IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

UNITED STATES OF AMERICA	)	
	)	
v.	)	
	)	Criminal Action No. 23-78
CRANDALL SPEIGHTS,	)	REDACTED
	)	
Defendant.	)	

INDICTMENT

The Grand Jury for the District of Delaware charges that:

Background Relevant to All Counts

1. Between on or about June 13, 2019, and October 12, 2021, Crandall SPEIGHTS schemed to fraudulently obtain money in two ways. As set forth below, one of those methods involved depositing checks which were stolen out of the mail and altered, and the other involved submitting applications for federal loans for companies that did not exist.

2. To obtain one of the fraudulent loans, SPEIGHTS conspired with an unindicted co-conspirator.

3. SPEIGHTS deposited, or directed others to deposit, fraudulently obtained funds into nine bank accounts. SPEIGHTS then made efforts to conceal the fact that the funds were obtained through fraud by transferring fraudulently obtained funds between bank accounts.

4. In the course of these schemes, SPEIGHTS used another person's identity without his knowledge or permission. SPEIGHTS used the name of an individual referred to herein as "J.L." in bank account opening documents for an account at Discover Bank, which received fraudulently obtained loan funds.

FILED
SEP 14 2023
U.S. DISTRICT COURT
DISTRICT OF DELAWARE

Scheme to Alter and Deposit Stolen Checks

5. Between on or about June 13, 2019, and October 12, 2021, Crandall SPEIGHTS deposited approximately twenty-four (24) checks into four (4) bank accounts he controlled. Those checks were stolen from United States Postal Service ("USPS") mail collection boxes and receptacles and altered to look like they were made out to other individuals or businesses.

6. In total, SPEIGHTS obtained or attempted to obtain approximately $345,250 through this scheme.

Scheme to Obtain Fraudulent CARES Act Loans

7. During an overlapping timeframe, between on or about June 21, 2020, and on or about April 26, 2021, SPEIGHTS submitted six (6) fraudulent applications for federal loans through the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act").

8. The CARES Act provides for sources of funding for small businesses affected by the economic downturn associated with the Coronavirus Pandemic, Paycheck Protection Program Loans, and Shuttered Venue Operators Grants. The date of disaster for CARES Act purposes is January 31, 2020 ("Date of Disaster").

9. The Paycheck Protection Program Loans ("PPP") are designed for payroll costs, mortgage interest and rent, and utilities. To be eligible for a PPP Loan, borrowers must have been in operation on February 15, 2020, had fewer than 500 employees, and had monthly payroll expenses. Approved PPP borrowers receive a loan amount equal to up to 2.5 times the monthly payroll stated in the borrower's application. Applicants for PPP Loans submit applications through traditional lenders, many who already participate in other U.S. Small Business Administration ("SBA") guaranteed loan programs.

10. Economic Injury Disaster Loans ("EIDL") are designed for working capital needs—broadly defined as short-term business expenses, such as accounts payable and interest on fixed debts. A business may apply for both PPP and EIDL, but cannot hold funds from both programs for the same purpose. Applicants for EIDLs submit an online application directly to the SBA.

11. Between on or about June 21, 2020, and on or about April 26, 2021, SPEIGHTS submitted six (6) fraudulent applications to the SBA and its authorized lenders to obtain loans through the small business loan programs established by the CARES Act. Speights conspired with an unindicted co-conspirator to submit one of those fraudulent applications on or about February 21, 2021.

12. These six (6) loan applications were made on behalf of five (5) entities controlled by SPEIGHTS: Abbey Plumbing & HVAC LLC; Santolubes Manufacturing LLC; a sole proprietorship in the name of an individual referred to herein as "W.T"; Crandall SPEIGHTS – Sole Proprietorship; and Cantera Music Foundation. Each of the loan applications falsely asserted the existence of a small business or sole proprietorship that did not in fact exist, along with false information about, for example, the number of employees of the business, the business's start date, or revenues or payroll expenses of the business.

13. As a result of these false applications, SPEIGHTS obtained approximately $559,999. The six (6) loans were deposited into six (6) bank accounts which SPEIGHTS and/or an unindicted co-conspirator controlled. Some of those bank accounts are the same bank accounts where stolen checks were deposited.

COUNT 1

(Bank Fraud – Scheme to Deposit Stolen Checks)

14. From on or about June 13, 2019, through on or about October 12, 2021, SPEIGHTS deposited twenty-four (24) checks into the following federally insured financial institutions and accounts:

a. HSBC Checking Account Number XXXXX0291, in the name of W.T. ("HSBC 0291");

b. HSBC Checking Account Number XXXXX0712, in the name of W.T. ("HSBC 0712");

c. Bank of America Checking Account Number XXXXXXXX4939, in the name of Abbey Plumbing & HVAC LLC ("BOA 4939");

d. Bank of America Checking Account Number XXXXXXXX0990, in the name of an individual referred to herein as "T.G." ("BOA 0990").

