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UNITED STATES OF AMERICA

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

NATIONAL DISTRIBUTION SERVICES, INC.,
aka "NDSI,"
WHOLESALE DISTRIBUTION, INC.,
dba "Quality Services,"
CARL BRADLEY JOHANSSON,
aka "Brad Johnson,"
aka "Carl Johnson,"
aka "C. Brad Johanson,"
aka "Keith Golatta,"
ENRIQUE GARCIA,
aka "Henry Garcia," and
DONALD CAMERON SPICER,

Defendants.

And the additional following case

ED CR No. 5:18-00114(B)-VAP
ED CR No. 5:21-00170-VAP

CONSOLIDATED PLEA AGREEMENT FOR DEFENDANT CARL BRADLEY JOHANSSON

Hearing Date: August 13, 2021
Hearing Time: 10:00 a.m.
Location: Courtroom of the Hon. Virginia A. Phillips

UNITED STATES OF AMERICA,

Plaintiff,

v.

WESTERN DISTRIBUTION, LLC,
aka "Advanced Distribution Inc.," and
CARL BRADLEY JOHANSSON,
aka "Brad Johnson,"
aka "Carl Johnson,"
aka "C. Brad Johanson,"
aka "Jay Johnson,"
aka "Keith Golatta,"

Defendants

1. This constitutes the plea agreement between CARL BRADLEY JOHANSSON ("defendant") and the United States Attorney's Office for the Central District of California (the "USAO") in the two, above-captioned cases. This agreement is limited to the USAO and cannot bind any other federal, state, local, or foreign prosecuting, enforcement, administrative, or regulatory authorities.

DEFENDANT'S OBLIGATIONS

2. Defendant agrees to:

a. At the earliest opportunity requested by the USAO and provided by the Court, appear and plead guilty to counts one, two, and four of the second superseding indictment in United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP, which charge defendant with Conspiracy, in violation of 18 U.S.C. § 371, Welding without Required Certifications, in violation of 49 U.S.C. § 5124 and 49 C.F.R. § 180.413(a)(1), and Tax Evasion, in violation of 26 U.S.C. § 7201; and to appear and plead guilty to counts one and three of the indictment in United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP, which

charge defendant with Conspiracy to Commit Bank Fraud/Committed while on Pre-trial Release, in violation of 18 U.S.C. §§ 1349 and 3147, and Bank Fraud/Committed while on Pre-trial Release, in violation of 18 U.S.C. §§ 1344(2) and 3147.

b. Not contest facts agreed to in this agreement.

c. Abide by all agreements regarding sentencing contained in this agreement.

d. Appear for all court appearances, surrender as ordered for service of sentence, obey all conditions of any bond, and obey any other ongoing court order in this matter.

e. Not commit any crime; however, offenses that would be excluded for sentencing purposes under United States Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not within the scope of this agreement.

f. Be truthful at all times with the United States Probation and Pretrial Services Office and the Court.

g. Pay the applicable special assessments at or before the time of sentencing unless defendant has demonstrated a lack of ability to pay such assessments.

h. Pay restitution in an amount to be determined by the Court to the victims of the criminal conduct alleged in count two of the second superseding indictment in United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP, namely, Daniel Lopez Velasquez and the beneficiaries of decedent Samuel Enciso.

i. Defendant agrees that any and all criminal debt, including restitution and payment of taxes owed, as ordered by the Court will be due in full and immediately, and paid in accordance

with any payment schedule determined by the Court. The government is not precluded from pursuing, in excess of any payment schedule set by the Court, any and all available remedies by which to satisfy defendant's payment of the full financial obligation, including referral to the Treasury Offset Program.

j. Complete the Financial Disclosure Statement on a form provided by the USAO and, within 30 days of defendant's entry of a guilty plea, deliver the signed and dated statement, along with all of the documents requested therein, to the USAO by either email at usacac.FinLit@usdoj.gov (preferred) or mail to the USAO Financial Litigation Section at 300 North Los Angeles Street, Suite 7516, Los Angeles, CA 90012. Defendant agrees that defendant's ability to pay criminal debt shall be assessed based on the completed Financial Disclosure Statement and all required supporting documents, as well as other relevant information relating to ability to pay.

k. Authorize the USAO to obtain a credit report upon returning a signed copy of this plea agreement.

l. Consent to the USAO inspecting and copying all of defendant's financial documents and financial information held by the United States Probation and Pretrial Services Office.

3. Defendant admits that defendant received $1,174,173 of unreported income for the years 2012, 2013, 2014, 2015, 2016, and 2017. Defendant agrees to cooperate with the Internal Revenue Service in the determination of defendant's tax liability for the years 2012, 2013, 2014, 2015, 2016, and 2017. Defendant further agrees that:

a. Defendant will file, prior to the time of sentencing, initial returns for the years subject to the above admissions,

correctly reporting unreported income; will, if requested to do so by the Internal Revenue Service, provide the Internal Revenue Service with information regarding the years covered by the returns; will pay to the Fiscal Clerk of the Court at or before sentencing all additional taxes and all penalties and interest assessed by the Internal Revenue Service on the basis of the returns; and will promptly pay to the Fiscal Clerk of the Court all additional taxes and all penalties and interest thereafter determined by the Internal Revenue Service to be owing as a result of any computational errors. Payments may be made to the Clerk, United States District Court, Fiscal Department, 255 East Temple Street, Room 1178, Los Angeles, California 90012.

b. Nothing in this agreement forecloses or limits the ability of the Internal Revenue Service to examine and make adjustments to defendant's returns after they are filed.

c. Defendant will not, after filing the returns, file any claim for refund of taxes, penalties, or interest for amounts attributable to the returns filed in connection with this plea agreement.

d. Defendant is liable for the fraud penalty imposed by the Internal Revenue Code, 26 U.S.C. § 6651(f), on the understatement of tax liability for the years 2012, 2013, 2014, 2015, 2016, and 2017.

e. Defendant gives up any and all objections that could be asserted to the Examination Division of the Internal Revenue Service receiving materials or information obtained during the criminal investigation of this matter, including materials and information obtained through grand jury subpoenas.

f. Defendant will sign closing agreements with the Internal Revenue Service at least two weeks prior to his sentencing hearing, permitting the Internal Revenue Service to assess and collect the total sum of $298,562 ($52,045, $59,851, $50,735, $45,235, $42,002, and $48,694 for the defendant's tax years 2012, 2013, 2014, 2015, 2016, and 2017, respectively), which comprises the tax liabilities, as well as assess and collect the civil fraud penalty for each year and statutory interest, on the tax liabilities, as provided by law.

