers and courts along with an explanation of the status of those cases.

In re: K-Servicing Wind Down Corp. et al, No. 22-10951 (D. Del. Bankr.), which is ongoing with an Omnibus Hearing scheduled for June 2, 2025.

5. Confirmation that the initial disclosures required by Rule 26(a)(1) and this Order have been completed.

The parties served their initial disclosures on April 28, 2025. The United States will make its initial disclosure document production on May 2, 2025.

6. Proposed scheduling order deadlines.

Filed as an attachment to this report is a scheduling order with each of the parties' proposed schedules. The parties have deviated from the standard schedule by extending certain deadlines in view of the complexity of the case, the number of defendants and claims at issue in this case, and the anticipated fact and expert discovery. On the whole, the parties' proposals extend the case schedule beyond the Court's default schedule, with Defendants proposing a trial date in November 2026 and the Government proposing a trial date in April 2027. The parties anticipate that discovery will be extensive, as reflected by the parties' joint proposal to conduct more depositions than provided for by Fed. R. Civ. P. 30(a)(2)(A). To promote efficiency and avoid unnecessary costs in the event of an early resolution, the parties jointly propose to bifurcate fact and expert discovery. The parties also seek to provide sufficient time to rule on dispositive motions before the parties begin final trial preparation. Finally, the parties seek to extend the Final Pretrial Conference and anticipated trial date to November 2026 or April 2027.[1]

7. Description, in accordance with Rule 26(f), of the following:

(i) The subjects on which discovery may be needed, when discovery should be completed, and whether discovery should be conducted in phases or be limited to or focused on particular issues.

The parties do not believe that fact discovery should be conducted in phases or be limited to or focused on particular issues. The parties have proposed to bifurcate fact and expert discovery. Defendants propose a January 31, 2026 deadline for the completion of fact discovery; the Government proposes a deadline of June 4, 2026.

<u>The United States' Position</u>

Discovery will be needed on all issues raised in the United States' Complaint, any amendments thereto, and any defenses raised in Defendants' answers, including but not limited to the following subjects:

a. All matters on which Defendants invoked their Fifth Amendment rights;

b. Funds received directly and indirectly by Kabbage and Defendants from the United States;

c. Communications between Defendants, Kabbage, and any U.S. government official relating to the PPP;

d. Materials in Defendants' custody, possession, and control which they may use to undercut the United States's claims, to the extent they were not already provided to the Government in response to Civil Investigative Demands;

e. The number of false or fraudulent claims, and the damages to the United States from any false or fraudulent claim;

f. Each Defendant's liability for the conduct alleged in the United States' Complaint;

g. Whether any Defendant knowingly submitted or caused to be submitted to the SBA any false or fraudulent claim;

h. Whether any Defendant knowingly made, used, or caused to be made or used, a false record or statement material to a claim to the SBA relating to the PPP;

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1 If the Court grants Defendants' motion to stay discovery, the parties will submit a new proposed scheduling order, if necessary, upon the Court's ruling on Defendants' jurisdictional claims.

i. Whether any Defendant conspired to submit or caused to be submitted any false or fraudulent claim to the SBA relating to the PPP;

j. Whether any Defendant conspired to make, use, or cause to be made or used, a false record or statement material to a claim to the SBA relating to the PPP;

k. Whether Kabbage and any Defendant submitted to the SBA claims for PPP loan processing fees, PPP loan payment, forgiveness, and guaranty, for miscalculated, inflated loan amounts, fraudulent PPP loans, or PPP loans Kabbage failed to perform a good faith review of supporting documentation;

l. Communications between Defendants and Kabbage's lender partners relating to PPP;

m. Communications between Defendants and Kabbage's consultants retained to review Kabbage's processes relating to PPP;

n. Communications between Defendants relating to American Express and American Express's potential acquisition of Kabbage;

o. Defendants' affirmative defenses; and

p. Expert discovery for disclosed experts.

Discovery of these subjects may result in discovery of third parties, including KServicing Wind Down Corp. (formerly known as Kabbage, Inc.) and American Express, which is custodian for many records of Kabbage, Inc.

