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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,

New York, N.Y.

v.

20 Cr. 378 (LJL)

ADEDAYO ILORI,

Defendant.

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Sentencing

March 3, 2022

2:10 p.m.

Before:

HON. LEWIS J. LIMAN,

District Judge

APPEARANCES

DAMIAN WILLIAMS

United States Attorney for the
Southern District of New York

BY: CECILIA E. VOGEL

Assistant United States Attorney

SIMPSON THACHER & BARTLETT, LLP

Attorneys for Defendant

BY: BROOKE E. CUCINELLA

KATHRYN WHELOCK

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(Case called)

THE DEPUTY CLERK: Starting with the government,
please state your appearance for the record.

MS. VOGEL: Good afternoon, your Honor. Cecilia Vogel
for the government.

THE COURT: Good afternoon, Ms. Vogel.

MS. CUCINELLA: Good afternoon, your Honor. Brooke
Cucinella, from Simpson Thacher, on behalf of the defendant
Adedayo Ilori, who is standing now next to me, and my
associate Kathryn Wheelock is joining me at the end of the
table.

THE COURT: Good afternoon, Ms. Cucinella and
Ms. Wheelock; and good afternoon, Mr. Ilori. You may be
seated.

So we are here today to impose sentence in the case of
United States v. Adedayo Ilori.

On April 8, 2021, Mr. Ilori appeared before me and
pleaded guilty to Count One of the indictment in connection
with a written plea agreement. Count One charged him with
conspiring to commit wire fraud and mail fraud in violation of
18 United States Code § 1343 and 1341 during the period from
March 2019 to March 2020.

Mr. Ilori, also admitted to Count Five of the
indictment, which charged him with conspiracy to launder
\$200,000 in proceeds from the mail and wire fraud conspiracy

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1 charged in Count One.

2 In connection with the sentencing today, I have
3 reviewed a number of materials.

4 First, I have reviewed the presentence investigation
5 report prepared on June 4, 2021, and revised on July 8, 2021,
6 including the addendum to that report and the sentencing
7 recommendation.

8 I have also received and reviewed the following
9 additional submissions in connection with sentencing: the
10 sentencing submission from Ms. Cucinella, dated September 29,
11 2021, with attachments; the government's sentencing letter
12 dated October 7, 2021; the transcript of Mr. Ilori's guilty
13 plea on April 8, 2021; the government's letter of October 8,
14 2021, which requested an arrest warrant for the defendant for
15 his violation of conditions of pretrial release; the
16 government's letter of November 15, 2021; the government's
17 letter of February 28, 2022; draft transcripts provided on
18 February 28, 2022; the defendant's sentencing memorandum dated
19 February 28, 2022, which contained the report of Dr. Goldsmith;
20 and the defendant's revised supplemental sentencing memorandum,
21 dated March 1, 2022, also with a report of Dr. Goldsmith.

22 Ms. Cucinella, have you received each of these
23 submissions?

24 MS. CUCINELLA: I have, your Honor.

25 THE COURT: And are there any other submissions of

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1 which I should be aware relevant to sentencing?

2 MS. CUCINELLA: No.

3 THE COURT: And Ms. Vogel, the same questions to you.
4 Have you received each of these submissions and are there any
5 additional submissions of which I should be aware relevant to
6 sentencing?

7 MS. CUCINELLA: I have received all of them, your
8 Honor. In addition, the government submitted a letter on March
9 1, 2022, which I don't believe you just listed.

10 THE COURT: I haven't listed that. I am prepared to
11 pull it up if you think that I need it. I don't have that in
12 front of me.

13 MS. VOGEL: I am happy to pass you the printed copy.
14 I have mine.

15 THE COURT: That would be fine, also.

16 MS. VOGEL: Excuse me. It does have a notation on it.

17 THE COURT: Ms. Cucinella, I assume that you have seen
18 the government's letter of March 1.

19 MS. CUCINELLA: I have, and I have another copy that I
20 can give to Ms. Vogel.

21 THE COURT: I have reviewed the government's letter of
22 March 1, 2022. I will pass it back. I just corrected to list
23 it. Thank you, Ms. Vogel. Let me now turn to the presentence
24 report.

25 Ms. Cucinella, have you received and read the

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1 presentence report in this case?

2 MS. CUCINELLA: I have, your Honor.

3 THE COURT: And have you discussed it with your
4 client, Mr. Ilori?

5 MS. CUCINELLA: Yes, your Honor.

6 THE COURT: Mr. Ilori, have you read the presentence
7 report?

8 THE DEFENDANT: Yes.

9 THE COURT: Have you discussed it with Ms. Cucinella?

10 THE DEFENDANT: Yes.

11 THE COURT: Have you had the opportunity to go over
12 with her any errors in the report or anything else that should
13 be taken up with the Court?