THE USAO'S OBLIGATIONS

4. The USAO agrees to:

a. Not contest facts agreed to in this agreement.

b. Abide by all agreements regarding sentencing contained in this agreement.

c. Not to charge any additional officers of co-defendant Western Distribution, LLC for criminal conduct related to the allegations set forth in the indictment in United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP.

d. At the time of sentencing, move to dismiss the remaining counts of the second superseding indictment, first superseding indictment, and the underlying indictment for United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP, as against defendant; and to further dismiss the remaining counts of the indictment in United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP, as against defendant. Defendant agrees, however, that at the time of sentencing the Court may consider any dismissed charges from both criminal cases in determining the applicable Sentencing Guidelines range, the

propriety and extent of any departure from that range, and the sentence to be imposed.

e. At the time of sentencing, provided that defendant demonstrates an acceptance of responsibility for the offenses up to and including the time of sentencing, recommend a two-level reduction in the applicable Sentencing Guidelines offense level, pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an additional one-level reduction if available under that section.

f. Not to recommend a sentence of imprisonment greater than ten years in length.

g. Except for criminal tax violations (including conspiracy to commit such violations chargeable under 18 U.S.C. § 371), not further criminally prosecute defendant for violations arising out of defendant's conduct described in the agreed-to factual basis attached to this agreement as Exhibit 1. Defendant understands that the USAO is free to criminally prosecute defendant for any other unlawful past conduct or any unlawful conduct that occurs after the date of this agreement. Defendant agrees that at the time of sentencing the Court may consider the uncharged conduct in determining the applicable Sentencing Guidelines range, the propriety and extent of any departure from that range, and the sentence to be imposed after consideration of the Sentencing Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

h. Not seek or pursue forfeiture of the $500,000 secured bond posted by defendant's sister and brother-in-law in support of his pre-trial release in 2018 for the matter United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP.

NATURE OF THE OFFENSES

5. Defendant understands that for defendant to be guilty of the crime charged in count one of the case United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP, that is, Conspiracy, in violation of 18 U.S.C. § 371, the following must be true: (1) beginning on or about a date unknown, and ending on or about April 15, 2018, there was an agreement between two or more persons to defraud the United States by obstructing the lawful functions of the United States Department of Transportation efforts to investigate and enforce the federal laws and regulations related to out-of-service orders, reincarnated carriers, and the "R" Stamp and purging requirements for cargo-tank repair work, by deceitful or dishonest means; (2) defendant became a member of the conspiracy knowing of at least one of its objects and intending to help accomplish it; and (3) one of the members of the conspiracy performed at least one overt act for the purpose of carrying out the conspiracy.

6. Defendant understands that for defendant to be guilty of the crime charged in count two of the case United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP, that is, Welding without Required Certifications, in violation of 49 U.S.C. § 5124 and 49 C.F.R. § 180.413(a)(1), the following must be true: (1) defendant violated, or caused the violation of, a federal hazardous materials regulation; and (2) defendant had knowledge of the facts giving rise to the violation, and had knowledge that his conduct, or the conduct that he caused to take place, was unlawful, or defendant displayed a deliberate indifference or conscious disregard to the consequences of his conduct.

7. Defendant understands that for defendant to be guilty of the crime charged in count four of the case United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP, that is, Tax Evasion, in violation of 26 U.S.C. § 7201, the following must be true: (1) defendant owed federal income tax for a calendar year; (2) defendant made an affirmative attempt to evade or defeat such income tax; and (3) in attempting to evade or defeat such tax, the defendant acted willfully.

8. Defendant understands that for defendant to be guilty of the crime charged in count one of the case United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP, that is, Conspiracy to Commit Bank Fraud/Committed while on Pre-trial Release, in violation of 18 U.S.C. §§ 1349 and 3147, the following must be true: (1) there was an agreement between two or more persons to commit bank fraud as charged in the indictment; (2) defendant became a member of the conspiracy knowing of at least one of its objects and intending to help accomplish it; (3) one of the members of the conspiracy performed at least one overt act on for the purpose of carrying out the conspiracy; and (4) during the commission of this felony offense, defendant was on pre-trial release in the criminal case of United States v. National Distribution Services, Inc., et al., 5:18-CR-114(B)-VAP, in the United States District Court for the Central District of California.

9. Defendant understands that for defendant to be guilty of the crime charged in count three of the case United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP, that is, Bank Fraud/Committed while on Pre-trial Release, in violation of 18 U.S.C. §§ 1344(2) and 3147, the following must be true: (1) defendant

knowingly carried out a scheme or plan to obtain money or property from a bank by making false statements or promises; (2) defendant knew that the statements or promises were false; (3) the statements or promises were material, that is, they had a natural tendency to influence, or were capable of influencing, a financial institution to part with money or property; (4) defendant acted with the intent to defraud; (5) the bank was federally insured; and (6) during the commission of this felony offense, defendant was on pre-trial release in the criminal case of United States v. National Distribution Services, Inc., et al., 5:18-CR-114(B)-VAP, in the United States District Court for the Central District of California.

PENALTIES AND RESTITUTION

10. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 18 U.S.C. § 371, is: five years imprisonment; a three-year period of supervised release; a fine of $250,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of $100.

11. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 49 U.S.C. § 5124, is: five years imprisonment, or ten years in any case in which the violation involves the release of a hazardous material that results in death or bodily injury to any person; a three-year period of supervised release; a fine of $250,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of $100.

12. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 26 U.S.C. § 7201, is:

five years imprisonment; a three-year period of supervised release; a fine of $250,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of $100.

13. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 18 U.S.C. § 1349, is: 30 years imprisonment; a five-year period of supervised release; a fine of $1,000,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of $100.

14. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 18 U.S.C. § 1344(2), is: 30 years imprisonment; a five-year period of supervised release; a fine of $1,000,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of $100.

15. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 18 U.S.C. § 3147, is: ten years imprisonment, to be served consecutive to the underlying offense.

16. Defendant understands, therefore, that the total maximum sentence for all offenses to which defendant is pleading guilty is: 100 years imprisonment; a five-year period of supervised release; a fine of $2,750,000 or twice the gross gain or gross loss resulting from the offenses, whichever is greatest; and a mandatory special assessment of $500.

17. Defendant understands and agrees that the Court: (a) may order defendant to pay restitution in the form of any additional

taxes, interest, and penalties that defendant owes to the United States based upon the count of conviction (count four of United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP) and any relevant conduct, including taxes owed for years 2012, 2014, 2015, 2016, and 2017; and (b) must order defendant to pay the costs of prosecution, which may be in addition to the statutory maximum fine stated above.

