IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION

UNITED STATES OF AMERICA

v. **CASE NO.** 1:22cr24AW/GRJ

PATRICK PARKER WALSH
_____/

STATEMENT OF FACTS

The parties agree with the truthfulness of the following factual basis for the Defendant's guilty plea. The undersigned parties further agree that not all of the facts known from this investigation are contained in this brief summary. Defendant admits that, if this case were to proceed to trial, the Government could prove the following facts beyond a reasonable doubt:

FRAUDULENT PAYCHECK PROTECTION PROGRAM LOAN APPLICATIONS

Patrick Walsh ("WALSH") prepared or caused to be prepared multiple false Paycheck Protection Program ("PPP") loan applications in the names of multiple business entities, some of which had been dormant or inactive at the time of the PPP loan application or until just prior to the application being submitted. WALSH also submitted, or caused to be submitted, the false PPP loan applications, along with false supporting documentation, to various financial institutions and other businesses for the purpose of fraudulently obtaining PPP loan proceeds. In all PPP

loan applications, the small business (through its authorized representative) was required to certify, among other things, its: (a) average monthly payroll expenses, and (b) number of employees. These figures were used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, businesses applying for a PPP loan were required to provide documentation showing their payroll expenses, and that they were in business as of February 15, 2020.

Walsh made all of the false representations described herein with actual knowledge that the statements were false, and submitted all of the false documents described herein with actual knowledge that the documents were false. Walsh did so specifically to induce the recipient financial institutions, and the SBA, to approve his loan applications and issue SBA-backed loans to his businesses and ultimately to Walsh himself, correctly understanding that these false representations and false documents went to facts material to the issuance of those SBA-backed loans.

On April 7, 2020, WALSH, listed as the 100% owner of AIRSIGN INC, AMERICAN BLIMP COMPANY LLC, and AIRSIGN AIRSHIP GROUP fraudulently applied for PPP loans with J.P. Morgan Chase Bank ("Chase Bank") in the amounts of $1,313,092.00, $636,610.00, and $1,111,448.00, respectively. In his PPP loan applications, WALSH falsely represented that AIRSIGN INC had 35 current employees and had an average monthly payroll expense of $525,237.00; that AMERICAN BLIMP COMPANY LLC had 11 current employees and had an

average monthly payroll expense of $254,644.00; and that AIRSIGN AIRSHIP GROUP had 25 current employees and had an average monthly payroll expense of $444,579.00. Neither of those PPP loan applications were approved or funded by Chase Bank.

WALSH's other fraudulent PPP loan applications are as follows:

AIRSIGN AIRSHIP ASIA PACIFIC LLC (AAAP)

On or about May 28, 2020, WALSH, listed as the 100% owner of AAAP, fraudulently applied for a PPP loan with Liberty Bank. The loan was transferred to Celtic Bank. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application digitally signed by WALSH falsely stating that AAAP had 49 employees with an average monthly payroll of $200,919.00. Based on this average monthly payroll figure reported by WALSH, AAAP requested a PPP loan in the amount of $502,297.

b. WALSH submitted false IRS Forms 941 for AAAP for the 2019 Quarters 2, 3 and 4 and the 2020 Quarter 1 tax periods. These IRS Forms 941 falsely reported that AAAP had 51, 48, 35 and 49 employees with total quarterly wages of $699,141.32, $523,345.74, $297,790.47 and $890,760.16, respectively. These Forms 941 were all signed by WALSH. According to a search of records held by

the Internal Revenue Service ("IRS"), these tax return forms were never submitted to the IRS.

c. WALSH provided what appears to be an internally-created document titled "Payment Protection Plan Calculations." This document falsely listed 57 employees by name, job type and their average monthly salaries (the submitted form had a numbering error in the left column which shows the number 49 at the last employee but after employee number 51 the numbering reverts back to 48 instead of 52). The average monthly salary for the 57 employees was $369,765.46;numerous employees had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation.

The Florida Department of Revenue ("FLDOR") maintains records of wages paid to employees by corporations in Florida. The FLDOR had no record of any wages paid to employees of AAAP. The Florida Division of Corporations website (SUNBIZ) shows that AAAP was reinstated as a Limited Liability Company (LLC) in the State of Florida on or about April 30, 2020. Prior to this the last annual report for AAAP filed with the State of Florida was on or about January 29, 2018.