14 THE DEFENDANT: Yes, I have.

15 THE COURT: Ms. Cucinella, any issues to be taken up
16 with the Court?

17 MS. CUCINELLA: No, your Honor.

18 THE COURT: Ms. Vogel, have you received and read the
19 presentence report?

20 MS. VOGEL: Yes.

21 THE COURT: And any objections to be taken up with the
22 Court with respect to the factual findings?

23 MS. VOGEL: I just want to note for your Honor that I
24 actually recently identified an error, factual error in the
25 report as to paragraph 34.

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1 THE COURT: Let me turn to that.

2 MS. VOGEL: The last sentence in that paragraph is not
3 correct. That should not be there. I think this is
4 referencing the later conversation of February 26 which is in
5 fact later in the report as well. This didn't -- to my
6 understanding, this did not occur on January 30.

7 THE COURT: Is there any objection, Ms. Cucinella, to
8 me striking the last sentence on paragraph 34?

9 MS. CUCINELLA: No, your Honor.

10 THE COURT: Okay. I'm going to strike the last
11 sentence on paragraph 34.

12 Anything else, Ms. Vogel?

13 MS. VOGEL: No. Thank you.

14 THE COURT: All right. So with the exception of the
15 last sentence on paragraph 34, which I am striking, the
16 remainder of the factual findings on the presentence report are
17 adopted by the Court.

18 The presentence report will be made part of the record
19 in this matter and placed under seal. If an appeal is taken,
20 counsel on appeal may have access to the sealed report without
21 further application to the Court.

22 Ms. Cucinella, with respect to the sentencing
23 memoranda, I take it the report of Dr. Goldsmith is filed under
24 seal. Is that correct or not?

25 MS. CUCINELLA: It is not, your Honor.

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1 THE COURT: Is there anything that you have filed that
2 is under seal?

3 MS. CUCINELLA: There is not, your Honor.

4 THE COURT: That makes life easy.

5 And I take it, Ms. Vogel, nothing that you filed is
6 under seal?

7 MS. VOGEL: That is correct.

8 THE COURT: All right. Let me now turn to the
9 sentencing guidelines calculation. Although the Court is no
10 longer required to follow the sentencing guidelines, I am still
11 required to consider the applicable guidelines in imposing
12 sentence. To do so, it is necessary that the Court accurately
13 calculate the guidelines sentencing range. In this case, the
14 parties in the plea agreement have stipulated that the
15 guidelines range is 51 to 63 months of imprisonment and a fine
16 of \$15,000 to \$150,000 based on a total offense level of 22 and
17 a criminal history category of III.

18 The Probation Department agrees that the guidelines
19 range is 51 to 63 months of imprisonment based upon the same
20 analysis.

21 I need to make an independent determination. The
22 November 1, 2018 guidelines manual applies to this case. I am
23 prepared to adopt the guidelines calculation as set forth in
24 the presentence report and the plea agreement. Although it is
25 something of a close question, it is something of a close

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1 question because there is a question as to whether, in light of
2 Mr. Ilori's conduct after his plea and while he was awaiting
3 sentencing, he remains entitled to an adjustment for acceptance
4 of responsibility. But I am prepared, given the fact of his
5 early plea, to give him the three-level downward adjustment for
6 acceptance of responsibility and to consider only that -- that
7 conduct only with respect to the Section 3553(a) factors.

8 So with that said, I find that the total offense level
9 is 22, the criminal history category is III, and the guidelines
10 range is 51 to 63 months.

11 The next subject I need to cover is departures, which
12 is to say within the sentencing guidelines framework. I find
13 no departure is available as a matter of law. I will address
14 the parties' arguments for variances when it comes time to
15 sentence.

16 Does the government wish to be heard with respect to
17 sentence?

18 MS. VOGEL: Yes, briefly, your Honor.

19 So just in responding to the defense's arguments made
20 throughout their sentencing submissions, there is no dispute
21 here that codefendant Chancy was the primary point of contact
22 with the CS and undercover and the lead in this scheme. But
23 Mr. Ilori had a very significant role and he was an eager
24 participant in the scheme for one year, a long period of time.
25 He participated in multiple in-person meetings, many calls to

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1 organize the scheme. He pushed the scheme forward and was very
2 eager in those conversations, representing that he could open
3 more bank accounts, get more IDs, was encouraging the group to
4 do more loans. He pulled others into the scheme. There are
5 numerous references throughout their conversations to a white
6 guy, a coconspirator that they would use to open the accounts,
7 that that was a contact of Mr. Ilori's.