15. The checks SPEIGHTS deposited were stolen from USPS mail collection boxes and receptacles in Delaware and elsewhere, and were altered to appear as if they had been made out to other individuals or businesses.

16. The checks ranged in amount from approximately $300 to approximately $101,453, and originated from M&T Bank, Wells Fargo Bank, Fulton Bank, Bryn Mawr Trust, TD Bank, Bank of America, Truist Bank, and Charles Schwab Bank, each of which is a federally insured financial institution. In total, SPEIGHTS obtained or attempted to obtain approximately $345,250 through this scheme, as set forth below:

Originating Bank	Recipient Bank Account	Date Deposited	Check Number	Check Amount
M&T Bank	HSBC 0291	9/20/2021	4663	$52,500
M&T Bank	HSBC 0712	9/20/2021	4665	$15,000
M&T Bank	HSBC 0712	9/20/2021	4669	$11,500
M&T Bank	HSBC 0712	9/20/2021	4667	$5,000
Wells Fargo Bank	BOA 4939	9/30/2021	4071	$101,453
Fulton Bank	BOA 4939	9/28/2021	10992	$8,345.25
Fulton Bank	BOA 4939	9/28/2021	11002	$7,166
Fulton Bank	BOA 4939	9/29/2021	11005	$12,741.50
Fulton Bank	BOA 4939	9/29/2021	11008	$28,348.69
Fulton Bank	BOA 4939	9/30/2021	11003	$6,400
Fulton Bank	BOA 4939	9/30/2021	11007	$8,955
Bryn Mawr Trust	BOA 4939	10/5/2021	3162	$797.78
TD Bank	BOA 4939	10/5/2021	4202	$504.25
TD Bank	BOA 4939	10/5/2021	6290	$1,399.80
TD Bank	BOA 4939	10/5/2021	6289	$1,009.68
TD Bank	BOA 4939	10/5/2021	4766	$1,874.04

Bank of America	BOA 4939	10/5/2021	426	$1,727.80
TD Bank	BOA 4939	10/5/2021	2729	$13,054.50
TD Bank	BOA 4939	10/5/2021	1024	$4,201.29
Truist Bank	BOA 4939	10/6/2021	552	$4,010.20
Charles Schwab Bank	BOA 4939	10/8/2021	50	$700.00
Wells Fargo Bank	BOA 4939	10/12/2021	1391	$5,922.75
Bank of America	BOA 4939	10/12/2021	119	$300.00
Wells Fargo Bank	BOA 0990	6/13/2019	20033	$3,937.50
Wells Fargo Bank	BOA 0990	6/14/2019	10552	$4,267
Wells Fargo Bank	BOA 0990	6/14/2019	10553	$8,800
Wells Fargo Bank	BOA 0990	6/14/2019	10554	$35,334

Charging Paragraph

17. From on or about June 13, 2019, through on or about October 12, 2021, in the District of Delaware and elsewhere, Crandall SPEIGHTS, defendant herein, did knowingly execute and attempt to execute a scheme and artifice to defraud M&T Bank, Wells Fargo Bank, Fulton Bank, Bryn Mawr Trust, TD Bank, Bank of America, Truist Bank, and Charles Schwab Bank, federally insured financial institutions, and to obtain moneys, funds, and other property under the custody and control of those financial institutions, by means of material false and

fraudulent pretenses, representations, and promises, as described more fully in paragraphs 14-16 above, incorporated herein by reference.

All in violation of Title 18, United States Code, §§ 1344 and 2.

COUNT 2

(Wire Fraud – Cantera Music Foundation EIDL)

18. On or about June 21, 2020, SPEIGHTS created a fraudulent online application for an EIDL to the SBA in the name of Cantera Music Foundation, a business purportedly located in Philadelphia, Pennsylvania and whose Chief Executive Officer was purportedly J.L. In this application, SPEIGHTS stated Cantera Music Foundation had an entity start date of October 15, 2018, had twenty (20) employees, and $150,000 in gross revenues in 2019.

19. Contrary to the fraudulent representations made by SPEIGHTS, Cantera Music Foundation is not an actual business entity with J.L. as Chief Executive Officer, did not have an entity start date of October 15, 2018, did not have twenty (20) employees, did not have $150,000 in gross revenues in 2019, and therefore was not eligible to receive an EIDL.