<u>Defendants' Position</u>

Defendants require fact discovery on the following subjects: materials that the government received during the course of its investigation and that form the basis of its complaint; the alleged false or fraudulent claims submitted to the SBA; specific PPP applications that the government alleges were falsely submitted; the government's knowledge and evaluation of the existence of fraud in the PPP; the SBA and other government officials' guidance concerning PPP lender requirements and PPP applicant eligibility; Kabbage's participation in the PPP; Kabbage's BSA/AML program; the SBA's use, approval, evaluation, or assessment of PPP loan applications; Kabbage's communications with the SBA and other government officials.

<u>Defendant Robinson's Position (in addition to Defendants' Position)</u>

Documents and communications with Kabbage and within SBA and/or Treasury related to identifying Kabbage loan files to review or audit and the reasons for such potential reviews or audits;

Documents and communications with Kabbage and within SBA and/or Treasury related to whether Government employees or contractors suspected fraud or calculation errors in Kabbage loan files and any actions they took as a result;

Documents and communications with Kabbage and within SBA and/or Treasury related to Kabbage disclosing its loan calculation and verification methodologies to the Government, including but not limited to in response to SBA requests for Kabbage loan files;

Kabbage's communications and cooperation with law enforcement related to investigations of PPP loan applicants, including but not limited to the FBI, SBA OIG, Treasury OIG, or IRS;

Documents and communications within SBA and/or Treasury related to whether Government employees or contractors auditing or reviewing loan files from other lenders suspected fraud or calculation errors in those loan files and any actions they took as a result;

Documents and communications within SBA and/or Treasury related to whether other lenders made the "SALT Error" and any actions taken as a result;

Documents and communications within SBA and/or Treasury related to whether any other lenders accepted borrower representations about the number of employees making more than $100,000 annually without further payroll documentation review or mathematical checks or verifications as a result;

Documents and communications within SBA and/or Treasury related to whether any other lenders did not do a "good faith review" of PPP applications or failed to maintain an acceptable BSA/AM system, and any actions taken as a result, including but not limited actual or threatened litigation against those lenders;

All SARs or other communications from Kabbage's partner banks reporting suspicions or concerns about any Kabbage PPP applicants or Kabbage's processes for reviewing and approving PPP loans

All actions taken in response to any SARs filed by Kabbage with respect to any PPP loan applications

Documents and communications within SBA and/or Treasury related to whether lenders should approve or not approve PPP loan applications where the lenders could not confirm fraud or inaccuracies.

Purpose, development, and implementation of the Paycheck Protection Program ("PPP");

Purpose, development, and implementation of all guidance issued pursuant to the PPP;

Participation of non-bank lenders in the PPP, including financial technology companies;

Kabbage,[1] including its participation in the PPP as a direct lender and service provider;

PPP loan applications reviewed or submitted by Kabbage and/or KServicing[2];

PPP loan forgiveness applications reviewed or submitted by Kabbage and/or KServicing;

PPP lender loan review requirements;

The likelihood and prevalence of fraud in the PPP;

PPP applications submitted by Celtic Bank;

PPP applications submitted by Cross River Bank;

The SBA's Office of Inspector General Reports concerning the PPP;

(ii) Any issues relating to disclosure or discovery of electronically stored information ("ESI"), including the form or forms in which it should be produced (whether native or some other reasonably usable format) as well as any methodologies for identifying or culling the relevant and discoverable ESI. Any disputes regarding ESI that counsel for the parties are unable to resolve during their conference must be identified in the report.

At the Rule 26(f) conference, counsel for each party agreed that an ESI order governing the production of ESI in this matter should be adopted and utilized in the litigation. On April 24, 2025, the parties jointly moved the Court to enter an agreed-upon ESI order.

(iii) Any agreements or disputes relating to asserting claims of privilege or preserving discoverable information, including ESI and any agreements reached under Federal Rule of Evidence 502 (such as the potential need for a protective order and any procedures to which the parties might agree for handling inadvertent production of privileged information and other privilege waiver issues). A party asserting that any information is confidential should immediately apply to the Court for entry of a protective order.

At the Rule 26(f) conference, counsel for each party agreed that a protective order should be adopted and utilized in the litigation. Counsel also agreed that the parties' exchange of discovery and other evidence would be subject to a claw-back agreement relating to the inadvertent disclosure of privileged or potentially privileged information. The Court has entered agreed-upon ESI, protective, and Rule 502(d) clawback orders.