8 THE COURT: Is it the government's understanding that
9 that individual refers to Mr. Albarella or somebody else?

10 MS. VOGEL: No. Our understanding, after the guilty
11 plea in this case, is that that actually refers to Christopher
12 Recamier who is indicted in that separate case before
13 Judge Vyskocil. It is in fact Mr. Recamier's face who is on
14 the photo identifications on several of the fraudulent
15 applications submitted in this loan scheme that is before your
16 Honor. So that's part of why we believe it is Mr. Recamier who
17 was involved.

18 I think the real key here is the need for significant
19 deterrence.

20 THE COURT: Let me ask you a question about the facts
21 of the case, just to see if my understanding is correct.

22 There are conversations in June and July. It seemed
23 like they are for the set-up of the loan transactions. Neither
24 of the two sets of loan transactions actually take place in
25 June or July. It is not until, as I understand it, Mr. Ilori

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1 is released from prison that either set of transactions ends up
2 going forward. Is that right?

3 MS. VOGEL: That's correct, and there are -- while
4 Mr. Ilori is detained in Rikers during that time period, there
5 are conversations between Chancy and the confidential source in
6 which Chancy explains essentially that he can't go forward
7 until Mr. Ilori is released because Mr. Ilori's the one who is
8 able to create bank statements and create documents or has a
9 contact who can do so.

10 THE COURT: That was -- you anticipated my question,
11 which is what significance you ascribe to the fact that the
12 scheme is not consummated until after Mr. Ilori is released.

13 MS. VOGEL: And that would be my response, your Honor.
14 And that is reflected in the recorded meetings that take place
15 between July and November when Mr. Ilori is released. And when
16 Mr. Ilori is released, within about two weeks of when he is
17 released, he meets again with Chancy and the confidential
18 source and, in at least one of those November meetings, the
19 undercover agent. And they again resume talk about executing
20 this scheme, what kinds of statements they need. Mr. Ilori
21 talks about using fresh accounts, fresh IDs, indicating that
22 when he was previously arrested it was in the context of
23 opening accounts for this scheme. And so they discuss again
24 starting this initiative.

25 And it is in mid December that Chancy first submits,

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1 by e-mail, to the undercover one of the first round of
2 applications. It is then in mid January that the four
3 applications are e-mailed and also mailed, and Mr. Ilori's
4 fingerprints are recovered from the mailed -- two of the mailed
5 applications, two of the four.

6 The second round of loans is submitted in mid February
7 and, again, Mr. Ilori's fingerprints are recovered from one of
8 the applications, and it is an application that is consistent
9 with one of the applications in the first round. It uses the
10 same Pennsylvania ID that's a stolen identity. It shows also
11 Mr. Recamier's face. There are new bank statements that have
12 the new date, so they are not simply recycled from the previous
13 round, showing that Mr. Ilori submitted these documents to
14 Chancy afresh for the second round. And, as well --

15 THE COURT: Where did the other bank statements come
16 from? What's the proof with respect to the other three of the
17 four in the second round?

18 MS. VOGEL: Exactly where they came from or how they
19 were --

20 THE COURT: Whether there was a --

21 MS. VOGEL: We don't know. We attribute those three
22 applications to Mr. Chancy because they are all associated with
23 him. One is in his own name. The other two are associates of
24 Mr. Chancy. And in fact in text messages in February, between
25 Chancy and the confidential source, where they are discussing

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1 the second round, Chancy explains that, in referencing to
2 Mr. Ilori, although he doesn't name him explicitly, that he has
3 one, meaning one application in this next round.

4 And shortly after that, on February 8, there was a
5 recorded call between the confidential source and Mr. Ilori,
6 where Mr. Ilori explicitly talks about wanting to do the second
7 round and wanting to be involved in the next round. There are
8 no more recorded conversations with him after that, but two
9 weeks after that conversation, the four applications are mailed
10 to the undercover. One of the four has Mr. Ilori's
11 fingerprints, and, as I said, uses the same identity as in the
12 previous round. So the government is confident that the
13 evidence shows that Mr. Ilori remained in the scheme through
14 the second round of the loan applications.

15 THE COURT: Okay. What else should I know from you?

16 MS. VOGEL: I have nothing further specific as to the
17 facts.

18 I would just like to add that deterrence in
19 Mr. Ilori's case is very significant. There is a real need for
20 deterrence in this case, which distinguishes him from
21 Mr. Chancy, who had no prior criminal history and also did not
22 commit any violations that we know of while on pretrial
23 release.