20. As a result of this fraudulent application made by SPEIGHTS, on or about June 25, 2020, the SBA approved the EIDL and deposited $100,000 into Discover Bank Checking Account Number XXXXXX1038, in the name of J.L. ("Discover 1038").

Charging Paragraph

21. From on or about June 21, 2020, through on or about June 25, 2020, in the District of Delaware and elsewhere, SPEIGHTS, defendant herein, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, as described in paragraphs 18 through 20 above, incorporated herein by reference, and for the purposes of executing such scheme, did

knowingly transmit and cause to be transmitted by means of a wire communication in interstate and foreign commerce, the following:

- On or about June 21, 2020, an electronic loan application submitted to the SBA by SPEIGHTS from his home in Delaware.

All in violation of Title 18, United States Code, Section 1343.

COUNT 3

(Aggravated Identity Theft – J.L.)

22. On or about March 31, 2020, SPEIGHTS opened the Discover 1038 bank account using J.L.'s name, date of birth, and social security number. SPEIGHTS did so knowing J.L. was a real person, but without J.L.'s knowledge or permission.

23. The Discover 1038 bank account later received the fraudulent EIDL for Cantera Music Foundation as alleged in Count 2.

Charging Paragraph

24. On or about March 31, 2020, in the District of Delaware and elsewhere, SPEIGHTS did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, wire fraud, as alleged in Count 2, and as described in paragraphs 22 through 23 above, knowing that the means of identification belonged to another actual person, in violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT 4

(Conspiracy to Commit Wire Fraud – Santolubes Manufacturing LLC Loan)

25. On or about February 22, 2021, SPEIGHTS and an unindicted co-conspirator conspired together to create a fraudulent online application for a PPP loan to Customers Bank, a

federally insured banking corporation headquartered in Phoenixville, Pennsylvania, in the name of Santolubes Manufacturing, LLC, a business purportedly located in Wilmington, Delaware. In this application, SPEIGHTS and the unindicted co-conspirator stated that Santolubes Manufacturing LLC was owned by the unindicted co-conspirator, had eighteen (18) employees, that the entity was established in 2018, and that it had approximately $63,333 in average monthly payroll expenses.

26. Contrary to the fraudulent representations made by SPEIGHTS and the unindicted co-conspirator, Santolubes Manufacturing is not an actual business entity owned or represented by the unindicted co-conspirator, did not have eighteen (18) employees, did not have an entity start date in 2018, did not have approximately $63,333 in average monthly payroll expenses, and therefore was not eligible to receive a PPP loan.

27. As a result of this fraudulent application made by SPEIGHTS and the unindicted co-conspirator, on or about March 31, 2021, Customers Bank approved the PPP loan and deposited $179,167 into Ocean First Bank Checking Account Number XXXXXXX4661, in the name of the unindicted co-conspirator ("Ocean First 4661").

28. On April 6, 2021, Speights and the unindicted co-conspirator conspired together to open Ocean First Bank Business Checking Account Number XXXXXXXX1378, in the name of Santolubes Manufacturing LLC ("Ocean First 1378"). That same day, the unindicted co-conspirator wrote a check to withdraw $122,000 in cash from the Ocean First 4661 account. Ocean First Bank cancelled the check and closed Ocean First 4661 and 1378 on April 8, 2021.

Charging Paragraph

29. From on or about February 22, 2021, through on or about April 6, 2021, in the District of Delaware and elsewhere, SPEIGHTS, defendant herein, and an unindicted co-

conspirator, did knowingly and intentionally conspire and agree to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises in violation of Title 18, United States Code, Section 1343, as described in paragraphs 25 through 28 above, incorporated herein by reference, and for the purposes of executing such scheme, did knowingly transmit and cause to be transmitted by means of a wire communication in interstate and foreign commerce, the following:

- On or about February 22, 2021, an electronic loan application initiated with Customers Bank by SPEIGHTS and an unindicted co-conspirator, from his home in Delaware.

All in violation of Title 18, United States Code, Section 1349.

COUNT 5

(Wire Fraud – Abbey Plumbing & HVAC LLC Loan)

30. On or about March 31, 2021, SPEIGHTS submitted a fraudulent online application for a PPP loan to Blue Ridge Bank, a federally insured banking corporation headquartered in Martinsville, Virginia, in the name of Abbey Plumbing & HVAC LLC, a business purportedly located in Philadelphia, Pennsylvania. In this application, SPEIGHTS stated Abbey Plumbing & HVAC LLC was owned by W.T., had twenty-seven (27) employees, an entity start date of 2018, and $71,667 in average monthly payroll expenses.