18. Defendant understands that defendant will be required to pay full restitution to the victims of the offenses to which defendant is pleading guilty in United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP. Defendant agrees that, in return for the USAO's compliance with its obligations under this agreement, the Court may order restitution to persons other than the victims of the offenses to which defendant is pleading guilty (in United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP) and in amounts greater than those alleged in the counts to which defendant is pleading guilty. In particular, defendant agrees that the Court may order restitution (in United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP) to any victim of any of the following for any losses suffered by that victim as a result: (a) any relevant conduct, as defined in U.S.S.G. § 1B1.3, in connection with the offenses to which defendant is pleading guilty; and (b) any counts dismissed pursuant to this agreement as well as all relevant conduct, as defined in U.S.S.G. § 1B1.3, in connection with those counts and charges. The parties currently believe that the applicable amount of restitution is approximately $668,427, and includes the United States Small Business Administration and BAC Community Bank as victims, but recognize and

agree that this amount could change based on facts that come to the attention of the parties prior to sentencing.

19. Defendant agrees to make full restitution to the victims of the offense alleged in count two (Welding without Required Certifications) of United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP), to which defendant is pleading guilty. These victims are Danny Lopez Velasquez and the beneficiaries of decedent Samuel Enciso.

20. Defendant understands that supervised release is a period of time following imprisonment during which defendant will be subject to various restrictions and requirements. Defendant understands that if defendant violates one or more of the conditions of any supervised release imposed, defendant may be returned to prison for all or part of the term of supervised release authorized by statute for the offense that resulted in the term of supervised release, which could result in defendant serving a total term of imprisonment greater than the statutory maximum stated above.

21. Defendant understands that, by pleading guilty, defendant may be giving up valuable government benefits and valuable civic rights, such as the right to vote, the right to possess a firearm, the right to hold office, and the right to serve on a jury. Defendant understands that he is pleading guilty to a felony and that it is a federal crime for a convicted felon to possess a firearm or ammunition. Defendant understands that the convictions in this case may also subject defendant to various other collateral consequences, including but not limited to revocation of probation, parole, or supervised release in another case and suspension or revocation of a professional license. Defendant understands that unanticipated

collateral consequences will not serve as grounds to withdraw defendant's guilty pleas.

22. Defendant understands that, if defendant is not a United States citizen, the felony convictions in this case may subject defendant to: removal, also known as deportation, which may, under some circumstances, be mandatory; denial of citizenship; and denial of admission to the United States in the future. The Court cannot, and defendant's attorney also may not be able to, advise defendant fully regarding the immigration consequences of the felony conviction[s] in this case. Defendant understands that unexpected immigration consequences will not serve as grounds to withdraw defendant's guilty pleas.

FACTUAL BASIS

23. Defendant admits that defendant is, in fact, guilty of the offenses to which defendant is agreeing to plead guilty. Defendant and the USAO agree to the statement of facts attached hereto as Exhibit 1, and incorporated herein by reference, and agree that this statement of facts is sufficient to support pleas of guilty to the charges described in this agreement but is not meant to be a complete recitation of all facts relevant to the underlying criminal conduct or all facts known to either party that relate to that conduct.

NO AGREEMENT REGARDING SENTENCING FACTORS

24. Except as set forth in paragraphs 4(e) and (f) above, defendant and the USAO have no agreement as to the appropriate sentence or the applicable Sentencing Guidelines factors. Except as set forth in paragraphs 4(e) and (f) above, both parties reserve the right to seek any sentence within the statutory maximum, and to argue for any criminal history score and category, base offense level,

specific offense characteristics, adjustments, departures, and variances.

25. Except as set forth in paragraphs 4(e) and (f) above, defendant and the USAO reserve the right to argue for a sentence outside the sentencing range established by the Sentencing Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1), (a)(2), (a)(3), (a)(6), and (a)(7).

WAIVER OF CONSTITUTIONAL RIGHTS

26. Defendant understands that by pleading guilty, defendant gives up the following rights:

a. The right to persist in a plea of not guilty.

b. The right to a speedy and public trial by jury.

c. The right to be represented by counsel -- and if necessary have the Court appoint counsel -- at trial. Defendant understands, however, that, defendant retains the right to be represented by counsel -- and if necessary have the Court appoint counsel -- at every other stage of the proceeding.

d. The right to be presumed innocent and to have the burden of proof placed on the government to prove defendant guilty beyond a reasonable doubt.

e. The right to confront and cross-examine witnesses against defendant.

f. The right to testify and to present evidence in opposition to the charges, including the right to compel the attendance of witnesses to testify.

g. The right not to be compelled to testify, and, if defendant chose not to testify or present evidence, to have that choice not be used against defendant.

h. Any and all rights to pursue any affirmative defenses, Fourth Amendment or Fifth Amendment claims, and other pretrial motions that have been filed or could be filed.

WAIVER OF APPEAL OF CONVICTION

27. Defendant understands that, with the exception of an appeal based on a claim that defendant's guilty pleas were involuntary, by pleading guilty defendant is waiving and giving up any right to appeal defendant's convictions on the offenses to which defendant is pleading guilty. Defendant understands that this waiver includes, but is not limited to, arguments that the statutes to which defendant is pleading guilty are unconstitutional, and any and all claims that the statement of facts provided herein is insufficient to support defendant's pleas of guilty.

LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

28. Defendant agrees that, provided the Court imposes a total term of imprisonment on all counts of conviction of no more than the statutory maximum specified above, defendant gives up the right to appeal all of the following: (a) the procedures and calculations used to determine and impose any portion of the sentence; (b) the term of imprisonment imposed by the Court; (c) the fine imposed by the Court, provided it is within the statutory maximum; (d) to the extent permitted by law, the constitutionality or legality of defendant's sentence, provided that the fine is within the statutory maximum, and the term of imprisonment is ten years or less; (e) the amount and terms of any restitution order, provided it requires payment of no more than $2,500,000; (f) the term of probation or supervised release imposed by the Court, provided it is within the statutory maximum; and (g) any of the following conditions of probation or supervised

release imposed by the Court: the conditions set forth in Second Amended General Order 20-04 of this Court; the drug testing conditions mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d).

29. The USAO agrees that, provided all portions of the sentence are at or below the statutory maximums specified above, the USAO gives up its right to appeal any portion of the sentence, with the exception that the USAO reserves the right to appeal the following: (a) the amount of restitution ordered if that amount is less than $926,989.

RESULT OF WITHDRAWAL OF GUILTY PLEA

30. Defendant agrees that if, after entering [a] guilty pleas pursuant to this agreement, defendant seeks to withdraw and succeeds in withdrawing defendant's guilty pleas on any basis other than a claim and finding that entry into this plea agreement was involuntary, then (a) the USAO will be relieved of all of its obligations under this agreement; and (b) should the USAO choose to pursue any charge or any civil, administrative, or regulatory action that was either dismissed or not filed as a result of this agreement, then (i) any applicable statute of limitations will be tolled between the date of defendant's signing of this agreement and the filing commencing any such action; and (ii) defendant waives and gives up all defenses based on the statute of limitations, any claim of pre-indictment delay, or any speedy trial claim with respect to any such action, except to the extent that such defenses existed as of the date of defendant's signing this agreement.