24 Mr. Ilori is very differently situated. He has a
25 substantial criminal history for very similar offenses using

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1 stolen identities to make fraudulent transactions. He received
2 multiple serious sentences for those crimes, although it did
3 take place a number of years ago. He nevertheless committed
4 this offense and he committed this offense or continued to
5 commit this offense after being arrested in June 2019 by the
6 NYPD for having false identifications on him and trying to open
7 an account at a bank. He nevertheless continued this scheme.

8 And then after pleading guilty in this case, he
9 committed four very serious pretrial violations, which are all
10 in the same vein of using other people's identities to commit
11 fraudulent transactions. And he was engaged in these
12 violations literally in the days leading up to his sentencing
13 in October. These violations took place over the course of the
14 summer 2021 into the fall 2021, and it just shows that
15 Mr. Ilori is a serious recidivist and requires a serious
16 sentence in order to deter him, protect the public, and promote
17 respect for the law.

18 Unless your Honor has specific questions for me about
19 those violations, I don't have anything further to add.

20 THE COURT: I don't have anything further. Thank you.

21 Ms. Cucinella, do you wish to be heard.

22 MS. CUCINELLA: Yes, your Honor. Also, just briefly,
23 we filed two sentencing submissions.

24 I want to address, first, the post -- I'm blanking on
25 the term -- the violations of the supervised release or of his

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1 bail.

2 THE COURT: His bail pretrial release.

3 MS. CUCINELLA: Pretrial release. There you go.

4 As your Honor is aware and as we said in our letter,
5 he intends to fight these charges. We have met with his lawyer
6 on this case. We have also met with a lawyer for Mr. Recamier.
7 We have reason to believe that Mr. Recamier has made statements
8 that Mr. Ilori's involvement in that is not consistent with
9 what the government's allegations are. We do not represent him
10 in that case, and it is not our intent to go forward because
11 that case is pending in front of Judge Vyskocil. So we just
12 want to say, again, he is going to fight those. That being
13 said, in this case, it is not appropriate, given your Honor's
14 earlier findings and given the fact that he was indicted, to
15 take that up here.

16 We also want to note, however, that if he is convicted
17 in that case, if his fight is unsuccessful, he will be
18 sentenced in connection with those crimes in front of that
19 judge. This is a situation where the alleged violations of his
20 pretrial release are inextricably intertwined with the
21 indictment that is pending there. So we just wanted to make
22 that point. We absolutely understand that your Honor can and
23 will consider them in connection with the 3553(a) factors here,
24 but we do think it is worth noting that this is something, a
25 battle that is going to be fought and, if lost, properly

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1 punished in another courtroom.

2 With respect to this conduct or the conduct that he
3 pled guilty for in front of your Honor, I think Ms. Vogel hit
4 on some of the heart of our argument. This is a case that
5 Mr. Ilori was brought into by Mr. Chancy. As your Honor is
6 aware, based on a hearing you held earlier, Mr. Chancy was
7 heavily influenced by a very aggressive confidential informant
8 in this case who was trying to work off his own crimes.

9 THE COURT: Your client's enthusiastic words on the
10 transcripts tend to belie that he was -- the contention that he
11 is dragged into criminal conduct.

12 MS. CUCINELLA: Your Honor, it's clear that Mr. Ilori
13 has a history of being involved with false identifications and
14 false documents. There is no question of that. We are not
15 denying that. And it is something that he takes responsibility
16 for.

17 The type of scheme that he was brought into here is
18 much more involved and much more sophisticated than anything he
19 has ever been involved in. And I think it is significant that,
20 at the beginning, these were \$5,000 loans--again, I'm not
21 excusing this behavior by any means--and he was involved in
22 preparing two of those \$5,000 loans. It very quickly, from
23 there, escalated. No question that the confidential informant
24 was pushing to get those loss amounts up. Granted, your Honor
25 is correct. My client went along with that, and he absolutely

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1 shouldn't have.

2 That being said, this is a crime that was a sting
3 operation, and there was a goal here. And that goal seems to
4 have been to get the loss amount up because it's not
5 entrapment, for obvious reasons, but the idea that the
6 confidential informant was going along and suggested, again, to
7 a receptive audience, but suggesting that the value of the
8 loans go up, otherwise this would have been a \$20,000 scheme.
9 Instead, we are in a guidelines range that the potential loss
10 is over a million dollars. That so heavily escalates the
11 guidelines here that we just think it is worth considering
12 given, I think in particular, Mr. Ilori's background and the
13 types of crimes he was involved in previously.

