FRAUD

Bluacorn founder convicted of PPP fraud conspiracy

By Catherine Leffert

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Bloomberg

One of the founders of Blueacorn — a fintech developed during the heyday of the pandemic-era Paycheck Protection Program — was found guilty by a federal jury of conspiring to fraudulently obtain tens of millions of dollars from the initiative.

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- What was Kabbage's role in PPP fraud allegations? →
- What are the implications of extended timelines for PPP fraud investigations? →

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A consulting firm working for BMO Harris flagged the processor's chargeback problem in 2015. The FTC says the shell accounts kept coming through 2023.

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The agency says the subprime auto lender pledged the same car loans to several lenders and bond deals at once, leaving investors owed about $945 million.

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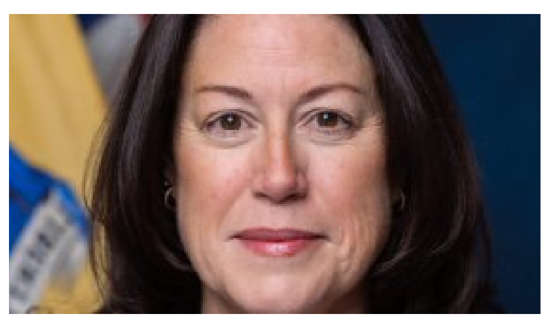

Credit Acceptance Corp. has agreed to provide $710 million in restitution and debt relief to resolve allegations of predatory lending by 41 state attorneys general.

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The checks were drawn on accounts at JPMorganChase, Citibank, BMO, Stellar Bank and Amegy Bank. The largest single check ran just over $1.5 million.

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