Based on false representations made in the PPP loan application and the supporting documents (described above), which included a gross overstatement of the number of employees that AAAP had and their average monthly salary, Celtic

Bank funded an SBA-backed loan to AAAP in the amount of $502,200.00. The associated lender fee for this loan was $15,066.00, paid by the SBA on or about June 25, 2020, and the SBA made a guarantee purchase payment for this loan to Celtic Bank on or about November 5, 2021.

AMERICAN BLIMP COMPANY LLC (ABC)

On or about April 30, 2020, WALSH, listed as the 100% owner of ABC, fraudulently applied for a PPP loan with Celtic Bank. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application DocuSigned[1] by WALSH falsely stating that ABC had 32 employees with an average monthly payroll of $201,967.60. These figures were different than those included in WALSH's PPP loan application for ABC to Chase Bank on April 7, 2020 (as noted above). Based on this average monthly payroll figure falsely reported by WALSH, ABC requested a PPP loan in the amount of $504,919.00.

b. WALSH falsely submitted an IRS Form 941 for ABC for the first quarter of 2020. This IRS Form 941 falsely reported that ABC had 51 employees with total quarterly wages of $956,870.92. This form indicates it was signed by

[1] DocuSign, Inc. is an American company that allows organizations to manage electronic agreements. As part of the DocuSign Agreement Cloud, DocuSign offers eSignature, a way to sign electronically on different devices.

WALSH on or about April 1, 2020. According to a search of records held by the Internal Revenue Service ("IRS"), this tax return form was never submitted to the IRS.

c. WALSH submitted an IRS Form 940 for ABC for the 2019 tax year in which Walsh reported that the total payments to all employees of ABC during the 2019 tax year was $96,876.12.

d. WALSH provided what appears to be an internally-created document titled "Payment Protection Plan Calculations." This document falsely listed 51 employees by name, job type and their average monthly salaries. The average monthly salary for the 51 employees was falsely listed as $319,767.46. Numerous employees had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation. When the AAAP and ABC "Payment Protection Plan Calculations" documents are compared side by side, the first 51 employees listed on the AAAP calculation document are the same employees, with the same job title and the same salaries listed on the ABC document.

Based on misrepresentations made in the PPP loan application and the supporting documents, which included a gross overstatement of the number of employees that ABC had and their average monthly salary, Celtic Bank funded an SBA-backed loan to ABC in the amount of $504,919.00. The associated lender fee

for this loan was $15,147.57, paid by the SBA on or about June 19, 2020, and the SBA made a guarantee purchase payment for this loan to Celtic Bank on or about November 5, 2021.

WALSH FAMILY LAND CORP (WFLC)

On or about April 28, 2020, WALSH, listed as the 100% owner of WFLC, fraudulently applied for a PPP loan with Liberty Bank. The loan was transferred to Celtic Bank. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application DocuSigned by WALSH falsely stating that WFLC had 10 employees with an average monthly payroll of $96,891.41. Based on this average monthly payroll figure reported by WALSH, WFLC requested a PPP loan in the amount of $242,228.52.

b. WALSH submitted an IRS Form 940 for WFLC for the tax year 2019. This IRS Form 940 falsely reported that the total payments to all employees of WFCL during the 2019 tax year was $871,885.08. This form indicates it was signed by WALSH on or about January 28, 2020. According to a search of records held by the Internal Revenue Service ("IRS"), this tax return form was never submitted to the IRS.

c. On or about April 29, 2021, over a year after it was due and after WALSH became aware of the federal investigation, the IRS received a 2019 Form

1120S in the name of WFLC. This Form 1120S reported salaries and wages to employees and compensation to officers that matched those reported on the WFLC Form 940 submitted to Celtic Bank. However, no Forms 940 or 941 in the name of WFLC for the tax year 2019 had been submitted to the IRS. Although WALSH claimed salaries and wages and officer compensation in the amount of $871,885.00 on the 2019 tax return for WFLC filed after WALSH became aware of the investigation, no Form W-2's for 2019 for WFLC employees' have been filed with the IRS.

d. WALSH provided what appears to be an internally-created document titled "Payment Protection Plan Calculations." This document falsely listed 10 employees by name, job type and their average monthly salaries. The average monthly salary for the 10 employees was falsely listed as $77,913.99;numerous employees had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation. When the employees listed on the WFLC "Payment Protection Plan Calculations" document are compared to the employees listed on the AAAP and ABC "Payment Protection Plan Calculations" documents, 8 of the 10 listed employees share the same name, job title and salary. The two employees listed on the WFLC document that were not

listed on the ABC and AAAP documents were Hannah Walsh (Walsh's wife) and Adrian Walsh (Walsh's son).