14 That being said, your Honor is correct; he did go
15 along with this and he absolutely shouldn't have, and I think
16 he is going to speak today about his remorse for that. But
17 those are just the points that we wanted to make in connection
18 with this.

19 Mr. Ilori is a father. He is a husband. Time
20 served -- excuse me, time in prison is time away from his
21 family. It's incredibly detrimental to his children and to his
22 wife who is working very hard to raise those kids, but he will
23 speak to that as well.

24 Unless the Court has any questions, that is all I
25 wanted to say today.

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1 THE COURT: I don't have any questions. Thank you
2 very much.

3 Mr. Ilori, do you wish to be heard?

4 THE DEFENDANT: Yes. Yes, I do.

5 THE COURT: Please keep your mask on, but you can
6 remain standing.

7 THE DEFENDANT: Yeah, I do not know -- and I have been
8 thinking about where to start this plea in front of you and
9 today, and the more --

10 THE COURT: Maybe you can put the microphone closer to
11 your mouth. You are a tall gentleman and the microphone is far
12 away. I think you should be able to lift it, right? If you
13 lift it, that way you will be heard.

14 THE DEFENDANT: Yes. Thank you.

15 THE COURT: Take your time, Mr. Ilori. No rush.

16 THE DEFENDANT: And hearing in the way that I have
17 been -- am painted by the ADA today and previously, you know, I
18 have been thinking so much about my life in general and what
19 led me here today in front of you. I have actually said, and I
20 know an extensive record for the same type of schemes, but I
21 have, at a point I changed myself, I changed my life, and I was
22 focused on just building my business and I was successful at
23 that for a while. And when I had my down time, I was weak at
24 that point and to be receptive to doing this scheme.

25 And even after I was arrested by the state and I came

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1 back out, it wasn't a part of being weak at that time; it was
2 part of an obligation of being -- I was -- I'm trying to say
3 help my wife to get me in and out of jail at that point. So at
4 that point I just felt an obligated [sic]. I'm not trying to
5 make an excuse for being part of the scheme because I went
6 along with it. And I can tell you so many things about in the
7 scheme and maybe I try to get out and maybe not, but that is
8 not what I am trying to do here.

9 I am really sorry for putting my family into this,
10 because my wife tell me the other day that she hasn't had a
11 good three years straight and without anything happening and
12 that really felt so, so bad that I haven't been able to stay
13 straight.

14 And I am asking that the Court today to show mercy
15 that I will not be in front of any other court. In the other
16 case, I am 110 sure that I will deal with that. I will fight
17 that. And my lawyer has told me that I shouldn't talk about
18 that other case here today.

19 But this is the case that I know that I am responsible
20 for, and I am taking an absolute responsibility for, for what I
21 did and my involvement in it, and I am asking you to give me
22 another chance and to show the Court and my family that -- I am
23 asking the Court for redemption. I went ten years without
24 getting into any type of trouble. I could go 20 years. I
25 could go 30 years. I could go the next lifetime, my lifetime

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without getting into any sort of issue.

My kids, I have always -- and I'm a personal trainer and I'm a fitness instructor. I pushed my daughter because I think that she could be a very great -- an athlete. I pushed her to get into track. Now -- and she's gotten into track, and I cannot be there and to help her along. I get on the phone every day. She is telling me, oh, she is going to this track meet today, tomorrow. I cannot be there. It's very, very painful. And I will ask the Court to give me the chance and to be there for her because I know that she can be something special.

THE COURT: Thank you, Mr. Ilori.

THE DEFENDANT: Thank you.

THE COURT: Ms. Vogel, is there any reason why sentence should not now be imposed?

MS. VOGEL: No, your Honor.

THE COURT: Ms. Cucinella, is there any reason why sentence should not now be imposed?

MS. CUCINELLA: No, your Honor.

THE COURT: Okay. I am prepared to impose sentence.

As I have stated, the guidelines range applicable to this case is 51 to 63 months of imprisonment. Under the Supreme Court's decision in *Booker* and the cases that have followed it, the guidelines range is only one factor that the Court must consider in deciding the appropriate sentence. The

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1 Court is also required to consider the other factors set forth
2 at 18 United States Code § 3553(a). These include the nature
3 and circumstances of the offense, and the history and
4 characteristics of the defendant; the need for the sentence
5 imposed to reflect the seriousness of the offense, to promote
6 respect for the law, and to provide just punishment for the
7 offense; to afford adequate deterrence to criminal conduct; to
8 protect the public from further crimes of the defendant; and to
9 provide the defendant with needed education or vocational
10 training, medical care, or other correctional treatment in the
11 most effective manner.

