UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
AT CHATTANOOGA

UNITED STATES OF AMERICA	)	
	)	No. 1:24-CR-0080
v.	)	
	)	JUDGES ATCHLEY/STEGER
RICKY TAYLOR	)	

AMENDED PLEA AGREEMENT

The United States of America, by the United States Attorney for the Eastern District of Tennessee, and the defendant, RICKY TAYLOR, and the defendant's attorney, Katryna Spearman, have agreed upon the following:

1. The defendant will waive indictment and arraignment and plead guilty to an information charging the defendant with the following offense(s):

a) Count _1__. Wire Fraud in violation of 18 U.S.C. § 1343.

The punishment for this offense is as follows. A maximum penalty of 20 years, a maximum fine of $250,000, a period of supervised release of up to 3 years, a special assessment, forfeiture, and restitution.

b) Count _2__. Tax fraud in violation of 18 U.S.C. § 7206(1).

The punishment for this offense is as follows. A maximum possible penalty of 3 years, a maximum possible fine of $100,000, a period of up to one year of supervised release, a special assessment, forfeiture, and restitution.

2. The defendant has read the information, discussed the charges and possible defenses with defense counsel, and understands the crime(s) charged. Specifically, the elements of the offense(s) are as follows:

Wire Fraud:

a. The defendant knowingly devised a scheme to defraud in order to deprive another of money or property;
b. The scheme included a material misrepresentation or concealment of a material fact;
c. The defendant had the intent to defraud; and
d. The defendant used wire communications in interstate commerce in furtherance of the scheme.

Tax Fraud:

a. The defendant made and subscribed a return, statement, or other document that was false as to a material matter;
b. The return, statement, or other document contained a written declaration that it was made under the penalties of perjury;
c. The defendant did not believe the return, statement, or other document to be true and correct as to every material matter; and
d. The document falsely subscribed to the return, statement or other document willfully, with the specific intent to violate the law.

3. In support of the defendant's guilty plea, the defendant agrees and stipulates to the following facts, which satisfy the offense elements. These are the facts submitted for purposes of the defendant's guilty plea. They do not necessarily constitute all of the facts in the case. Other facts may be relevant to sentencing. Both the defendant and the United States retain the right to present additional facts to the Court to ensure a fair and appropriate sentence in this case.

(a) The defendant devised a scheme to defraud by materially false and fraudulent pretenses. The purpose of the scheme was to obtain funds via the Paycheck Protection Program ("PPP"). Essentially, the defendant applied for PPP loans and received disbursements on behalf of entities that did not have payroll obligations near the level the defendant claimed that they did.

(b) On February 9, 2021, the defendant caused to be transmitted an interstate wire on behalf of Potter's Wheel Trucking LLC. This wire traveled in interstate commerce to Region's Bank's servers. This resulted in a $437,500 disbursement, which significantly exceeded any amount to which the defendant would have been entitled. The defendant admits that he executed this same

Doc ID: c9c29f6e98438d26b384384a8e6d7771db685ae

scheme in the names of other entities including, Ricky Taylor Basketball, LLC; Arena of Praise; Spirit Logistics, LLC; and Reap Real Estate and Property. The defendant admits that the total amount of fraudulently obtained funds acquired amounts to approximately $1,875,092.

(c) On April 18, 2022, the defendant made and filed an individual U.S. tax return, Form 1040, which was verified by a written declaration that it was made under the penalties of perjury and which the defendant knew was not true and correct as to every material matter. That is, he stated that his 2021 income was $72,484 while knowing that his actual income in 2021 had been $1,806, 201, which resulted in a tax deficiency of $620,674. On October 5, 2021, the defendant filed a false U.S. Form 1040, and verified that his income was $68,799, when in fact his income had been $210,174, which resulted in a tax deficiency of $37,435.[1]

(d) The defendant agrees that the uncharged wire fraud committed on behalf of the entities listed above is relevant conduct to the conduct to which the defendant is pleading. The defendant agrees that the total loss amount in the wire fraud count exceeds $1,500,000 for determining loss amount under U.S.S.G. § 2B1.1(b). The defendant also agrees that the tax deficiency caused by his fraudulent filing in 2021 is relevant conduct to the conduct charged in Count II and is to be considered in determining the guidelines under U.S.S.G. § 2T1.1 and for purposes of restitution to the IRS.