The Florida Department of Revenue ("FLDOR") maintains records of wages paid to employees by corporations in Florida. The FLDOR has no record of any wages paid to employees of WFLC during the tax year 2019. The FLDOR noted that WFLC became active on May 2, 2020 with quarterly filings for Q2 2020 and Q3 2020. These quarterly filings reported between 0 and 4 employees, not the 10 employees listed in the PPP loan application. The Florida Division of Corporations website (SUNBIZ) shows that WFLC was reinstated as a corporation in the State of Florida on or about April 30, 2020. Prior to this the last annual report for WFLC filed with the State of Florida was on or about October 19, 2018.

Based on representations made in the PPP loan application and the supporting documents, which included a gross overstatement of the number of employees that WFLC had and their average monthly salary, Celtic Bank funded an SBA-backed loan to WFLC in the amount of $242,200.00. The associated lender fee for this loan was $12,110.00, paid by the SBA on or about June 22, 2020, and the SBA made a guarantee purchase payment to Celtic Bank for this loan on or about November 1, 2021.

AIRSIGN AIRSHIP GROUP LLC (AAG)

On or about July 17, 2020, WALSH, listed as the 100% owner of AAG, fraudulently applied for a PPP loan with First Home Bank. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application falsely stating that AAG had 48 employees with an average monthly payroll of $390,000.00. These figures were different than those included in WALSH's PPP loan application for AAG to Chase Bank on April 7, 2020 (as noted above). Based on this average monthly payroll figure falsely reported by WALSH, AAG requested a PPP loan in the amount of $858,209.00.

b. WALSH submitted false IRS Forms 941 for AAG for 2019 Quarters 1, 2, 3 and 4. These IRS Forms 941 falsely reported that AAG had 49, 51, 44, and 35 employees with total quarterly wages of $765,861.42, $956,870.92, $523,345.74 and $297,790.47, respectively. These Forms 941 were not signed. According to a search of records held by the Internal Revenue Service ("IRS"), these tax return forms were never submitted to the IRS.

c. WALSH also submitted two identical 2019 Forms 1120S to First Home Bank: one Form 1120S was for AAG and the other was for AIRSIGN GROUP LLC (discussed below). The only difference between these two Forms

1120S was the entity name and employer identification number. These Forms 1120S indicated that they were ink signed by WALSH and prepared by a Certified Public Accountant ("CPA") whose initials were J.D. and who was located in Ocala, FL. Emails obtained from First Home Bank show that WALSH claimed that the numbers were correct, but he would need time to correct the error with his CPA. WALSH then withdrew the PPP loan application (as discussed below). CPA J.D. was interviewed and stated that he never prepared either tax form for WALSH. After these tax returns were submitted to First Home Bank, the IRS electronically received a similar tax return for AAG but without J.D.'s signature; because it was submitted to the IRS electronically, it was not ink-signed by WALSH (as was the version received by First Home Bank). The Form 1120S contained the same amount of revenue as the returns submitted to First Home Bank. The Forms 1120S submitted to First Home Bank reported ordinary business income of $3,779,124 however the Form 1120S submitted to the IRS reported ordinary business income of $2,478,515.

d. WALSH also provided what appears to be an internally-created document titled "Payment Protection Plan Calculations." This document falsely listed 57 employees by name, job type and their average monthly salaries. The average monthly salary for the 57 employees was listed as $369,765.46;numerous employees had an average monthly salary of $8,333.00. The top of the page stated

that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation. This is the exact same "Payment Protection Plan Calculations" document that was submitted to Celtic bank in support of the AAAP loan, which listed the same employees, job titles and salaries.

The Florida Department of Revenue ("FLDOR") maintains records of wages paid to employees by corporations in Florida. The FLDOR has no record of any wages paid to employees of AAG. The Florida Division of Corporations website (SUNBIZ) shows that AAG was reinstated as a Limited Liability Company (LLC) in the State of Florida on or about April 30, 2020. Prior to this the last annual report for AAG filed with the State of Florida was on or about January 16, 2018.