12 The Court is also required to consider the kinds of
13 sentences available, the guidelines range, any pertinent policy
14 statement, the need to avoid unwarranted sentence disparities
15 among defendants with similar records who have been found
16 guilty of similar conduct, and the need to provide restitution
17 to any victims of the offense.

18 The Court is also required to follow the parsimony
19 principle, which means that I am required to impose a sentence
20 sufficient but not greater than necessary to comply with the
21 purposes set out above, and I do find that the sentence I am
22 about to pronounce is consistent with the parsimony principle
23 and is sufficient, but not greater than necessary, to satisfy
24 the purposes of sentencing I have just mentioned.

25 I have given a lot of thought and attention to the

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1 appropriate sentence in this case over the months in light of
2 the Section 3553(a) factors and the appropriate purposes of
3 sentencing as reflected in the statute. The following are my
4 thoughts:

5 I start with the guidelines. The range of 51 to 63
6 months is a starting point. It is an initial benchmark. It is
7 not entitled to any presumption, but it is the product of work
8 of the Sentencing Commission. It is something that I consider
9 and it does help me think through the appropriate sentencing
10 decision in the case.

11 I next consider the factors under Section 3553(a). In
12 my view, all of the factors, save perhaps that of
13 rehabilitation, are relevant here.

14 With respect to the seriousness of the offense and the
15 need for the sentence to promote respect for the law,
16 Mr. Ilori, your crime was a serious one. It involved
17 sophistication in terms of the manufacturing of IDs and the
18 planning of it. It involved an intent to defraud our financial
19 system, which would have been successful, but for the fact that
20 it turns out your coconspirators were people who were either
21 members of law enforcement or working with law enforcement. It
22 occurred over a lengthy period of time, and it swept in or had
23 the potential to sweep in others. If successful, it would have
24 defrauded lenders of over a million dollars. I can't find any
25 mitigating factors in the conduct.

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1 Your lawyer has argued that you were not directly
2 involved in the eight fraudulent loan applications and not
3 directly involved in the loan applications submitted in
4 February 2020, and you seek to blame or the papers seek to
5 blame Mr. Chancy or the confidential source or the cooperating
6 witness for your involvement in this scheme. But the evidence
7 as set forth in the presentence report and in the transcripts
8 are to the contrary.

9 You were an active participant in this scheme from the
10 beginning to the end. At the beginning, in April 2019, it was
11 you and Mr. Chancy who discussed the documents and information
12 you would need in order to facilitate the scheme and to obtain
13 the loans. You were making suggestions as to the preferred
14 industry to use. You also claimed enthusiastically that you
15 could gather the necessary documentation by the following
16 weekend. No one dragged you into this. You wanted to make
17 money illegally and to defraud people.

18 The evidence also supports that, as of July of 2019,
19 you had been able to open up bank accounts at three different
20 banks with real identifying information that had been altered
21 with different photographs. Your lawyer mentions that you were
22 not on all of the calls and at all of the meetings, but I find
23 it telling and significant that nothing happened in the scheme
24 really except for talk during the time period after June and
25 July of 2019, while you were incarcerated on the state arrest,

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1 and that it was only after your release and in November 2019
2 that the scheme for which you had made preparations earlier was
3 really launched.

4 You met with Mr. Chancy and the undercover source
5 right after you were released. In the November conversations,
6 you and Mr. Chancy discussed with the two persons you believed
7 were your coconspirators but were either law enforcement or
8 working with law enforcement the scheme would start small, in
9 essence, but then go big with a second round of loans with
10 drivers licenses that you would help obtain. You were, I find,
11 directly involved in the second round of loans.

12 And in the February call, after the first rounds of
13 loans had been successful, you stated you wanted to do another
14 rounds of loans. Your fingerprints as well as those of
15 Mr. Chancy were found on the loan applications. While the
16 government considers you to be the author of only three of the
17 fraudulent loan applications—two in the first tranche and one
18 in the second—all of them would have been reasonably
19 foreseeable to you. At one point you even suggested more.
20 You were the source of two of the stolen identities for the
21 three loan applications and prepared those three loan
22 applications.

23 In short, although Mr. Chancy took the lead and was
24 the central point of contact with the cooperating witness and
25 the undercover, you played every bit of a critical role as

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1 Mr. Chancy. He put it in one of the coconspirator
2 conversations in some ways his role was easy. He had access to
3 the bank. But you were able to obtain identification
4 information and help arrange for the manufacture of fake
5 documents and to arrange for bank accounts to be opened to
6 execute the loan scheme. As I said before, you executed -- you
7 engaged in this crime because -- not because anybody forced you
8 to but because you wanted to make money and you thought you
9 would get away with it.