4. The defendant is pleading guilty because the defendant is in fact guilty. The defendant understands that, by pleading guilty, the defendant is giving up several rights, including:

a) the right to be indicted by a grand jury for these crimes;

b) the right to plead not guilty;

[1] The parties agree that the tax deficiencies for both tax year 2020 and 2021 may vary slightly based on the final determination of the intended loss. The parties will present the final tax deficiency to the Court at sentencing.

Doc ID: c0c29f6e88438d26b334384a8e6d7771db685ae

c) the right to a speedy and public trial by jury;

d) the right to assistance of counsel at trial;

e) the right to be presumed innocent and to have the burden of proof placed on the United States to prove the defendant guilty beyond a reasonable doubt;

f) the right to confront and cross-examine witnesses against the defendant;

g) the right to testify on one's own behalf, to present evidence in opposition to the charges, and to compel the attendance of witnesses; and

h) the right not to testify and to have that choice not used against the defendant.

5. Pursuant to Rule 11(c)(1)(C), the defendant and the United States agree that the following sentence is the appropriate disposition of this case. In the event the Court declines to accept this agreement, either party will be free to withdraw from the plea agreement.

(a) The Court may impose any lawful sentence not exceeding the lowest number of months' imprisonment called for by the applicable guideline range as determined by the Court at sentencing, any lawful fine, and any lawful term of supervised release up to the statutory maximum;

(b) The Court will impose special assessment fees as required by law; and

(c) The Court may order forfeiture as applicable and restitution as appropriate.

No promises have been made by any representative of the United States to the defendant as to what the sentence will be in this case. Any estimates or predictions made to the defendant by defense counsel or any other person regarding any potential sentence in this case are not binding on the Court and may not be used as a basis to rescind this plea agreement or withdraw the defendant's guilty plea(s). The defendant understands that the sentence in this case will be determined by the Court after it receives the presentence investigation report from the United States Probation Office and any information presented by the parties. The defendant acknowledges that the sentencing

Doc ID: c0c29f6e88438d26b334384a8eed7771db685ae

determination will be based upon the entire scope of the defendant's criminal conduct, the defendant's criminal history, and pursuant to other factors and guidelines as set forth in the Sentencing Guidelines and the factors set forth in 18 U.S.C. § 3553.

6. The defendant agrees to pay restitution to the Internal Revenue Service, plus interest, the exact amount is to be agreed upon by the parties prior to sentencing or determined at sentencing by the Court, pursuant to 18 U.S.C. § 3663(a)(3). The defendant agrees that the restitution paid to the IRS does not reduce the total restitution he owes to the United States for funds he fraudulently obtained via wire fraud. The defendant agrees that the total amount of restitution owing to the IRS reflected in this agreement results from the defendant's fraudulent conduct in the fraudulent filings in 2022 and 2021.

(a) The defendant agrees that restitution to the IRS is due and payable immediately after the judgment is entered and is subject to immediate enforcement, in full, by the United States. The IRS will use the amount of restitution ordered as the basis for a civil assessment under 26 U.S.C. § 6201(a)(4). Defendant does not have the right to challenge the amount of this restitution-based assessment. See 26 U.S.C. § 6201(a)(4)(C). Neither the existence of a restitution payment schedule nor defendant's timely payment of restitution according to that schedule will preclude the IRS from immediately collecting the full amount of the restitution-based assessment.

(b) If the Court orders the defendant to pay restitution to the IRS for the failure to pay tax, either directly as part of the sentence or as a condition of supervised release, the IRS will use the restitution order as the basis for a civil assessment. *See* 26 U.S.C. § 6201(a)(4). The defendant does not have the right to challenge the amount of this assessment. *See* 26 U.S.C. § 6201(a)(4)(C). Neither the existence of a restitution payment schedule nor the defendant's timely payment of

Doc ID: 60c29f6e8e38d26b334384a8eeb7771db685ae

restitution according to that schedule will preclude the IRS from administrative collection of the restitution-based assessment, including levy and distraint under 26 U.S.C. § 6331.

(c) Defendant is entitled to receive credit for restitution paid pursuant to this plea agreement against those assessed civil tax liabilities due and owing for the same periods for which restitution was ordered. Defendant understands and agrees that the plea agreement does not resolve the Defendant's civil tax liabilities, that the IRS may seek additional taxes, interest and penalties from Defendant relating to the conduct covered by this plea agreement and for conduct relating to another time period, and that satisfaction of the restitution debt does not settle, satisfy, or compromise the defendant's obligation to pay any remaining civil tax liability.

