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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF WYOMING

UNITED STATES OF AMERICA, Plaintiff, **v.** **PAUL D. McCOWN,** Defendant.	**Criminal No. 22-CR-23-SWS**

UNITED STATES' MOTION TO MODIFY DEFENDANT'S CONDITIONS OF SUPERVISED RELEASE

A review of McCown's employment information shows that he affirmatively misled an employer to gain access to financial accounts and sensitive personal information. Therefore, the United States believes this matter should be set for a modification hearing.

I. Factual and Procedural Background

McCown used a combination of his small business, a gin distillery, and his position as Chief Financial Officer at the Wyoming Catholic College in Lander, Wyoming to commit over 15 million dollars in fraud. (Doc. 1). As a result, he pleaded guilty to seven counts of wire fraud. (Doc. 5). A presentence investigation report was prepared. (Doc. 12). That original report recommended the following special condition of supervised release:

> The defendant shall not work as a business manager or bookkeeper or hold any position of employment in which he has access to bank accounts, payroll systems, financial records, or the personal identifiers of any individuals.

(*Id*. at 22) (recommended condition 6). McCown responded that, in order to support his family in the future, he requested that this condition be clarified so "that he may be fully involved in operating or managing a family-owned business." (Doc. 18 at 4).

On July 8, 2022, McCown appeared before this court for sentencing. (Doc. 40). At sentencing, this court addressed the special conditions of supervised release. (Sent. Tr. at 109-10). The court acknowledged his request and ordered:

> in regards to those conditions, I would modify paragraph 73, sub paragraph 6 to provide that Mr. McCown shall not work as a business manager or bookkeeper or hold any position of employment in which he has sole access to bank accounts.
>
> What I mean by that is, is that he shall not be the signatory on an account by and of himself that would be sufficient to negotiate or to deposit or distribute funds and that there should be co-signatures on any account that he is on.
>
> And he shall also provide Probation and Parole with access to any and all business records and accounts that he is a signatory on or participant in.
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> In terms of personal identifiers, I would provide that, again, he shall not have independent access to that but may have access jointly with someone else and under the eye of that individual.
>
> I would also provide that, again, he shall give access to Probation at any time upon request to verify he is not improperly using or accessing any of that information.

(*Id*. at 110-11). At the conclusion of the sentencing hearing, this court sentenced him to 63 months in prison to be followed by three years of supervised release. (*Id*. at 109).

This court's amended judgement was filed on July 20, 2022. (Doc. 44). The amended judgement incorporated this court's oral modification of McCown's special conditions of supervised release:

> The defendant shall not work as a business manager or bookkeeper or hold any position of employment in which he has sole access to bank accounts, payroll

> systems, financial records, or the personal identifiers of any individuals; however, he may perform these positions and/or duties if supervised by a business partner. He shall not be a signatory on any business account without a co-signatory and shall not be in a position to deposit or distribute funds with respect to any business account without supervision by a business partner or co-signatory. He shall allow the U.S. Probation Officer access to any and all business records and permit the U.S. Probation Officer to review any business accounts upon which the defendant is a signatory.

(Doc. 44 at 4).

McCown was placed on supervised release in approximately March 2025. Federal Bureau of Prisons Inmate Locator.[1] McCown is currently supervised in California. However, jurisdiction of this matter was not transferred to California and remains with this court.

On April 13, 2026, the Defendant filed a *pro se* Motion for Early Termination of Supervision in which he requested that this court reduce his term of supervised release. (Doc. 54). As is the normal course with requests to reduce or terminate supervision, District of Wyoming U.S. Probation Officer Brett Bohlender began an inquiry into McCown's performance on supervised release so that US probation could make a well-founded recommendation to the court.

That inquiry began with gathering information from McCown's supervising officer in California. From that officer, PO Bohlender learned that McCown had recently been employed and terminated by Bioray, a supplement company based in California.[2] As part of McCown's supervision, he signed a general release for "employment records including but not limited to dates of employment, work performance, and reasons of termination."

PO Bohlender spoke with a representative of Bioray about obtaining records. But Bioray was not willing to rely on the general release signed by McCown to provide records. McCown had

[1] Available at: https://www.bop.gov/inmateloc/ (last visited May 27, 2026).
[2] Available at: https://www.bioray.com/pages/about (last visited May 27, 2026).

made threats to sue Bioray[3] and it was otherwise concerned with liability stemming from the release of information protected by California law without formal legal process. Thus, Bioray requested that probation obtain a subpoena to compel production of documents related to McCown's employment.