(iv) Any changes that should be made in the limitations on discovery imposed by the Rules, whether federal or local, and any other limitations that should be imposed.

The Government proposes 20 fact depositions per side, excluding any depositions required to take discovery on any advice of counsel defense that Defendants may assert. Defendants propose 30 fact depositions per side.

(v) Whether any other orders should be entered by the Court pursuant to Federal Rule of Civil Procedure 26(c) or Rule 16(b), (c).

The parties are in discussions concerning a potential additional order to govern the exchange of privilege logs.

8. Statement of the progress made toward settlement and the present status of settlement negotiations, including whether a demand and/or an offer has been made. If the parties have agreed upon a mediator, also state the name, address, and phone number of that mediator and a proposed deadline for mediation. An early date is encouraged to reduce expense. The Court will appoint a mediator if none is agreed upon.

The United States received a settlement offer from Defendant Petralia on November 22, 2024, and made a counter-offer to Defendant Petralia on the same day, but has not received a further response. The United States received a settlement offer from Defendant Robinson on February 12, 2025, and made a counter-offer on February 24, 2025. Robinson rejected that demand and has not made a counter. The United States has not made a settlement demand to, or received a settlement offer from, Defendant Frohwein. At the Rule 26(f) conference, the United States conveyed to counsel for Defendants that it is ready, willing, and able to discuss settlement at any time. Counsel for Defendants conveyed that it is premature to discuss settlement at this time. The parties anticipate that settlement discussions may be more productive after the Court has ruled on the Defendants' motions to dismiss. The parties will agree upon a mediator by the deadline set forth in Appendix 1 (or advise the Court in the event they cannot reach an agreement).

9. The identity of persons expected to be deposed.

The United States expects to depose Defendants and various third parties, including at least the former employees of Kabbage listed in the table below, and current or former employees of Kabbage's lender partners, including Customers Bank, and Cross River Bank, Wells Fargo Bank, and Kabbage's consultants, including Alvarez & Marsal. The Government anticipates the need for additional persons to be deposed as discovery proceeds.

Name	Title[2]
Kate Prince	Former Executive Assistant, Kabbage
Syed Ashekeen	Former New Products Analyst, Kabbage
Nipun Goel	Former Head of Lend Ops, Strategy, Kabbage
Hirsh Gaikwad	Former Strategic Analyst, Kabbage
Rohit Bothra	Former Data Science Analyst, Kabbage

[2] Names and titles are based on documents and information currently available to the United States. The United States reserves the right to amend this list as discovery proceeds.

Anthony Sabelli	Former Head of Data Science, Kabbage
James Hayes	Former Director of FP&A, Kabbage
Sam Taussig	Former Head of Global Policy, Kabbage
Kristel Adler	Former Head of Deposits and Savings, Kabbage
David McGowan	Former Head of Technology, Kabbage
Nan Siler	Former Head of Payment Operations, Kabbage
Deepesh Jain	Former Head of Capital Markets, Kabbage
Nicole Hill	Former Head of Fraud, Kabbage
Krishnakumar Srinivasan	Former Chief Analytics Officer, Kabbage
Amit Kesarwani	Former Vice President, Credit Risk & Analytics; Acting Head of Fraud
Bryanna Simpson	Former Fraud Analyst, Kabbage
Siddharth Shah	Former Risk Analyst, Kabbage
Taylor Suiter	Former SBA Loan Rep, Kabbage
Laura Goldberg	Former Chief Revenue Officer, Kabbage
Paul Bernardini	Former Head of Communications, Kabbage
Kara Baker	Former Payment and Finops Lead, Kabbage
William Bowden	Former Director of Collection & Risk Revenue, Kabbage
Daniel Eidson	Former Head of Tax & Treasury, Kabbage; and Former CFO, KServicing

Defendants expect to depose various third parties, including at least current and former employees of Kabbage and the SBA, as set forth in the table below, as well as current and former employees of Kabbage's bank partners, Cross River Bank and Customers Bank. Defendants anticipate the need for additional persons to be deposed as discovery proceeds.