First Home Bank and WALSH communicated regarding additional documentation requests and clarification on documents submitted. On or about September 1, 2020, WALSH withdrew his $858,209.00 PPP loan application for AAG after inquiry by First Home Bank.

AIRSIGN INC

On or about April 9, 2020 –two days after making the fraudulent PPP loan application for AIRSIGN INC to Chase Bank– WALSH, listed as the 100% owner of AIRSIGN INC, fraudulently applied for a PPP loan with Newtek SBF. Various

false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application DocuSigned by WALSH falsely stating that AIRSIGN INC had 32 employees with an average monthly payroll of $316,360.00. These figures were different than those included in WALSH's PPP loan application for AIRSIGN INC to Chase Bank on April 7, 2020 (as noted above). Based on this average monthly payroll figure reported by WALSH, AIRSIGN INC requested a PPP loan in the amount of $790,900.00.

b. WALSH submitted an IRS Form 940 for AIRSIGN INC for the tax year 2019. This IRS Form 940 reported that the total payments to all employees of AIRSIGN INC during the 2019 tax year was $956,870.92. This form indicated that it was the final tax return for this business.

c. WALSH provided what appears to be an internally-created document titled "Airsign Payment Protection Plan Calculations." This document had a similar layout to that submitted for the above-described loan applications (including employee name, job types, each employee's average monthly payroll), except it was broken into two calculations. One page referenced employees and the other referenced contractors. The employee page falsely listed 41 employees and the contractor page listed 28 contractors. The average monthly salary for the 41 employees was falsely listed as $236,437.26. On the employee sheet, numerous

employees were falsely reported to have had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation. When the AIRSIGN INC and AAAP "Payment Protection Plan Calculations" documents are compared side by side, the first 40 of the 41 listed employees on the AIRSIGN INC calculation document are the same employees, with the same job title and the same salaries listed on the AAAP document.

Based on false representations made in the PPP loan application and the supporting documents, which included a gross overstatement of the number of employees that AIRSIGN INC had and their average monthly salary, Newtek SBF funded an SBA-backed loan to AIRSIGN INC in the amount of $790,900.00. The associated lender fee for this loan was $23,727.00, paid by the SBA on or about June 17, 2020, and the SBA made a guarantee purchase payment to Newtek SBF for this loan on or about February 5, 2022.

AIRSIGN AIRSHIP LATIN AMERICA LLC (AALA)

On or about May 17, 2020, WALSH, listed as the 100% owner of AALA, fraudulently applied for a PPP loan with Fountainhead SBF, LLC. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application, which was digitally signed by WALSH, falsely stating that AALA had 51 employees with an average monthly payroll of $400,800.00. Based on this average monthly payroll figure reported by WALSH, AALA requested a PPP loan in the amount of $1,002,000.00.

b. WALSH submitted IRS Forms 941 for AALA for the 2019 Quarters 1, 2, 3 and 4 and the 2020 Quarter 1 tax periods. These IRS Forms 941 falsely reported that AALA had 49, 51, 48, 35 and 51 employees with total quarterly wages of $756,861.42, $956,870.92, $523,345.74, $297,790.47 and $890,760.16, respectively. These Forms 941 were all signed by WALSH. The 2019 Quarters 2, 3, and 4 and the 2020 Quarter 1 tax Form 941 submitted in the name of AALA falsely reported the same wages for the same quarters as the 941's submitted in the name of AAAP. According to a search of records held by the Internal Revenue Service ("IRS"), these tax return forms were never submitted to the IRS.

c. WALSH provided what appears to be an internally-created document titled "Airsign Payment Protection Plan Calculations." This document falsely listed 51 employees by name, job type and their average monthly salaries. The average monthly salary for the 51 employees was falsely listed as $319,767.46;numerous employees had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation. This is the same

document with the same employees, job titles and salaries that was submitted to justify the employee salaries for the ABC Celtic Bank PPP loan.

The Florida Department of Revenue ("FLDOR") maintains records of wages paid to employees by corporations in Florida. The FLDOR has no record of any wages paid to employees of AALA. The Florida Division of Corporations website (SUNBIZ) shows that AALA was reinstated as a Limited Liability Company (LLC) in the State of Florida on or about April 30, 2020. Prior to this the last annual report for AALA filed with the State of Florida was on or about January 29, 2018; thus, AALA was not in business as of February 15, 2020.

