

Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Monday, March 14, 2022

**Camden County Man Admits Fraudulently Obtaining
Paycheck Protection Program Loan**

CAMDEN, N.J. – A Camden County, New Jersey, man today admitted fraudulently obtaining a federal Paycheck Protection Program (PPP) loan of \$237,500, U.S. Attorney Philip R. Sellinger announced.

Cornell McCoy, 49, of Lawnside, New Jersey, pleaded guilty by videoconference before U.S. District Judge Karen M. Williams in Camden federal court to an information charging him with one count of bank fraud.

According to documents filed in this case and statements made in court:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a federal law enacted in March 2020 and was designed to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of hundreds of billions of dollars in forgivable loans to small businesses for job retention and certain other expenses, through a program referred to as the Paycheck Protection Program (the "PPP"). To obtain a PPP loan, a qualifying small business must apply and provide information on its operations, including the number of employees and payroll expenses. Businesses generally had to provide supporting documentation.

In February 2021, McCoy applied for a PPP loan on behalf of Silver Cup Services Group LLC, a company that he owned. McCoy stated on the application that Silver Cup had 12 employees and an average monthly payroll of \$95,000. He also submitted federal tax forms and returns that purported to show that Silver Cup paid \$300,000 in wages during each quarter of 2019 and that McCoy earned more than \$800,000 in income from Silver Cup in 2019. In fact, Silver Cup had no employees other than McCoy himself and paid no wages in 2019. The tax forms submitted with the application were forged. In April 2021, the lender approved the loan based on the fraudulent application and disbursed \$237,500 to a bank account controlled by McCoy.

The charge of bank fraud carries a maximum penalty of 30 years in prison and a fine of \$1 million. As part of his guilty plea, McCoy agreed to make restitution in the full amount of the PPP loan and agreed to forfeit the contents of the bank account to which the loan proceeds were disbursed. Sentencing is scheduled for July 20, 2022.

U.S. Attorney Sellinger credited special agents of the Federal Deposit Insurance Corporation – Office of the Inspector General, under the direction of Patricia Tarasca, Special Agent-in-Charge, New York Regional Office; special agents of the Social Security Administration, Office of the Inspector General, New York Field Division, under the direction of Special Agent in Charge Sharon MacDermott; special agents of the FBI's South Jersey Resident Agency, under the direction of Special Agent in Charge Jacqueline Maguire in Philadelphia; and special agents of the U.S. Department of Labor, Office of the Inspector General, New York Region, under the direction of Special Agent in Charge Jonathan Mellone, with the investigation leading to today's guilty plea.

The government is represented by Senior Trial Counsel Jason M. Richardson and Assistant U.S. Attorney Daniel A. Friedman of the U.S. Attorney's Office's Criminal Division in Camden.

Attachment(s):

[Download McCoy.Information.pdf](#)

Topic(s):

Coronavirus

Component(s):

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