10 Second, the interests in general deterrence also
11 support a significant sentence in this case. Financial frauds
12 of the type that you and Mr. Chancy and Mr. Albarella engaged
13 in are difficult to detect. Conspirators here took steps to
14 make sure that their scheme would be difficult to detect. The
15 scheme was foiled because, unbeknownst to you, one of the
16 people -- two of the people who were part of the conspiracy
17 were working with the government. But there are limits to law
18 enforcement resources and not every scheme can be detected. It
19 is thus particularly important to send a message when the
20 schemes are detected that there is a great risk to anybody who
21 is thinking about engaging in this kind of conduct that if you
22 are caught and if your scheme is detected, then you will be
23 severely punished.

24 Third, the government argues this, and I credit it,
25 there is a need in your case for the sentence to serve the

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1 purposes of specific deterrence. Unlike for Mr. Chancy, who
2 had never been convicted of a crime and where there was no
3 evidence he had previously engaged in criminal conduct, this is
4 not your first go-round with the criminal justice system. You
5 have five prior convictions for conduct relating to fraud and
6 forgery, which range from 1997 at the age of 18 to 2006. On
7 those convictions, you were sentenced to terms of imprisonment
8 of 15 months, 24 months, 42 months to seven years, and 30
9 months to five years.

10 I credit that, from your record, it appears that you
11 were not involved in criminal activity for a span of time after
12 those convictions. But when the opportunity arose here, the
13 evidence shows that you did not exercise any hesitation at all
14 in terms of jumping in and using the kinds of skills you had
15 used before to engage in what, if it had been successful, would
16 have been a significant fraud.

17 And even while you were on supervised release in this
18 case and while you were awaiting sentencing, while your lawyer
19 was urging a sentence of home confinement and no imprisonment,
20 you engaged in four separate violations involving stolen
21 identities and fraud. I agree with the government's statement
22 in its papers that the fact that you committed these violations
23 while awaiting sentencing in this case and while on home
24 confinement demonstrates your lack of respect for the law and
25 your lack of remorse for criminal conduct.

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1 I specifically am not considering your involvement in
2 the paycheck protection program fraud scheme that is the
3 subject of the case before Judge Vyskocil. That charge and the
4 facts underlying it have no impact on the sentence I am going
5 to impose.

6 I have also not counted and am not taking into
7 consideration your other arrest for fraud which did not result
8 or have not yet resulted in convictions, including the case
9 that's pending in state court. Your conduct -- the previous
10 sentences were not sufficient to deter you from criminal
11 conduct, and I think under the facts here, a longer sentence is
12 necessary to try to hope that it will deter you from criminal
13 conduct.

14 Finally and an important factor in my sentence are the
15 interests of the public and the community and the need to
16 protect the public from the risk of further crimes by you.
17 This factor distinguishes your case from that of your
18 codefendants.

19 In your sentencing letter to me back in September of
20 2021, you represented that you wanted to disassociate yourself
21 from all elements of criminality and that you wanted to avoid
22 peer pressure to engage in illegal activities and wanted to
23 transform people into a better version of themselves through
24 fitness. You repeatedly blamed peer pressure. If only you had
25 devoted yourself to that avowed goal of bettering people

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1 through physical fitness. But you didn't do that, and your
2 criminal history record, your conduct in this case, the length
3 of time the conduct took place, and your conduct while on
4 supervised release give me no reason to believe that once you
5 are released and when the opportunity arises if you don't
6 create the opportunity yourself you will not return to your
7 ways of crime.

8 I'm going to impose a term of supervised release and
9 it's my hope that that term of supervised release and the
10 sentence in this case will be sufficient to ensure that you
11 don't go back to your ways of crime. But your history while
12 on supervision gives me no great confidence in that respect
13 and, for that reason, a term of imprisonment also is necessary
14 to serve the purposes of incapacitation and to protect the
15 public.

16 Now, I have thought about a point that your lawyer has
17 stressed in terms of your childhood, the abuse that you
18 suffered in your childhood, and the lack of a stable family or
19 a father figure, and I have read your expert's report. I,
20 frankly, don't credit the expert's report; and, even if I did,
21 it wouldn't change my sentence. Your family and your
22 upbringing is not responsible for your criminal behavior. Many
23 people who appear before this Court frequently as victims or
24 civil litigants also have had difficult lives. They have not
25 turned to crime. Their difficult lives have not caused them to

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1 turn to crime. A lot of times they are the victims of crime.

2 You could have made the choice to live a law-abiding
3 life. You have got skills. It's quite apparent that you would
4 be -- you were able to. But you made choices and you made a
5 choice not to live a law-abiding life, and that choice has to
6 have consequences.