31. Contrary to the fraudulent representations made by SPEIGHTS, Abbey Plumbing & HVAC LLC is not an actual business entity owned or represented by W.T., did not have twenty-seven (27) employees, did not have an entity start date of 2018, did not have $71,667 in average monthly payroll expenses, and therefore was not eligible to receive a PPP loan.

32. As a result of this fraudulent application made by SPEIGHTS, on or about April 12, 2021, Blue Ridge Bank approved the PPP loan and deposited $200,000 into the HSBC 0712 Account, a business account held in the name of W.T.

Charging Paragraph

33. From on or about March 31, 2021, through on or about April 12, 2021, in the District of Delaware and elsewhere, SPEIGHTS, defendant herein, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, as described in paragraphs 30 through 32 above, incorporated herein by reference, and for the purposes of executing such scheme, did knowingly transmit and cause to be transmitted by means of a wire communication in interstate and foreign commerce, the following:

- On or about March 31, 2021, an electronic loan application sent to Blue Ridge Bank by SPEIGHTS, from his home in Delaware.

All in violation of Title 18, United States Code, Section 1343.

COUNT 6

(Wire Fraud – SPEIGHTS Self-Employment Loan)

34. On or about March 28, 2021, SPEIGHTS submitted a fraudulent online application for a PPP loan to Fountainhead SBF, in the name of Crandall SPEIGHTS, a purportedly self-employed individual located in Wilmington, Delaware. In this application, SPEIGHTS stated he had been self-employed since January 1, 2017, and had gross income of $125,000 in 2019.

35. Contrary to the fraudulent representations made by SPEIGHTS, he has not been a self-employed individual located in Wilmington, Delaware since January 1, 2017, did not have gross income of $125,000 in 2019, and therefore was not eligible to receive a PPP loan.

36. As a result of this fraudulent application made by SPEIGHTS, on or about April 13, 2021, Fountainhead SBF approved the PPP loan and deposited $20,833 into Aspiration Checking Account Number XXXXXXXX2884, in the name of Crandall SPEIGHTS ("Aspiration 2884").

Charging Paragraph

37. From on or about March 28, 2021, through on or about April 13, 2021, SPEIGHTS, defendant herein, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, as described in paragraphs 34 through 36 above, incorporated herein by reference, and for the purposes of executing such scheme, did knowingly transmit and cause to be transmitted by means of a wire communication in interstate and foreign commerce, the following:

- On or about March 28, 2021, an electronic loan application sent to Fountainhead SBF by SPEIGHTS, from his home in Delaware.

All in violation of Title 18, United States Code, Section 1343.

COUNT 7

(Wire Fraud – W.T. Self-Employment Loan)

38. On or about April 10, 2021, SPEIGHTS submitted a fraudulent online application for a PPP loan to Fountainhead SBF, an SBA-guaranteed non-bank direct lender headquartered in Lake May, Florida, in the name of W.T., a purportedly self-employed individual located in Philadelphia, Pennsylvania. In this application, SPEIGHTS stated W.T. had been self-employed since January 1, 2014, and had gross income of $100,000 in 2019.

39. Contrary to the fraudulent representations made by SPEIGHTS, W.T. has not been a self-employed individual located in Philadelphia, Pennsylvania since January 1, 2014, did not have gross income of $100,000 in 2019, and therefore was not eligible to receive a PPP loan.

40. As a result of this fraudulent application made by SPEIGHTS, on or about April 21, 2021, Fountainhead SBF approved the PPP loan and deposited $20,833 into Discover Bank Checking Account Number XXXXXX5363, in the name of W.T. ("Discover 5363").

Charging Paragraph

41. From on or about April 10, 2021, through on or about April 21, 2021, in the District of Delaware and elsewhere, SPEIGHTS, defendant herein, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, as described in paragraphs 38 through 40 above, incorporated herein by reference, and for the purposes of executing such scheme, did knowingly transmit and cause to be transmitted by means of a wire communication in interstate and foreign commerce, the following:

- On or about April 10, 2021, an electronic loan application sent to Fountainhead SBF by SPEIGHTS, from his home in Delaware.

All in violation of Title 18, United States Code, Section 1343.

COUNT 8

(Wire Fraud – Second W.T. Self-Employment Loan)

42. On or about April 26, 2021, SPEIGHTS submitted a fraudulent online application for a second-draw PPP loan to Fountainhead SBF in the name of W.T., a purportedly self-employed individual located in Philadelphia, Pennsylvania. In this application, SPEIGHTS stated W.T. had been self-employed since January 1, 2014, and had gross income of $100,000 in 2019.