EFFECTIVE DATE OF AGREEMENT

31. This agreement is effective upon signature and execution of all required certifications by defendant, defendant's counsel, and an Assistant United States Attorney.

BREACH OF AGREEMENT

32. Defendant agrees that if defendant, at any time after the signature of this agreement and execution of all required certifications by defendant, defendant's counsel, and an Assistant United States Attorney, knowingly violates or fails to perform any of defendant's obligations under this agreement ("a breach"), the USAO may declare this agreement breached. All of defendant's obligations are material, a single breach of this agreement is sufficient for the USAO to declare a breach, and defendant shall not be deemed to have cured a breach without the express agreement of the USAO in writing. If the USAO declares this agreement breached, and the Court finds such a breach to have occurred, then: (a) if defendant has previously entered [a] guilty pleas pursuant to this agreement, defendant will not be able to withdraw the guilty pleas, and (b) the USAO will be relieved of all its obligations under this agreement.

33. Following the Court's finding of a knowing breach of this agreement by defendant, should the USAO choose to pursue any charge or any civil, administrative, or regulatory action that was either dismissed or not filed as a result of this agreement, then:

a. Defendant agrees that any applicable statute of limitations is tolled between the date of defendant's signing of this agreement and the filing commencing any such action.

b. Defendant waives and gives up all defenses based on the statute of limitations, any claim of pre-indictment delay, or any

speedy trial claim with respect to any such action, except to the extent that such defenses existed as of the date of defendant's signing this agreement.

c. Defendant agrees that: (i) any statements made by defendant, under oath, at the guilty plea hearing (if such a hearing occurred prior to the breach); (ii) the agreed to factual basis statement in this agreement; and (iii) any evidence derived from such statements, shall be admissible against defendant in any such action against defendant, and defendant waives and gives up any claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal Procedure, or any other federal rule, that the statements or any evidence derived from the statements should be suppressed or are inadmissible.

COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES OFFICE NOT PARTIES

34. Defendant understands that the Court and the United States Probation and Pretrial Services Office are not parties to this agreement and need not accept any of the USAO's sentencing recommendations or the parties' agreements to facts or sentencing factors.

35. Defendant understands that both defendant and the USAO are free to: (a) supplement the facts by supplying relevant information to the United States Probation and Pretrial Services Office and the Court, (b) correct any and all factual misstatements relating to the Court's Sentencing Guidelines calculations and determination of sentence, and (c) argue on appeal and collateral review that the Court's Sentencing Guidelines calculations and the sentence it

chooses to impose are not error. While this paragraph permits both the USAO and defendant to submit full and complete factual information to the United States Probation and Pretrial Services Office and the Court, even if that factual information may be viewed as inconsistent with the facts agreed to in this agreement, this paragraph does not affect defendant's and the USAO's obligations not to contest the facts agreed to in this agreement.

36. Defendant understands that even if the Court ignores any sentencing recommendation, finds facts or reaches conclusions different from those agreed to, and/or imposes any sentence up to the maximum established by statute, defendant cannot, for that reason, withdraw defendant's guilty pleas, and defendant will remain bound to fulfill all defendant's obligations under this agreement. Defendant understands that no one -- not the prosecutor, defendant's attorney, or the Court -- can make a binding prediction or promise regarding the sentence defendant will receive, except that it will be within the statutory maximum.

NO ADDITIONAL AGREEMENTS

37. Defendant understands that, except as set forth herein, there are no promises, understandings, or agreements between the USAO and defendant or defendant's attorney, and that no additional promise, understanding, or agreement may be entered into unless in a writing signed by all parties or on the record in court.

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

38. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF
CALIFORNIA

TRACY L. WILKISON
Acting United States Attorney

Matthew W. O'Brien — August 11, 2021
MATTHEW O'BRIEN — Date
JOSEPH O. JOHNS
Assistant United States Attorneys

CARL BRADLEY JOHANSSON — 8/12/21
Defendant — Date

MARK J. WERKSMAN — 8/12/21
Attorney for Defendant Carl Bradley Johansson — Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the

representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

8/12/21

CARL BRADLEY JOHANSSON
Defendant

Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am Carl Bradley Johansson's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of guilty pleas pursuant to this agreement.

8/12/21

MARK J. WERKSMAN
Attorney for Defendant Carl Bradley Johansson

Date

Exhibit 1

Exhibit 1

Statement of Facts in Support of Carl Bradley Johansson's Consolidated Plea Agreement

I. United States v. National Distribution Services, Inc., et al., ED CR No. 5:18-00114(B)-VAP

CARL BRADLEY JOHANSSON, also known as ("aka") "Brad Johnson," aka "Carl Johnson," aka "C. Brad Johanson," aka "Keith Golatta" ("defendant"), controlled and operated co-defendant NATIONAL DISTRIBUTION SERVICES, INC., aka "NDSI" ("NATIONAL"), from approximately 2009 to 2015. From approximately 2015 to the present, defendant controlled and operated co-defendant WHOLESALE DISTRIBUTION, INC., dba "Quality Services" ("WHOLESALE").

From approximately 2009 to 2015, co-defendant NATIONAL was a private motor carrier engaged in the transportation of cargo via commercial motor vehicles, commonly referred to as tractor-trailers or tanker trucks. NATIONAL specialized in transporting hazardous and water materials such as petroleum fuels, including gasoline, in cargo tanks known as MC 306 tanks. NATIONAL's primary place of business was 340/344 North Grant Avenue, Corona, California (the "Property"). NATIONAL employed drivers to operate commercial motor vehicles on routes in California and elsewhere.

In late 2014 and early 2015, defendant transformed NATIONAL into a new entity, co-defendant WHOLESALE. WHOLESALE also was a private motor carrier engaged in the transportation of cargo via tractor-trailers. WHOLESALE also specialized in transporting hazardous materials in specification and non-specification MC 306 tanks. WHOLESALE's primary place of business was also the Property.

WHOLESALE also employed drivers to operate commercial motor vehicles on routes in California.

A. Count One (First Conspiracy Object) and Count Two

With constant usage over time, the MC 306 cargo tanks used by defendant and his businesses, NATIONAL and WHOLESALE, to transport hazardous materials required various repairs, including modifications and welding. Defendant authorized and caused co-defendant NATIONAL's employees to conduct repairs, modifications, and welding on MC 306 cargo tanks.