At the same time, McCown's California supervising probation officer reported that McCown has been compliant with the terms of his supervision. However, that officer came to that conclusion without records from Bioray. Further, it is the understanding of the United States that the California supervising probation officer's assessment is based on McCown's self-reported information. Importantly, the California supervising probation officer has not taken any steps to independently verify the information McCown reported about his recent termination.

As a result of these circumstances, the United States requested a subpoena from this court to obtain McCown's employment records from Bioray. (Doc. 58). This court found the information was probably relevant, probably admissible, and reasonably specific. (Doc. 60). Therefore, it granted the subpoena. (*Id.*). Bioray promptly complied with the subpoena by providing the required information to the clerk of court. (Doc. 62). The clerk of court provided the information to the United States. (*Id.*). The United States, in turn, provided the information to U.S. Probation.

II. This court should modify McCown's terms of supervision.

A review of McCown's employment information shows that he affirmatively misled Bioray about his history and qualifications when he obtained employment with the company. For example, his resume claimed that he operated Sweetwater Spirits Craft Distillery from March 2018 to June 2022, and that he had "scaled a craft spirits brand from concept to $10M+ in top-line

[3] McCown has since sued Bioray. Superior Court of California, County of Orange, Dkt. No. 30-2026-01566626-CU-WY-CJC.

revenue with distribution in multi-state markets." (Doc. 64-1 at 1 [resume]). However, McCown began looking for investors for his gin distillery in late 2019 but never undertook any meaningful operations. (Doc. 12 at 4-6). In fact, he never received a liquor license and never sold a single bottle of gin. (*Id*. at 6). Instead, he used the existence of the corporation as a key means to carry out the wire fraud scheme to which he pleaded guilty. (*Id*. 4-9). Thus, the only way he could claim that he generated revenue from a distillery on his resume would be to count his criminal fraud proceeds. And even then, the other statements regarding the distillery are false. (Doc. 12 at 4-9).

Likewise, he claimed to successfully lead Big 10 Consulting from June 2022 to present. But this court sentenced him to the custody of the Federal Bureau of Prisons in July 2022, and he was placed on supervision in March 2025. Claiming that he formed a successful consulting company and delivered results to health care related clients from federal prison is specious.

It is not a crime to omit information from a resume or even lie to get a job interview. Nor does it violate the specific terms of McCown's supervised release. However, McCown's lies and omissions resulted in him starting work as the Chief of Staff for Bioray. (Doc. 64-2 [December 12, 2025, Offer Letter]). As chief of staff, McCown had access to the CEO's email, password keys/manager, and personal and company banking credentials. (Doc. 64-3 [Access Breakdown]). He also had access to the sensitive personal identifying information of other Bioray employees. (*Id*.). Bioray even obtained an American Express card in McCown's name. (Doc. 64-4 [American Express Card]).

This is precisely the kind of access this court intended to prohibit when it modified McCown's special conditions of supervised release at sentencing. This court prohibited McCown from having the authority "that would be sufficient to negotiate or to deposit or distribute funds" on his own without the approval of a co-signatory. (Sent. Tr. at 110). It also required supervision by a "business partner" or "co-signatory" on McCown's representation he wished to work in a family-owned business. (Doc. 44 at 4; Doc. 18 at 4). This condition requires direct supervision on a transaction-by-transaction basis. But when McCown obtained greater access—such as banking credentials and a credit card—he obtained authority to spend money without direct supervision of a business partner or co-signatory. And he obtained that kind of authority by lying. Obtaining this access is a violation of the terms of McCown's supervision.

That violation may or may not be actionable. McCown claims that he reviewed his potential employment with Bioray with his supervising California probation officer, who gave him approval. (Attachment 5 [April 6, 2026, Letter]). Without more information regarding precisely what representations McCown made to his supervising California probation officer about the requirements of the position, there is not likely enough information to revoke McCown's supervision. If the supervising probation officer misunderstood the terms of supervision that this court imposed, McCown's supervision should not be revoked for that mistake. Nonetheless, McCown was at sentencing and heard this court's explanation of the terms of his supervised release, so he knew what this court meant. While his deceitful behavior with Bioray is not actionable on its own, he knew better. His behavior demonstrates criminal thinking and a return to the kind of conduct that resulted in approximately $15 million dollars in fraud.

Regardless of whether a basis to revoke McCown's supervised release can ultimately be developed, this court should act.

This court has the authority to "modify, reduce, or enlarge the conditions of supervised release, at any time prior to the expiration or termination of the term of supervised release . . . ." 18 U.S.C. § 3583(e)(2). It is not necessary for this court to find any changed circumstances before modifying the terms of supervised release. *United States v. Begay*, 631 F.3d 1169, 1172 (10th Cir.