43. Contrary to the fraudulent representations made by SPEIGHTS, W.T. has not been a self-employed individual located in Philadelphia, Pennsylvania since January 1, 2014, did not have gross income of $100,000 in 2019, and therefore was not eligible to receive a PPP loan.

44. As a result of this fraudulent application made by SPEIGHTS, on or about May 5, 2021, Fountainhead SBF approved the PPP loan and deposited $29,166 into Bank of America Checking Account Number XXXXXXXX4955, in the name of Abbey Plumbing & HVAC LLC ("BOA 4955").

Charging Paragraph

45. From on or about April 26, 2021, through on or about May 5, 2021, in the District of Delaware and elsewhere, SPEIGHTS, defendant herein, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, as described in paragraphs 42 through 44 above, incorporated herein by reference, and for the purposes of executing such scheme, did knowingly transmit and cause to be transmitted by means of a wire communication in interstate and foreign commerce, the following:

- On or about April 26, 2021, an electronic loan application sent to Fountainhead SBF by SPEIGHTS, from his home in Delaware.

All in violation of Title 18, United States Code, Section 1343.

COUNTS 9-10

(Money Laundering)

46. Paragraphs 1 – 45 are fully incorporated herein.

47. SPEIGHTS used the following federally insured financial institutions and accounts to conduct financial transactions:

a. Discover Bank Checking Account Number XXXXXX1038, in the name of J.L. ("Discover 1038");

b. Aspiration Checking Account Number XXXXXXXX2884, in the name of Crandall SPEIGHTS ("Aspiration 2884");

c. HSBC Checking Account Number XXXXX0712, in the name of W.T. ("HSBC 0712");

d. Bank of America Checking Account Number XXXXXXXX4939, in the name of Abbey Plumbing & HVAC LLC ("BOA 4939");

48. On or about the following dates, in the District of Delaware and elsewhere, SPEIGHTS knowingly engaged in and attempted to engage in a monetary transaction affecting interstate and foreign commerce, in criminally derived property of a value greater than $10,000, that is, the withdrawal, deposit, and transfer of funds from and to the financial institutions identified below, such property having been derived from specified unlawful activity, that is wire fraud, as set forth in Counts 2 and 5:

Count	On or About	Transfer From	Transfer To	Amount
9	7/13/2020	Discover 1038	Aspiration 2884	$25,000
10	4/12/2021	HSBC 0712	BOA 4939	$35,000

All in violation of Title 18, United States Code, Section 1957.

NOTICE OF FORFEITURE

Bank and Wire Fraud Involving Financial Institutions (Counts 1, 4-8)

Upon conviction of the offenses in violation of 18 U.S.C. § 1343 set forth in Counts 1, and 4-8 of the Indictment the defendant, CRANDALL SPEIGHTS shall forfeit to the United States of America, pursuant to 18 U.S.C. § 982(a)(2)(A) and 28 U.S.C. § 2461(c), any property, real or

personal, which constitutes or is derived from proceeds obtained directly or indirectly as a result of the offenses. The property to be forfeited includes, but is not limited to, a sum of money equal to the proceeds derived from the offense.

Wire Fraud Involving Theft of Government Funds (Count 2)

Upon conviction of the offense in violation of 18 U.S.C. § 1343 set forth in Count 2 of this Indictment, the defendant, CRANDALL SPEIGHTS, shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses. The property to be forfeited includes, but is not limited to, a sum of money equal to the proceeds derived from the offense.

Money Laundering (Counts 9-10)

Upon conviction of the offenses in violation of Title 18, United States Code, Section 1957 set forth in Counts 9 - 10 of this Indictment, the defendant, CRANDALL SPEIGHTS, shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1), any property, real or personal, involved in the offenses, and any property traceable to such property. The property to be forfeited includes, but is not limited to, the following:

Money Judgment: a sum of money equal to the proceeds derived from the offense; and

Personal Property: Contents of (a) Discover Bank Checking Account Number XXXXXX1038; (b) Aspiration Checking Account Number XXXXXXXX2884; (c) HSBC Checking Account Number XXXXX0712; and (d) Bank of America Checking Account Number XXXXXXXX4939.

Substitute Property

If any of the property described above, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;
b. has been transferred or sold to, or deposited with, a third party;
c. has been placed beyond the jurisdiction of the court;
d. has been substantially diminished in value; or
e. has been commingled with other property which cannot be divide without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

A TRUE BILL:

Foreperson

DAVID C. WEISS
UNITED STATES ATTORNEY

BY: _____
Carly Hudson
Assistant United States Attorneys

Dated: September 14, 2023