Name	Title[3]
Former Kabbage Employees	
Amit Kesarwani	Former Vice President, Credit Risk & Analytics; Acting Head of Fraud
Azba Habib	Former Assistant General Counsel
Bryanna Simpson	Former Manager, Risk Management
Clint Hill	Former Head of Architecture and Information Security
David McGowan	Former Chief Technology Officer
Elizabeth Maiellaro	Former Counsel
Emma Blackburn	Former Customer Service Employee
Hirsh Gaikwad	Former Product and Strategy
Jessica Robinson	Former Risk Analyst
Kristel Adler	Former Head of New Products
Latinga Maxfield	Former Employee (Title Unknown)
Laura Goldberg	Former Chief Revenue Officer

[3] Names and titles are based on documents and information currently available to Defendants. Defendants reserve the right to amend this list as discovery proceeds.

Leslie Scott Askins	Former General Counsel
Nan Siler	Former Head of Payments Strategy and Operations
Nipun Goel	Former Head of Lend Operations Strategy
Sam Taussig	Former Head of Policy
Syed Ashekeen	Former Product Lead
Tawana Tillard	Former Risk Analyst
SBA Officials	
Bill Briggs	Nominee for Deputy Administrator
Bill Manger	Former Chief of Staff
Brett Lehnert	Special Agent
Christopher Gray	Former Deputy Chief of Staff
Christopher Ray	Former Special Agent, Office of Inspector General ("OIG")
Edward Ledford	Associate Director, Office of Credit Risk
Eileen Rodriguez	Former Regional Director, Florida Small Business Development Center
Eric Benderson	Associate General Counsel for Litigation and Small Claims
Hannibal (Mike) Ware	Inspector General
Isabella Casillas Guzman	Former Administrator
Janelle Jones	Lender Relations Specialist
Jasmin Gonzalez	Special Agent, OIG
John Blackstock	District Director, New Jersey District
John Miller	Deputy Associate Administrator, Office of Capital Access
Jon Block	Former Loan Specialist
Jonathan Harkless	Former Intern, Investigations Division, OIG
Jovita Carranza	Former Administrator
Juan Fernandez	Special Agent, OIG
Kenneth Welch	Certified Digital Fraud Examiner, OIG
Michelle Blank	National Disaster Program Director, Investigations Division, OIG
Minerva Perez	Loan Specialist
Miriam Gurruchaga	Special Agent
Patrick Kelley	Former Associate Administrator for the Office of Capital Access, from 2021-2023
Paul Kirwin	Supervisory Financial Analyst, Office of Credit Risk
Ryan Kucera	Special Agent
Sara Oliver	Special Agent, OIG
Sheryl McConville	Deputy Director, Office of Performance Systems Management
Timalyn Franklin	System Owner, Office of Performance Systems Management
Wilbur Barras	Title Unknown

10. Estimated trial time and whether a jury demand has been timely made.

The parties jointly propose 3 weeks for a jury trial.

All parties request trial by jury.

11. The names of the attorneys who will appear on behalf of the parties at the management conference (the appearing attorney must be an attorney of record and have full authority to bind the client).

For the United States: Assistant United States Attorney Betty Young of the Eastern District of Texas and attorneys Sarah Loucks and Kelly Phipps from the Civil Fraud Section of the United States Department of Justice's Civil Division, Commercial Litigation Branch. The United States will be represented by the above-listed attorneys at the management conference, and this team will be able to negotiate any settlement that that they are willing to recommend for approval but will not have the "full authority to bind" the United States. *See* 28 C.F.R. §§ 0.160 and 0.161; 28 U.S.C. §§ 472, 473(b)(5), (c); Fed. R. Civ. P. 16.

For Relator: Julie Bracker and Sarah Frazier will appear in person on behalf of Relator.

For Defendant Robert Frohwein: Miranda Hooker, Kate MacLeman, and Kara Czekai will appear in person on behalf of Mr. Frohwein.

For Defendant Kathryn Petralia: George Varghese and Michaela Wilkes Klein will appear in person on behalf of Ms. Petralia.

For Defendant Spencer Robinson: Henry Asbill and Chris Mead will appear in person on behalf of Mr. Robinson.

12. Whether the parties jointly consent to trial before a magistrate judge.

The parties do not jointly consent to trial before a magistrate judge.

13. Any other matters that counsel deem appropriate for inclusion in the joint conference report or that deserve the special attention of the Court at the management conference.

None at this time.

Dated: May 2, 2025

Respectfully submitted,

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