Based on false representations made in the PPP loan application and the supporting documents, which included a gross overstatement of the number of employees that AALA had and their average monthly salary, Fountainhead SBF, LLC funded an SBA-backed loan to AALA in the amount of $1,002,000.00. The associated lender fee for this loan was $30,060.00, paid by the SBA on or about June 26, 2020, and the SBA made a guarantee purchase payment for this loan to Fountainhead SBF on or about January 6, 2022.

After Congress passed additional stimulus-funding bills, Fountainhead SBF received a Second Draw PPP loan request from WALSH. Investigators did not obtain a traditional loan application from Fountainhead SBF. Communications appear to have occurred over Fountainhead SBF's online portal and through email.

A document named "Email Chain 5 – Fw_PPP Loan Verification_Additional Information Required" contains an email chain in which on or about January 21, 2021, WALSH falsely indicated that he was using his quarter 2 2019 payroll figures to justify a second PPP loan draw in the amount of $1.2 million dollars. During a conversation in the Fountainhead online portal that occurred on or about January 23, 2021, WALSH stated that a loan in the amount of $592,743 was acceptable to him. Numerous false documents were included with the Second Draw PPP loan request. Some of these false documents included:

a. In addition to the IRS Forms 941 previously provided, IRS Forms 941 for AALA for the 2020 Quarters 2, 3, and 4 were provided. These IRS Forms 941 falsely reported that AALA had 40, 41, and 0 employees with total quarterly wages of $386,153.73, $139,388.02 and $292,767.55, respectively. These Forms 941 indicate they were prepared by Paychex. Paychex indicated to investigators that it had no record of AALA being one of its clients. According to a search of records held by the Internal Revenue Service ("IRS"), these tax return forms were never submitted to the IRS.

b. Also as part of the Second Draw, WALSH provided what appears to be an internally-created document titled "Payment Protection Plan Calculations." This document was only the first page of the similar documents which were submitted for the other loans; no employees were listed on this

document. WALSH also included a document labeled "Airsign Airships Latin America 2019 Q2 Payroll Ledger." This ledger included the April, May and June payroll. Although this document is in a different format, the June 2019 payroll appears to include the same employees and wage amounts as previously submitted for the first PPP loan.

After WALSH became aware of the ongoing federal investigation, he withdrew this Second Draw PPP loan application for AALA.

AIRSIGN AIRSHIP REPAIR STATION LLC (AARS)

On or about April 22, 2020, WALSH, listed as the 100% owner of AARS, fraudulently applied for a PPP loan with Harvest SBF, LLC. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application signed by WALSH falsely stating that AARS had 32 employees with an average monthly payroll of $415,000.00. Based on this average monthly payroll figure reported by WALSH, AARS requested a PPP loan in the amount of $1,038,808.00.

b. WALSH submitted a false IRS Form 940 to Harvest SBF but it was not for AARS. This IRS Form 940 was the AIRSIGN INC Form 940 for the tax year 2019 that was submitted to Newtek SBF in support of the $790,900.00 AIRSIGN INC PPP loan.

c. WALSH provided what appears to be an internally-created document titled "Airsign Payment Protection Plan Calculations." This document falsely listed 51 employees by name, job type, and their average monthly salaries. The average monthly salary for the 51 employees was falsely listed as $319,767.46;numerous employees had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the calculation. This is the same document with the same employees, job titles, and salaries that was submitted to justify the employee salaries for the ABC Celtic Bank PPP loan in the amount of $504,919.00 and the AALA Fountainhead PPP Loan in the amount $1,002,000.00.

The Florida Department of Revenue ("FLDOR") maintains records of wages paid to employees by corporations in Florida. The FLDOR has no record of any wages paid to employees of AARS. The Florida Division of Corporations website (SUNBIZ) shows that AARS was reinstated as a Limited Liability Company (LLC) in the State of Florida on or about April 30, 2020. Prior to this the last annual report for AARS filed with the State of Florida was on or about January 29, 2018; thus AARS was not in business as of February 15, 2020.

Based on false representations made in the PPP loan application and the supporting documents, which included a gross overstatement of the number of employees that AARS had and their average monthly salary, Harvest SBF, LLC

funded an SBA-backed loan to AARS in the amount of $1,038,808.00. The associated lender fee for this loan was $31,164.24, paid by the SBA on or about June 19, 2020, and the SBA made a guarantee purchase payment for this loan to Harvest SBF, LLC on or about December 15, 2021.