(d) Defendant authorizes release of information to the IRS for purposes of making the civil tax and restitution-based assessments. Defendant understands that he is not entitled to credit with the IRS for any payment until the payment is received by the IRS. If Defendant makes a payment of the restitution prior to sentencing, the payment will be applied as a credit against the restitution ordered to the IRS.

(e) Defendant agrees that the remaining restitution is due and payable immediately after the judgment is entered and is subject to immediate enforcement, in full, by the United States. If the Court imposes a schedule of payments for any portion of the remaining restitution, Defendant agrees that the schedule of payments is a schedule of the minimum payment due, and that the payment schedule does not prohibit or limit the methods by which the United States may immediately enforce the judgment in full.

7. Given the defendant's agreement to plead guilty, the United States will not oppose a two-level reduction for acceptance of responsibility under the provisions of Section 3E1.1(a) of the Sentencing Guidelines. Further, if the defendant's offense level is 16 or greater, and the defendant

Doc ID: 60c29f6e8438826b334384a8e6b7771db685ae

is awarded the two-level reduction pursuant to Section 3E1.1(a), the United States agrees to move, at or before the time of sentencing, the Court to decrease the offense level by one additional level pursuant to Section 3E1.1(b) of the Sentencing Guidelines. Should the defendant engage in any conduct or make any statements that are inconsistent with accepting responsibility for the defendant's offense(s), including violations of conditions of release or the commission of any additional offense(s) prior to sentencing, the United States will be free to decline to make such motion, to withdraw that motion if already made, and to recommend to the Court that the defendant not receive any reduction for acceptance of responsibility under Section 3E1.1 of the Sentencing Guidelines.

8. The defendant agrees to pay the special assessment in this case prior to sentencing.

9. Unless otherwise limited by an agreed preliminary order of forfeiture, the defendant agrees to forfeit to the United States immediately and voluntarily any and all assets and property, or portions thereof, which are in the possession or control of the defendant or the defendant's nominees that constitute or are derived from proceeds traceable to an offense in violation of Title 18, United States Code, Section 1343, including but not limited to the following:

Money Judgment

A money judgment in the amount of $942,238.85 which constitutes the proceeds traceable to the commission of the violation of Title 18, United States Code, Section 1343 that the defendant personally obtained as alleged in the Information.

The defendant further agrees to assist the United States fully in the identification, recovery, and return to the United States of any other assets or portions thereof subject to forfeiture. The defendant further agrees to make a full and complete disclosure of all assets over which the defendant exercises control and those which are held or controlled by a nominee. The defendant

Doc ID: c0c29f6e88438d26b334384a8e6d7771db685ae

agrees to forfeit all interests in the property described above and to take whatever steps are necessary to pass clear title to the United States. These steps include, but are not limited to, the surrender of title, the signing of a consent decree of forfeiture, and the signing of any other documents necessary to effectuate such transfers. The defendant agrees not to object to any administrative, civil or criminal forfeiture brought against the property. The defendant agrees to take all such steps to locate such property and to pass title to the United States before the defendant's sentencing.

In the event a money judgment forfeiture is ordered, the defendant also agrees to the entry of a separate preliminary order to facilitate the seizure or alternatively agrees to the voluntary transfer $942,238.85 held in Defendant's bank account. Defendant also agrees that the full money judgment amount shall be considered due and payable immediately. If the defendant cannot pay the full amount immediately and is placed in custody, the defendant agrees that the Bureau of Prisons will have the authority to establish payment schedules to ensure payment of the money judgment. The defendant further agrees to cooperate fully in efforts to collect on the money judgment by set-off of federal payments, execution on non-exempt property, and any other means the United States deems appropriate. The defendant and counsel also agree that the defendant may be contacted post-judgment regarding the collection of the money judgment without notifying defendant's counsel and outside the presence of the defendant's counsel. The United States Agrees to seek approval of the United States Attorney General to have the forfeited funds "Restored" and if approved applied to the outstanding court ordered restitution. If the funds are determined to be "Restored" by MLARS for application to the outstanding restitution, it is anticipated that the funds will be paid to non-governmental victims first.

