

PRESS RELEASE

Northwest Arkansas Man Sentenced to More Than 4 Years in Prison for Operating an Illegal Money Transmitting Business Using Pandemic Funds

Monday, February 24, 2025

For Immediate Release

U.S. Attorney's Office, Western District of Arkansas

FAYETTEVILLE - A Northwest Arkansas man was sentenced on February 20, to 51 months in Federal Prison, followed by three years of supervised release. Additionally, he was ordered to pay restitution of \$725,558.00 on one count of operating an Illegal Money Transmitting Business. The Honorable Judge Timothy L. Brooks presided over the sentencing hearing, which took place in the United States District Court in Fayetteville.

According to court documents, **Richard Harold Stone**, age 77, waived indictment by a grand jury and pleaded guilty to a criminal information charging him with conducting an unlicensed money transmitting business in the State of Arkansas. Stone was the President or Chief Officer of numerous businesses registered with the Arkansas Secretary of State, including: Partex Oman Corp., Renewable Energy Campus Arkansas, Inc., Stonetek Global Corp., and Tires 2 Energy, LLC. Stone also was associated with Environmental Energy & Finance Corp., a Delaware corporation. The advertised purpose of these businesses was developing technology and facilities to repurpose waste materials, such as tires, into useable fuel sources. None of these businesses were registered with the State of Arkansas as a money transmitting business, as required by Arkansas law (Arkansas Code, Section 23-55-806(b)&(c)).

Between November 2020 and March 2021, Stone received through various bank accounts associated with the above entities and other accounts under his control, deposits of funds from applications made on behalf of unwitting victims for Paycheck Protection Program (PPP) loans, Economic Impact Disaster Loans (EIDL), and Pandemic Unemployment Assistance (PUA), totaling more than \$600,000. After receiving these funds, Stone immediately transferred most of the funds by wire transfer to parties in

locations including Berne, Switzerland; London, England; New York, NY; Chennai, India; and Mumbai, India.

At the conclusion of Thursday's sentencing hearing, Stone was immediately remanded to the custody of the U.S. Marshals Service.

U.S. Attorney David Clay Fowlkes of the Western District of Arkansas made the announcement.

The Internal Revenue Service-Criminal Investigation, Federal Bureau of Investigation, and Department of Labor Office of the Inspector General investigated the case.

Assistant U.S. Attorney Hunter Bridges is prosecuting the case.

Related court documents may be found on the Public Access to Electronic Records website at www.pacer.gov.

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