The federal Hazardous Materials Transportation Statute ("HMTS"), Title 49, United States Code, Section 5101 et seq., was enacted by Congress to protect people and property from the dangers inherent in transporting hazardous materials. The regulations promulgated under the HMTS explicitly defined hazardous materials to include crude oil and other petroleum products. The HMTS and the regulations enacted thereunder were administered and enforced by the U.S. Department of Transportation ("US DOT"). These regulations applied to individuals and companies, like defendant and NATIONAL and WHOLESALE, who transported hazardous materials in commerce or who caused hazardous materials to be transported in commerce. Cargo tanks used for the transportation of hazardous materials included MC 306 cargo tanks, which were defined under the regulations as a type of "specification cargo tank."

The HMTS regulations required that certain repairs or modifications of a specification cargo tank must have been made by a repair facility holding a valid National Board Certificate of Authorization for use of the National Board "R" Stamp and must have been made in accordance with the edition of the National Board

Inspection Code in effect at the time the work was performed. Neither defendant, nor his co-defendants in this matter, were authorized as a repair facility under the HMTS and the HMTS regulations to conduct certain repairs or modifications of MC 306 cargo tanks because none of them held a valid National Board Certificate of Authorization for use of the National Board "R" Stamp and because certain tank repairs and modifications made to MC 306 cargo tanks by NATIONAL's employees were not made in accordance with the edition of the National Board Inspection Code.

At all times relevant to Counts One and Two of this matter, defendant knew that both he and NATIONAL's employees were prohibited by the HMTS and the HMTS regulations from conducting certain repairs or modifications requiring an "R" Stamp, including welding, on the shells of MC 306 cargo tanks. Defendant knew of this prohibition because he had been convicted and sentenced to prison in April 2000, in part, as the result of a 1993 cargo tank explosion that occurred when one of defendant's welders conducted repairs on an MC 306 cargo tanker in violation of the US DOT "R" Stamp and repair registration requirements.[1] In addition to knowing that he and his companies were prohibited from conducting certain repairs or modifications on MC 306 cargo tanks, defendant also knew that welding on the shells or components of MC 306 cargo tanks was dangerous because the MC 306 cargo tanks were used to haul hazardous materials that could explode

[1] A copy of the Stipulated Statement of Facts from defendant's plea agreement in that matter, United States v. Carl Bradley Johansson, Case No. CR 98-674-RAP, is attached hereto as Exhibit 2 to this plea agreement and is incorporated into this plea agreement and this factual basis by reference. Defendant expressly accepts the prior Stipulated Statement of Facts as true, and recants all prior claims that it was the result of coercion.

if not properly purged prior to conducting welding repairs or modifications. For example, defendant knew that in the 1993 incident, L.Q., a welder who worked for him, had been killed while welding a cargo tank when L.Q.'s welding torch ignited fumes inside the tank. Defendant was also aware of a similar explosion that occurred in NATIONAL's shop at the Property in September 2012. The explosion happened when NATIONAL employee, D.L.V., was welding on an MC 306 cargo tanker. As defendant knew, the explosion blew a large hole in the roof of the warehouse and could have seriously injured D.L.V.

As the person who controlled NATIONAL, defendant knew that NATIONAL's employees S.E. and D.L.V. frequently conducted welding on MC 306 cargo tanks operated by NATIONAL. Defendant authorized co-defendant Enrique Garcia ("Garcia," NATIONAL's Shop Foreman) to instruct S.E. and D.L.V. to conduct welding operations as needed. Beginning on a date no later than March 19, 2012, and continuing to May 6, 2014, in Riverside County, within the Central District of California, defendant knowingly conspired and agreed with other individuals to conduct repairs on US DOT specification cargo tanks used in the transportation of hazardous materials, in willful and reckless violation of the HMTS and the HMTS regulations. Defendant and his co-conspirators directed and caused NATIONAL's welders S.E. and D.L.V. to conduct welding repairs on MC 306 cargo tanks at the Property, even though defendant and his co-conspirators knew that neither they, nor NATIONAL, held a valid National Board Certificate of Authorization authorizing the use of an "R" Stamp to conduct such welding; and even if the cargo tanks had not been emptied of

hazardous materials or sufficiently cleaned of residue and purged of vapors, as required by the HMTS and the HMTS regulations.

In furtherance of the conspiracy agreement and to accomplish the object thereof, defendant and his co-conspirators committed various over acts, including the following:

On May 5, 2014, defendant and Garcia discussed repairs that they intended for employees to conduct on MC 306 cargo tank #678238 the following day. During that conversation, while standing next to MC 306 cargo tank #678238, Garcia, among other things, showed defendant the replacement parts for the cargo tank and pointed out the location of repairs to be conducted on the top of the tank. Defendant's discussion of the MC 306 cargo tank #678238 repairs was captured on NATIONAL's multiple surveillance cameras. During his discussion with Garcia regarding the proposed repairs, defendant can be seen on the surveillance recordings moving closer to the cargo tank to get a better look at the location of the needed repairs as Garcia pointed out the repair location.

On the following day, May 6, 2014, Garcia directed S.E. and D.L.V. to conduct welding repairs on cargo tank #678238 even though the cargo tank had not been completely purged of its explosive contents and fumes. Thereafter, S.E. and D.L.V. began using a metal grinder on cargo tank #678238 to prepare the tank for the welding repair project. Because the tank had not been completely purged of its fumes and crude oil, the sparks generated by the welding repair caused an explosion that killed S.E. and seriously injured D.L.V. The explosion blew a hole in the warehouse's roof, just like the 2012

explosion. The fatal explosion and its aftermath were captured on several of NATIONAL's surveillance cameras.

B. Count One (Second Object)

Following the fatal explosion on May 6, 2014, local, state, and federal first responders, law enforcement agencies, and regulatory agencies, including the US DOT Federal Motor Carrier Safety Administration ("FMCSA") investigated the cause of the fatal explosion. During its investigation, the FMCSA determined that NATIONAL's employees had been conducting illegal repairs, modifications, and welding on specification cargo tanks, such as MC 306 cargo tank #678238 that exploded during the prohibited repair operations. As a result of this determination, on August 14, 2014, the FMCSA issued an imminent hazard Out-of-Service Order (the "Emergency Order") which prohibited NATIONAL from operating 37 cargo tankers to haul gasoline or ethanol because it had determined that those cargo tanks presented safety risks. However, non-specification use was still allowed. Pursuant to the Emergency Order, NATIONAL was not permitted to operate the 37 specified cargo tanks without obtaining permission from FMCSA. NATIONAL never obtained permission from FMCSA to operate any of the 37 specified tanks to haul gasoline or ethanol.

The HMTS and the HMTS regulations prohibit the creation of new, or reincarnated, motor carriers to avoid compliance with federal law, regulations, and safety orders. "Carriers" are defined as motor carriers with common ownership, common management, common control or common familial relationship. The HMTS regulations prohibit two or more motor carriers, such as NATIONAL and WHOLESALE, from using common ownership, common management, common control, or common

familial relationship to enable any or all such motor carriers to avoid compliance, or mask or otherwise conceal non-compliance, or a history of non-compliance.