7 So, Mr. Ilori, I'm now going to state the sentence I
8 intend to impose. The attorneys will have a final opportunity
9 to make legal objections before the sentence is finally
10 imposed. Would you please rise, sir.

11 Mr. Ilori, after assessing the particular facts of
12 your case and the factors under Section 3553(a), including the
13 sentencing guidelines, it is the judgment of the Court that you
14 are to serve a sentence of 63 months of imprisonment in the
15 custody of the Bureau of Prisons to be followed by a period of
16 three years of supervised release.

17 As to supervised release, the mandatory conditions of
18 supervised release as set forth at page 34 in the presentence
19 report shall apply.

20 You must not commit another federal, state, or local
21 crime.

22 You must not unlawfully possess a controlled
23 substance.

24 You must refrain from any unlawful use of a controlled
25 substance and must submit to one drug test within 15 days of

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1 release from imprisonment and at least two periodic drug tests
2 thereafter as determined by the Court.

3 The standard conditions as set forth at pages 34 to 35
4 of the presentence report shall also apply.

5 I also impose the special condition as set forth at
6 pages 35 to 36 of the presentence report, namely, that you
7 submit to a search by the U.S. probation officer of your
8 property. Given your violation of the conditions of pretrial
9 release by engaging in conduct that involved fake
10 identifications, the search condition is necessary to ensure
11 that you comply with the mandatory and standard conditions of
12 release.

13 I am waiving a fine based on the ability to pay.

14 As I understand it, restitution is not applicable in
15 this case. Is that right?

16 MS. VOGEL: That is correct.

17 THE COURT: Restitution is not applicable in this
18 case.

19 I also imposing a mandatory special assessment of
20 \$100, which shall be due immediately.

21 In terms of forfeiture, as a result of committing the
22 instant offense, you shall forfeit to the United States any and
23 all property constituting or derived from the proceeds obtained
24 directly or indirectly as a result of the violations. And I
25 understand that that sum is \$10,000, is that correct?

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1 MS. VOGEL: That is correct.

2 THE COURT: So an order of forfeiture of \$10,000 is
3 also imposed.

4 Ms. Vogel, do you know of any legal reason other than
5 those -- any legal reason why the sentence as stated shall not
6 be imposed?

7 MS. VOGEL: I do not.

8 THE COURT: Ms. Cucinella, do you know of any legal
9 reason why the sentence as stated shall not be imposed?

10 MS. CUCINELLA: No, your Honor.

11 THE COURT: Okay. The sentence as stated is imposed.
12 You may be seated.

13 Are there any open counts, Ms. Vogel?

14 MS. VOGEL: There are, your Honor, and I move to
15 dismiss them.

16 THE COURT: The open counts are dismissed.

17 Mr. Ilori, let me advise you, to the extent you have
18 not given up your right to appeal your conviction and sentence
19 through your plea of guilty and the agreement you entered into
20 with the government in connection with that plea, you have the
21 right to appeal your conviction and your sentence. If you are
22 unable to pay the cost of an appeal, you may apply for leave to
23 appeal *in forma pauperis*. The notice of appeal must be filed
24 within 14 days of the judgment of conviction.

25 Are there any suggests with respect to the location of

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1 incarceration?

2 MS. CUCINELLA: Your Honor, given that he has a
3 pending case, I'm not sure if he will be housed at the MDC. If
4 they are going to move him, we would request that it be in the
5 New York area to facilitate visitation with his wife and
6 children as well as to help prepare for his other case.

7 THE COURT: Ms. Vogel, any view on that?

8 MS. VOGEL: No. I mean, I anticipate that defense
9 counsel is probably correct that the defendant will be
10 continued to be detained in pretrial given -- in a pretrial
11 facility.

12 THE COURT: I will recommend that when Mr. Ilori is
13 finally designated that he be designated to a facility in or
14 near New York City to facilitate his visits with his wife and
15 his daughter.

16 MS. CUCINELLA: Thank you, your Honor.

17 THE COURT: All right. The defendant has been -- is
18 in custody, so I don't think I need to do anything with respect
19 to that.

20 Anything further from the government?

21 MS. VOGEL: No. Thank you.

22 THE COURT: Ms. Cucinella, anything further from you?

23 MS. CUCINELLA: No, your Honor.

24 THE COURT: Mr. Ilori, good luck to you. I mean it
25 when I say it that I hope this sentence of imprisonment is

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1 sufficient to deter you and that you never engage in conduct
2 again. You do have many skills. Put them to lawful use and
3 not illegal use.

4 We are adjourned.

5 oOo