Doc ID: c9c29f6e8843 8d20b334384a8eegd7771db685ae

10. Financial Obligations. The defendant agrees to pay all fines and/or restitution to the Clerk of Court. The defendant also agrees that the full fine and/or restitution amount(s) shall be considered due and payable immediately. If the defendant cannot pay the full amount immediately and is placed in custody or under the supervision of the Probation Office at any time, the defendant agrees that the Bureau of Prisons and the Probation Office will have the authority to establish payment schedules to ensure payment of the fine and/or restitution. The defendant further agrees to cooperate fully in efforts to collect any financial obligation imposed by the Court by set-off of federal payments, execution on non-exempt property, and any other means the United States deems appropriate. The defendant and counsel also agree that the defendant may be contacted post-judgment regarding the collection of any financial obligation imposed by the Court without notifying the defendant's counsel and outside the presence of the defendant's counsel. In order to facilitate the collection of financial obligations to be imposed with this prosecution, the defendant agrees to disclose fully all assets in which the defendant has any interest or over which the defendant exercises control, directly or indirectly, including those held by a spouse, nominee, or other third party. In furtherance of this agreement, the defendant additionally agrees to the following specific terms and conditions:

a) If so requested by the United States, the defendant will promptly submit a completed financial statement to the U.S. Attorney's Office, in a form it provides and as it directs. The defendant promises that such financial statement and disclosures will be complete, accurate, and truthful.

b) The defendant expressly authorizes the U.S. Attorney's Office to obtain a credit report on the defendant in order to evaluate the defendant's ability to satisfy any financial obligation imposed by the Court.

Doc ID: c0c29f6e88438d26b334384a8eecd7771db685ae

c) If so requested by the United States, the defendant will promptly execute authorizations on forms provided by the U.S. Attorney's Office to permit the U.S. Attorney's Office to obtain financial and tax records of the defendant.

11. The defendant acknowledges that the principal benefits to the United States of a plea agreement include the conservation of limited government resources and bringing a certain end to the case. Accordingly, in consideration of the concessions made by the United States in this agreement and as a further demonstration of the defendant's acceptance of responsibility for the offense(s) committed, the defendant voluntarily, knowingly, and intentionally agrees to the following:

a) The defendant will not file a direct appeal of the defendant's conviction(s) or sentence with one exception: The defendant retains the right to appeal a sentence imposed above the sentencing guideline range determined by the Court or above any mandatory minimum sentence deemed applicable by the Court, whichever is greater. The defendant also waives the right to appeal the Court's determination as to whether the defendant's sentence will be consecutive or partially concurrent to any other sentence.

b) The defendant will not file any motions or pleadings pursuant to 28 U.S.C. § 2255 or otherwise collaterally attack the defendant's conviction(s) or sentence, with two exceptions: The defendant retains the right to file a § 2255 motion as to (i) prosecutorial misconduct and (ii) ineffective assistance of counsel.

c) The defendant will not, whether directly or by a representative, request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including, without limitation, any records that may be

Doc ID: c0c29f6e88438d26534384a8eecd7771db685ae

sought under the Freedom of Information Act, 5 U.S.C. Section 552, or the Privacy Act of 1974, 5 U.S.C. Section 552a.

12. The United States will file a supplement in this case, as required in every case by the Local Rules of the United States District Court for the Eastern District of Tennessee, even though there may or may not be any additional terms. If additional terms are included in the supplement, they are hereby fully incorporated herein.

13. This plea agreement and supplement constitute the full and complete agreement and understanding between the parties concerning the defendant's guilty plea to the above-referenced charge(s), and there are no other agreements, promises, undertakings, or understandings between the defendant and the United States. The parties understand and agree that the terms of this plea agreement can be modified only in writing signed by all of the parties and that any and all other promises, representations, and statements whether made before, contemporaneous with, or after this agreement, are null and void.

FRANCIS M. HAMILTON III
UNITED STATES ATTORNEY

January 30, 2025
Date

By: James T. Brooks
Assistant United States Attorney

01 / 28 / 2025
Date

Ricky Taylor
Ricky Taylor
Defendant

01 / 28 / 2025
Date

Katryna Lyn Spearman
Katryna Spearman
Attorney for the Defendant

Doc ID: 60c29f6e88438d2b5334384a8eecd7771db685ae