Beginning on May 6, 2014 and continuing to April 15, 2018, in Riverside County, within the Central District of California, defendant and other employees of NATIONAL and WHOLESALE knowingly conspired and agreed to impede, impair, obstruct, and defeat the US DOT's efforts to investigate the May 6, 2014 fatal explosion and to enforce federal laws and regulations related to out-of-service orders, reincarnated carriers, and the "R" Stamp and purging requirements for specification cargo tank repair work. In furtherance of the conspiracy agreement and to accomplish the object thereof, defendant and his co-conspirators knowingly committed various over acts, including the following:

Defendant and his co-conspirators made multiple false statements to local, state, and federal investigators to conceal the illegal welding repairs on MC 306 cargo tank #678238 and to conceal the fact that defendant ~~owned~~ controlled NATIONAL and Garcia, S.E., D.L.V., and others worked for NATIONAL.

For example, when investigators arrived at the Property on May 6, 2014 to investigate the explosion of the MC 306 cargo tank, defendant said that he was a Customer Service Representative for Agri-Comm Express, and also claimed that welders S.E. and D.L.V. had their salaries paid by a different company, called TankServices, LLC. On September 3, 2014, defendant signed an affidavit, under oath, in which he falsely claimed to federal regulators that defendant Garcia worked for a company called TankServices, LLC instead of co-defendant NATIONAL. In the same affidavit, defendant also falsely claimed that

NATIONAL never had engaged in cargo tank repairs (including the repairs carried out by S.E. and D.L.V. on or about May 6, 2014). Later, on January 9, 2015, defendant told federal investigators that he did not discuss the ~~repairs~~ welding of the MC 306 cargo tanker #678238 with Garcia prior to the explosion of that tank on May 6, 2014, despite the fact that the surveillance camera recordings showed defendant and Garcia discussing the planned repairs ~~and modifications~~ to the tank on May 5, 2014. During the investigation into the May 6, 2014 explosion, defendant claimed that he did not control NATIONAL because he was merely a "paper pusher" who, at the time of the explosion, purportedly worked for a temporary staffing company that had assigned him to be an "administrative manager" at NATIONAL. Furthermore, during the federal and state investigation of the May 6, 2014 explosion, defendant told associates V.R. and M.C. to tell investigators that V.R. and M.C. had purged MC 306 cargo tanker #678238 before dropping it off for repairs in May 2014, even though this was false.

After the FMCSA issued the Emergency Order to NATIONAL in August 2014, defendant and his co-conspirators caused NATIONAL to continue operating tractor-trailer trucks to transport gasoline and ethanol in MC 306 cargo tanks that were prohibited from hauling gasoline and ethanol pursuant to the Emergency Order. When they were unsuccessful in challenging the Emergency Order, defendant and his co-conspirators took steps to evade the FMCSA's Emergency Order. Defendant shut down NATIONAL and started WHOLESALE in late 2014 and early 2015. As defendant was aware, WHOLESALE had almost all of the same employees and management as NATIONAL, and it operated out of the same warehouse at the Property. Defendant's co-conspirators made false statements

to federal regulators and local authorities in order to conceal the fact that WHOLESALE was a reincarnation of NATIONAL. Defendant and his co-conspirators also concealed defendant's control of co-defendant WHOLESALE from federal regulators. For all intents and purposes, WHOLESALE was a "reincarnated" or "chameleon" carrier, created to avoid the regulatory restrictions imposed on NATIONAL.

WHOLESALE's violations of the Emergency Order continued through early 2018. On many occasions, WHOLESALE operated the prohibited cargo tanks to haul gasoline or ethanol in violation of the Emergency Order.

As part of the conspiracy and to further conceal his control of NATIONAL and WHOLESALE, defendant did not file income tax returns for calendar years 2012 through 2017, thus concealing from the federal government the fact that he was earning income from NATIONAL and WHOLESALE, and using that income to pay for personal expenses totaling at least $1,174,173 in unreported income.

C. Count Four - Tax Evasion

Defendant owed federal income tax for the calendar years 2012 through 2017. Defendant made an affirmative attempt to evade or defeat the assessment and payment of income taxes for those years. In attempting to evade or defeat such taxes, defendant acted willfully.

Defendant filed personal, federal income tax returns from 2002 through 2008. In 2007, the Internal Revenue Service ("IRS") sued defendant for employment taxes owed by his former hazardous material transportation company, Atlas Bulk, Inc., from tax year 1995 (C.D. Cal. Case No. 07-CV-659-AHS). As a result of the IRS lawsuit, the district court entered judgment against defendant in 2008 for

$923,440. Thereafter, defendant stopped reporting his income to the IRS and stopped filing personal federal income tax returns. Instead, defendant used the corporate accounts of NATIONAL and WHOLESALE to pay for his personal expenses, including rent for his family home, medical bills, and the high school and college tuitions of his four children. He directed L.S. (his longtime office manager and bookkeeper at NATIONAL and WHOLESALE) to make such personal payments on his behalf, and at times he made the payments himself using corporate checks and debit cards.

The table below shows examples of defendant's unreported income received from NATIONAL and WHOLESALE, and lists the purposes for which some of those funds were paid on defendant's behalf and to whom they were paid. The table also shows the amount of unreported income received by defendant each year, and the corresponding amount of federal income taxes that defendant evaded each year.

Defendant's Unreported Income							
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**TOTAL**
Personal Rent:							
W.K.	$135,000	$162,750	$112,500	$147,058	$147,192	$178,197	**$882,697**
Children's Tuition/Board:							
Orange Lutheran	$46,592	$49,740	$32,337	$10,187	-	-	**$138,856**
Christ Lutheran	$5,500	-	-	-	-	-	**$5,500**
Halstrom Acad.	-	$7,883	$22,066	$11,119	$12,743	$8,326	**$62,138**
Texas A&M	-	-	$3,638	$9,103	$13,974	$7,386	**$34,103**
Callaway House	-	-	-	$2,668	$907	$470	**$4,045**
Medical:							
Medquest	$13,108	-	$5,684	-	-	-	**$18,792**

Pharmacy							
California Specialty	-	$1,950	-	-	-	-	$1,950
Denine Rice DDS	-	-	$1,547	$3,653	-	-	$5,200
Other:							
Kimco Staffing	-	-	$20,889	-	-	-	$20,889
TOTAL	$200,200	$222,323	$198,662	$183,789	$174,816	$194,380	$1,174,173
TAX OWED	$52,045	$59,851	$50,735	$45,235	$42,002	48,694	$298,562

As part of his scheme to receive unreported income from NATIONAL and WHOLESALE, defendant knowingly and willfully committed several affirmative acts, including the following conduct:

When defendant established WHOLESALE in late 2014 with a nominee owner, J.C., he immediately used J.C. to open corporate accounts for WHOLESALE at American First National Bank and Bank of America. Defendant then obtained a signature stamp in J.C.'s name, which defendant used to control the accounts. Defendant used the accounts to pay the rent for his house, his children's tuitions, and his medical expenses. Defendant took company checks that he used for personal expenses out of the office drawer where they were stored at the Property. He then either handwrote the checks himself or used a typewriter to fill them out. Defendant rented a large home in Corona from his landlord, W.K., for at least $12,000 per month from 2012 through 2018. Defendant included misleading notes on the rent checks to W.K. to make them look like legitimate business expenses. For example, he labelled some as "Truck Yard Rental Payment," "Reimbursement of expenses," and "Loan Oak" (the companies' lender for its rented warehouse) in the checks' memo sections. Defendant lied to

L.S. (his longtime administrative assistant) by telling her that company checks made payable to his landlord were rental payments for the companies' rented warehouse. As a result, L.S. then recorded the payments as rental payments in the companies' accounting software. Defendant used NATIONAL's and WHOLESALE's corporate accounts to make approximately $200,000 in tuition payments at his four children's private high schools and university. ~~He personally set up electronic checking account withdrawals from NATIONAL and WHOLESALE's accounts at two of the schools.~~ Defendant also directed L.S. to characterize the tuition payments as "employee training" in NATIONAL's and WHOLESALE's accounting records, despite the fact that none of defendant's children worked at the companies. Defendant was careful to omit his own name on the corporate tax returns for co-defendants NATIONAL or WHOLESALE, and he used an alias, "Keith Golatta," to sign NATIONAL's corporate tax return for tax year 2012 (and he listed "Golatta" as NATIONAL's President, Secretary, Treasurer, and Director on corporate records for 2013) to conceal his unreported income from those sources.

In total, for the calendar years 2012 through 2017, defendant received at least $1,174,173 in unreported income from NATIONAL and WHOLESALE, and knowingly and willfully evaded payment of at least $298,562 in federal income taxes.

II. Factual Basis for United States v. Western Distribution, LLC, et al., ED CR No. 5:21-00170-VAP

CARL BRADLEY JOHANSSON, aka "Brad Johnson," "Carl Johnson," aka "C. Brad Johanson," aka "Jay Johnson," aka "Keith Golatta" ("defendant"), controlled and operated co-defendant WESTERN. From

April 2018 through July 2021, defendant was on federal pretrial release due to the felony charges pending against him in United States v. National Distribution Services, Inc., et al., C.D. Cal. Case No. 5:18-CR-114(B)-VAP.

Co-defendant WESTERN DISTRIBUTION, LLC, also known as ("aka") "Advanced Distribution, Inc." ("WESTERN"), was a trucking company based in San Bernardino County, California, that was engaged in the business of transporting jet fuel. Agri-Comm Express, Inc. ("Agri-comm") was a trucking company based in Gustine, California, that was engaged in the business of transporting agricultural products. Carl Stefan Johansson was defendant's son, and the alleged owner of WESTERN. L.S. was defendant's long-time employee and administrative assistant at WESTERN.

In March 2019, defendant founded WESTERN and registered it as an LLC in Wyoming. At all times relevant to the indictment, defendant controlled all aspects of WESTERN. WESTERN was based in Buena Park, California and then Ontario, California, and focused on the transportation of jet fuel. In September 2019, defendant converted WESTERN into Advanced Distribution, Inc. and then into Western Distribution, Inc.

Beginning on a date unknown and continuing to July 21, 2021, in San Bernardino County, within the Central District of California, and elsewhere, defendant and WESTERN conspired with others to execute a scheme to defraud a federally insured financial institution, namely, BAC Community Bank ("BAC") in Stockton, California, as to material matters, and to obtain moneys and funds owned by and in the custody and control of the bank by means of material false and fraudulent

pretenses, representations, promises, and the concealment of material facts.

In furtherance of the conspiracy and to accomplish the objects of the conspiracy, defendant and WESTERN, and others, committed various overt acts within the Central District of California and elsewhere, including, but not limited to, the following:

On April 15, 2020, at defendant's direction, Agri-comm applied for a PPP loan in the amount of $286,505 from Bank of the West, a federally insured financial institution. Defendant told Agri-comm how to fill out the responses on the PPP application. At defendant's direction, Agri-comm's PPP application claimed that Agri-comm had no common management with any other businesses, even though defendant had influence over and/or controlled Agri-comm and, at the same time, he controlled WESTERN and Wholesale Distribution, Inc. ("Wholesale"). Agri-comm's application was approved, and Agri-comm received a PPP loan in the amount of $286,500.

On April 24, 2020, at defendant's direction, WESTERN submitted a PPP loan application ("WESTERN's PPP Loan Application") to BAC, seeking a PPP loan in the amount of $436,390. Defendant instructed L.S. regarding how to fill out the responses on the application. As part of WESTERN's PPP Loan Application, defendant caused WESTERN to fraudulently represent the following material facts to BAC: (a) that WESTERN had the equivalent of 31 full-time employees, even though WESTERN had laid off most of those employees prior to the submission of the application; and (b) that the PPP funds WESTERN received would be "used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, as specified

under the Paycheck Protection Rule." At defendant's direction, WESTERN also fraudulently represented to BAC that WESTERN had no common management with any other businesses, even though JOHANSSON controlled WESTERN and Wholesale and had influence and/or control over Agri-comm.

On May 5, 2020, WESTERN obtained a PPP loan in the amount of $436,390 after defendant caused its fraudulent PPP loan application to be submitted to BAC. Between May 7, 2020 and June 11, 2020, defendant caused WESTERN to spend at least $435,000 of its PPP loan, mostly on business expenses unrelated to its payroll, because the company had laid off most of its employees before it even applied for the PPP loan. On May 16, 2020, defendant added his son, Carl Stefan Johansson, to WESTERN's payroll, even though defendant had previously represented in WESTERN's PPP Loan Application that his son already owned WESTERN and even though his son worked for a different company at the time.

On approximately September 22, 2020, defendant caused the fraudulent transfer of 21 of Agri-comm's employees ("Agri-comm's 21 Employees") to WESTERN's payroll account (effective as of September 16, 2020), even though those employees continued to work for Agri-comm rather than WESTERN. These same employees had been listed as Agri-comm's employees in Agri-comm's PPP loan application. Defendant's intent in transferring the 21 Agri-comm Employees to WESTERN's payroll was to increase WESTERN's payroll so that it would look like WESTERN had spent at least sixty percent of its PPP loan on its payroll, as required by the PPP, so that WESTERN's entire PPP loan could be forgiven.