After Congress passed additional pandemic stimulus-funding bills, HARVEST SBF received a Second Draw PPP loan application from WALSH that was signed on or about January 15, 2021. On this application WALSH falsely stated that AARS now had 51 employees with an average monthly payroll of $415,524.00. Based on this average monthly payroll figure reported by WALSH, AARS requested another PPP loan in the amount of $1,038,808.00. Also as part of the Second Draw, WALSH provided what appears to be an internally-created document titled "Payment Protection Plan Calculations." This document falsely listed 57 employees by name, job type, and average monthly salaries (this form had a numbering error in the left column which shows the number 49 at the last employee but after employee number 51 the numbering reverts back to 48 instead of 52). The average monthly salary for the 57 employees was falsely represented to be $369,765.46. This was the same Payment Protection Plan Calculations document provided to support the AAAP Celtic Bank PPP loan.

AIRSIGN GROUP LLC

On or about April 14, 2020, WALSH, listed as the 100% owner of AIRSIGN GROUP, fraudulent applied for a PPP loan with Renasant Bank. Various false documents in support of the loan were also submitted with the application. Some of those false documents included:

a. A PPP loan application signed by WALSH falsely stating that AIRSIGN GROUP had an average monthly payroll of $229,200.00. Based on this average monthly payroll figure falsely reported by WALSH, AIRSIGN GROUP requested a PPP loan in the amount of $573,000.00.

b. WALSH submitted a false IRS Form 940 to Renasant Bank but it was not for AIRSIGN GROUP. This IRS Form 940 was the AIRSIGN INC Form 940 for the tax year 2019 that was submitted to Newtek SBF in support of the $790,900.00 AIRSIGN INC PPP loan.

c. WALSH provided what appears to be an internally-created document titled "Airsign Payment Protection Plan Calculations." This document falsely listed AIRSIGN GROUP employees by name, job type, and average monthly salaries. The average monthly salary for AIRSIGN GROUP employees was falsely represented as being $172,531.13; numerous employees had an average monthly salary of $8,333.00. The top of the page stated that any employee with a salary over $100,000 was reduced to $100,000 (or $8,3333 per month) for the purpose of the

calculation. When the AIRSIGN GROUP and AAAP "Payment Protection Plan Calculations" documents are compared side-by-side, the first 32 listed employees on the AIRSIGN GROUP calculation document are the same employees, with the same job title and the same salaries listed on the AAAP document and similar documents sent to the other lenders.

Based on false representations made in the PPP loan application and the supporting documents, which included a gross overstatement of the number of employees that AIRSIGN GROUP had and their average monthly salary, Renasant Bank funded an SBA-backed loan to AIRSIGN GROUP in the amount of $573,000.00. The associated lender fee for this loan was $17,190.00, paid by the SBA on or about June 11, 2020, and the SBA made a guarantee purchase payment for this loan to Renasant Bank on or about November 24, 2021.

OTHER ENTITIES

WALSH fraudulently applied for three more PPP loans for three additional entities: AIRSIGN AIRSHIPS AMERICA LLC (AAA), AIRSIGN AIRSHIPS TITLE (AAT) and EAGLERIDGE MANAGEMENT GROUP LLC DBA SHILOH OIL COMPANY (SHILOH). The PPP loan application for AAA, made on or about April 20, 2020, falsely represented that it had 35 current employees and an average monthly payroll expense of $400,000.00. The PPP loan application for AAT, made on or about April 22, 2020, falsely represented that it had 32 current employees and

an average monthly payroll expense of $136,856.00. The PPP loan application for SHILOH, made on or about July 17, 2020, falsely represented that it had 12 current employees and an average monthly payroll expense of $72,657.00.

The PPP loan application submissions for AAA and AAT contained similar discrepancies in the supporting documents as the other loan applications submitted to lenders when compared information provided to the IRS and the FL DOR. More importantly both AAA and AAT contained similar "Payment Protection Plan Calculations" documents listing the same employees as the other WALSH entities. The SHILOH and AAA PPP loans were ultimately never funded. AAT received a PPP loan in the amount of $342,140.00.