2011). The only prerequisite to a modification is that this court consider "the factors set forth in section 3553(a)(1) [nature and circumstances of the offense], (a)(2)(B) [deterrence to criminal conduct], (a)(2)(C) [protection of the public], (a)(2)(D) [defendant's correctional needs], (a)(4) [available sentences], (a)(5) [Sentencing Commission's' policy statements], (a)(6) [sentencing disparities], and (a)(7) [restitution]." 18 U.S.C. § 3583(e); *Begay*, 631 F.3d at 1172-73. Unless McCown waives a hearing, this court must hold one before modifying his terms of supervision. Fed. R. Crim. P. 32.1(c).

Here, McCown's behavior shows that his terms of supervised release should be modified to clarify the level of supervision required for his access to sensitive information in the course of his employment and to warn potential employers about his criminal history and the requirements of his supervision.

Special conditions of supervised release that prohibit a defendant from "engaging in a specified occupation, business, or profession bearing a reasonably direct relationship to the conduct constituting the offense, or engage in such a specified occupation, business, or profession only to a stated degree or under stated circumstances" are specifically authorized by 18 U.S.C. § 3563(b)(5) and 18 U.S.C. § 3583(d). *See also* U.S.S.G. § 5F1.5. When imposing an occupational restriction, a district court must find:

> (1) a reasonably direct relationship existed between the defendant's occupation, business, or profession and the conduct relevant to the offense of conviction; and
>
> (2) imposition of such a restriction is reasonably necessary to protect the public because there is reason to believe that, absent such restriction, the defendant will continue to engage in unlawful conduct similar to that for which the defendant was convicted.

United States v. Williams, 757 F'Appx. 680, 682-83 (10th Cir. 2018).

This standard is met here. McCown used his self-employment and his employment in a managerial role at the Wyoming Catholic College to facilitate his fraud. Therefore, there is a direct relationship between his crimes of conviction and his occupation. His behavior shows that further restrictions are necessary to protect the public.

As originally proposed, McCown's terms of supervision would have prohibited all work as a business manager or bookkeeper and all access to bank accounts, payroll systems, financial records, or the personal identifiers of any individuals. (Doc. 12 at 22). While that could be justified here, the United States does not believe a total ban on any managerial work is necessary. Instead, it proposes the current condition be replaced with the following:

> The defendant shall notify any prospective employer, business partner, client, contractor, fiduciary, or other third party with whom the defendant seeks to engage in employment, self-employment, volunteer work, or any position involving financial responsibilities, access to funds, financial records, personal identifying information, or positions of trust, of the nature and circumstances of the defendant's underlying offense(s) and requirements of his supervised release prior to commencing such activity. The defendant shall provide proof of such notification to the probation officer upon request and shall permit the probation officer to verify that the required disclosure has been made. The defendant shall not commence such employment or activity until the required notification has occurred and the probation officer has been informed of the notification.
>
> The defendant shall not have direct or indirect access to, control over, or authority regarding any business or organizational bank account, credit card, payroll system, financial management system, accounting records, financial records, or personal identifying information of any individual. The defendant shall not serve as a signatory, authorized user, custodian, or person with authority to initiate, approve, transfer, withdraw, deposit, distribute, disburse, spend, or otherwise controls funds on behalf of any business, organization, or third party. The defendant shall not occupy any position that permits unsupervised access to customer, employee, client, or vendor financial information or personal identifiers, including Social Security numbers, dates of birth, account numbers, or other sensitive identifying data. He shall allow the U.S. Probation Officer access to any and all business records and permit the U.S. Probation Officer to review any business information to which the defendant has access.

III. Conclusion.

McCown affirmatively misled an employer to gain access to financial accounts and sensitive personal information. Because of his behavior, this court should modify the terms of his supervised release to ensure his compliance and protect the public. The United States requests a hearing in the event that McCown does not waive a hearing on the proposed modifications.

DATED this 24th day of August, 2026.

Respectfully submitted,

DARIN D. SMITH
United States Attorney

By: *_/s/ Christyne M. Martens_*
CHRISTYNE M. MARTENS
Assistant United States Attorney

CERTIFICATE OF SERVICE

This is to certify that on the 24th day of August, 2026, I served a true and correct copy of the foregoing **United States' Motion to Modify Defendant's Terms of Supervised Release** upon the following by depositing the same, postage prepaid, in the United States mail, addressed to:

Paul D. McCown
122 Finch
Lake Forest, CA 92630

*_/s/ Heidi Mason_*
UNITED STATES ATTORNEY'S OFFICE