* * *

WALSH fraudulently attempted to obtain PPP loans totaling $11,950,399.00; however, $4,996,167.00 was funded based on WALSH's fraudulent PPP loan applications.

FRAUDULENT ECONOMIC INJURY DISASTER LOAN APPLICATIONS

In addition to the above-listed PPP loans, WALSH also fraudulently applied for and received Economic Injury Disaster Loans ("EIDLs") from the SBA for the following entities, based on applications submitted with the following false representations with respect to each business entity's number of employees and the

entities' gross revenue for the preceding 12 months (which WALSH grossly overstated in his fraudulent EIDL applications):

Loan Number	Business Name	Loan Amount	# of Employees	Gross Revenue for the Preceding 12 Months	Business State
7839728209	EAGLE RIDGE MANAGEMENT GROUP LLC (D/B/A SHILOH OIL COMPANY)	$150,000.00	11	$3,800,000.00	WY
3427027210	AIRSIGN GROUP	$500,000.00	6	$2,500,000.00	FL
5377437901	AIRSIGN AIRSHIP REPAIR STATION LLC	$23,000.00	2	$200,000.00	TN
5050907909	AIRSIGN AIRSHIPS LATIN AMERICA LLC	$90,000.00	1	$300,000.00	FL
3316377207	AIRSIGN INC	$500,000.00	35	$8,003,195.00	FL
7289637901	AIRSIGN AIRSHIP GROUP LLC	$38,000.00	2	$300,000.00	FL
3422677207	WALSH FAMILY LAND CORP	$80,000.00	1	$380,000.00	FL
7840198202	AERO CAPITAL LLC (D/B/A AEROSERVE)	$95,000.00	5	$400,000.00	FL
5361497903	AIRSIGN AIRSHIPS AMERICA LLC	$150,000.00	22	$7,200,000.00	FL
5260267905	AIRSIGN AIRSHIPS TITLE LLC	$73,000.00	2	$300,000.00	FL
7928127909	AMERICAN BLIMP COMPANY LLC	$150,000.00	39		TN
5117847910	AIRSIGN AIRSHIPS ASIA PACIFIC LLC	$73,000.00	2	$300,000.00	FL
		$1,922,000.00			

Further, nine (9) fraudulent EIDL applications were submitted to the SBA in the name of WALSH'S wife, HANNAH. WALSH fraudulently applied for these

loans in the name of, and using the personal identification information of, his wife, HANNAH, without her knowledge or consent. Six of those nine EIDLs were funded by the SBA, based on false representations in the applications, as noted below:

Loan Number	Business: Trade Name	Loan Amount	Gross Revenue for the Preceding 12 Months	# of Employees
8063218205	PALMETTO SPRINGS PLAZA	$150,000.00	$510,000.00	2
8972328200	CARTER OIL	$150,000.00	$800,000.00	6
8098918203	AIRSIGN-MZ3A LLC	$150,000.00	$620,000.00	1
8970188202	MARIENA OIL TRUST	$150,000.00	$439,000.00	1
9364768204	DAVIS OIL	$150,000.00	$650,000.00	1
9035598200	SKYWRITE AERIAL ADVERTISING	$150,000.00	$512,000.00	2
	AIRSIGN - ABC HOLDINGS	$0.00	$486,000.00	2
	NORTHCUTT OIL	$0.00		5
	BOND OIL & GAS	$0.00		1
		$900,000.00		

WALSH fraudulently obtained EIDL loans, in his name and in his wife's name, totaling $2,822,000.00.

* * *

In total, WALSH fraudulently attempted to obtain PPP loans and EIDLs in the amount of **$14,772,399.00**; however, **$7,818,167.00** was funded based on WALSH's fraudulent PPP loan and EIDL applications.

MONEY LAUNDERING TRANSACTIONS

The following chart summarizes the monetary transactions involving at least $10,000 of fraudulently-obtained loan proceeds obtained through the wire fraud

scheme described above, each of which would constitute a separate charge pursuant to 18 U.S.C. § 1957:

Trans Posted Date	Description	Trans Amount	Notes
4/29/2020	Blackburn Blackburn Attorneys Jacksonville FL	$90,260.89	Purchase Sweetheart Island
5/11/2020	DRAWBRIDGE INVESTMENTS LLC LAKEWOOD NJ 08701	$100,000.00	Deposit for Drawbridge $2,M Deal Per Highscore Et Al
5/18/2020	WBL SPO I LLC (_###2583)	$230,000.00	17370 NE 75th St - Loan Mortgage Payoff - Levy Bk 1541 PG 982
5/18/2020	WBL SPO I LLC (_###2583)	$25,000.00	17370 NE 75th St - Loan Mortgage Payoff - - Levy Bk 1541 PG 982
5/18/2020	Ocala Development (_#####5880)	$148,154.64	Payoff NE 120th Ave, Bronson, FL
5/19/2020	DBI 12 NW 5TH PLACE LLC LAKEWOOD NJ	$55,000.00	Rent Payment
5/26/2020	SUPERIOR LOAN SERVICING TRUST I CANOGA PARK CA 91303	$272,455.53[2]	Payoff 17370 NE 75th St, Williston (Superior Loan)
5/27/2020	Orig CO Name:Select Portfolio Orig ID:1870465626	$10,015.00	Payments for 12070 NE 20th St, Williston Per SPS A57
5/29/2020	DBI 12 NW 5TH PLACE LLC LAKEWOOD NJ	$112,500.00	Deposit for Buy Back 12 NW 5th
6/10/2020	SCG Lending LLC (_####8977)	$175,000.00	Loan Payoff
6/15/2020	DBI 12 NW 5TH PLACE LLC LAKEWOOD NJ	$50,000.00	Rent Payment
6/18/2020	Blakewood Mortgage (_########0710)	$111,294.92	2451 NE 114th Ave Mortgage Payoff
6/24/2020	Orig CO Name:Select Portfolio Orig ID:1870465626	$10,983.45	Payments for 12070 NE 20th St, Williston
6/25/2020	ESTACADO ENERGY LLC RICHARDSON TX	$275,000.00	Purchase Bond Oil Leases in TX
6/26/2020	M J PRODUCTION COMPANY LLC AUSTWELL TX	$165,000.00	Oilfield in Caldwell TX for Shiloh
7/6/2020	FIRST AMERICAN TITLE INSURANCE COMPSANTA ANA CA	$100,000.00	Down Payment for Lava Mountain Lodge Property in Jackson Hole
7/8/2020	HIGHSCORE CAPITAL LLC	$300,000.00	Deposit Purchase of building from DBI 12 NW 5TH
7/9/2020	HIGHSCORE CAPITAL LLC	$300,000.00	Deposit Purchase of building from DBI 12 NW 5TH
7/9/2020	TCS PETROLEUM CO., LLC	$290,000.00	Wells in TX

[2] This transaction is alleged in Count Two of the Information.

9/9/2020	W3B INVESTMENTS LLC - CHASE 3973	$55,000.00	W3B Investments
9/9/2020	W3B INVESTMENTS LLC - CHASE 3973	$15,000.00	
9/10/2020	W3B INVESTMENTS LLC - CHASE 3973	$100,000.00	
9/11/2020	W3B INVESTMENTS LLC - CHASE 3973	$50,000.00	
11/10/2020	BIG COUNTRY TITLE EASTLAND TX 76448	$206,612.15	Shiloh Oil Purchase 7005 HWY 183, Cisco TX
	TOTAL	**$3,247,276.58**	

ELEMENTS OF THE OFFENSE

i. Wire Fraud - 18 U.S.C. § 1343 (Count 1)

Elements to be proven beyond a reasonable doubt:

(1) the Defendant knowingly devised or participated in a scheme to defraud, or to obtain money or property by using false pretenses, representations, or promises;
(2) the false pretenses, representations, or promises were about a material fact;
(3) the Defendant acted with the intent to defraud; and
(4) the Defendant transmitted or caused to be transmitted by wire some communication in interstate commerce to help carry out the scheme to defraud.

11th Circuit Pattern Jury Instructions § O51.

ii. Money Laundering - 18 U.S.C. § 1957 (Count 2)

Elements to be proven beyond a reasonable doubt:

(1) the Defendant knowingly engaged or attempted to engage in a monetary transaction;
(2) the Defendant knew the transaction involved property or funds that were the proceeds of some criminal activity;
(3) the property had a value of more than $10,000;
(4) the property was in fact proceeds of Wire Fraud; and

(5) the transaction took place in the United States.

11th Circuit Pattern Jury Instructions § O74.6.

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08/25/22
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Patrick Parker Walsh
Defendant

8-25-22
Date

8/30/2022
Date