Between September 16, 2020 and October 19, 2020, at defendant's direction, WESTERN paid Agri-comm's 21 Employees approximately $87,722, even though Agri-comm's 21 Employees did not work for WESTERN. Between September 2020 through December 2020, at defendant's direction, Agri-comm wired approximately $339,900 from Agri-comm's bank account to WESTERN's bank account to reimburse WESTERN for the money that it was using to pay Agri-comm's 21 Employees. On December 28, 2020, defendant sent an email to the employee at Agri-comm who handled payroll issues, writing "[M]ake this the last week . . . go back to your own next week." On December 29, 2020, the employee at Agri-comm replied to defendant, writing, "We will go ahead and run the weekly payroll information we have you yesterday under the Western trucker account. . . . We will go back to everyone under the Agri-Comm Express, Inc. account next week."

On January 19, 2021, defendant caused WESTERN to submit a loan forgiveness application (the "Loan Forgiveness Application") to BAC, in which WESTERN requested that its entire $436,390 loan be forgiven pursuant to the PPP rules. As part of the Loan Forgiveness Application, defendant caused WESTERN to certify to BAC that "[t]he dollar amount for which forgiveness is requested was used to pay costs that are eligible for forgiveness" and that "[t]he information provided in this application and the information provided in all supporting documents and forms is true and correct in all material respects." As part of the Loan Forgiveness Application, defendant caused WESTERN to represent to BAC that Agri-comm's 21 Employees were WESTERN's employees between the dates of May 5, 2020 and October 19, 2020, and that the employees were paid approximately $87,722 by WESTERN during that period, even though Agri-comm's 21 Employees did

not actually work for WESTERN and Agri-comm had reimbursed WESTERN for those 21 Employees' payroll expenses. Later, on February 22, 2021, WESTERN represented to BAC that WESTERN had three different departments and three different payroll journals, but concealed from BAC that one of those "departments" actually consisted of Agri-comm's 21 Employees.

On March 24, 2021, at defendant's direction, WESTERN applied for a second PPP loan (the "Second PPP Loan Application"), also through BAC, seeking a PPP loan in the amount of $231,527. Again, defendant directed WESTERN regarding how to fill out the application. As part of this Second PPP Loan Application, defendant caused WESTERN to make the following fraudulent and material representation to BAC: that the PPP funds that WESTERN received would be "used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, as specified under the Paycheck Protection Rule." As part of the Second PPP Loan Application, defendant caused WESTERN to fraudulently submit to BAC its purported payroll, yet omit to disclose a significant, material fact to BAC, namely, that many of the individuals that it had listed as its own employees were actually employed by Agri-comm rather than WESTERN. Defendant again caused WESTERN to claim to BAC, falsely, that WESTERN had no common management with any other businesses.

On March 24, 2021, as a result of its submission of the fraudulent Second PPP Loan Application, WESTERN obtained a PPP loan in the amount of $231,527.

Exhibit 2

STIPULATED STATEMENT OF FACTS

1. Defendant CARL BRADLEY JOHANSSON was the president and owner of a privately-owned trucking business that operated under the names Petroleum Delivery Service, Ash Incorporated, Ash Transportation, Atlas Carriers, Inc., and Atlas Bulk, Inc. (collectively "Atlas"). Atlas maintained corporate offices in both Montebello and Paramount, California. Atlas also maintained and operated truck terminals throughout California, including sites in Oxnard, Bakersfield, Paso Robles, Paramount, and Montebello. Atlas was a private motor carrier engaged in the intrastate and interstate transportation of cargo via commercial motor vehicles, commonly referred to as tractor-trailers or tanker trucks. Atlas specialized in transporting hazardous materials such as petroleum fuels, primarily gasoline, in cargo tanks known as "MC 306" tanks. Atlas also employed drivers at its terminals to operate its commercial motor vehicles on routes throughout California and the western United States.

2. George Granados was employed by Atlas as vice-president of fleet operations, and was responsible for, among other things, overseeing and managing the maintenance, repair, and servicing of tractor-trailer trucks and cargo tanks.

3. Atlas had neither applied for nor was registered as a repair facility for repairing cargo tanks at any of its facilities, offices, or terminals. Atlas was therefore not a registered repair facility, and as such, was not permitted by the United States Department of Transportation ("US DOT") to engage, or permit others to engage, in the repair of cargo tanks, including MC 306 tanks, at any of its facilities.

4. Beginning at a time prior to September 27, 1993, in Los Angeles County, defendant and George Granados conspired and agreed to willfully violate regulations prescribed by the Hazardous Materials Transportation Safety Act for the repair of cargo tanks used in the transportation of hazardous materials.

5. In furtherance of the agreement and to accomplish the object thereof, defendant and Granados committed various overt acts, including, but not limited to, the following:

a. On or about December 24, 1992, defendant mailed a letter to Gary Burley, US DOT, Office of Motor Carriers, which falsely stated that Atlas was in the process of applying for an "R" stamp, and that Atlas would use "authorized vendors" to repair leaking cargo tanks.

b. On or about the following dates, defendant and Granados caused a welder to conduct repairs on the below-listed

MC 306 cargo tanks at the Atlas facility located at 751 South Vail Avenue, Montebello, California, which was a facility that did not hold a valid National Board Certificate authorizing the use of an "R" stamp and was not registered with US DOT:

APPROX. DATE(S)	VEHICLE NO.	SERIAL NO.
1/27/93	52A	TT 17433B
2/2/93	50	T 17433
2/9/93-2/10/93	15A	125214
4/13/93	80A	STN 172986
4/27/93	32A	TT 14815
6/9/93	15A	125214
6/23/93-6/24/93	89A	F 17090
7/1/93	51A	125333
7/2/93	67A	TT 17998
9/27/93	113A	K1-10023

6. During this time period, defendant knew that Atlas was not authorized to engage in the repair of cargo tanks at the Montebello facility.

7. Beginning at a time prior to and ending on approximately July 10, 1996, in Los Angeles County, defendant and others agreed to willfully violate regulations prescribed by the Hazardous Materials Transportation Safety Act for the safe driving limitations on hours of service and creation and maintenance of driver's logs by drivers transporting hazardous materials. Specifically, defendant and others agreed to allow Atlas drivers to drive in excess of hours of duty prescribed by US DOT and to conceal such violations by falsifying records required to be maintained by US DOT, including records of duty status (commonly referred to as "driver logs" or "spread sheets").

8. In furtherance of the agreement and to accomplish the object thereof, defendant and others committed various overt acts, including, but not limited to, the following:

a. Between on or about February 6, 1995 and February 7, 1995, defendant and others caused to be created, false and

fraudulent driver logs for Atlas employee Robert Hill indicating that Hill was off duty on those dates, when, on those dates, Hill actually worked a total of 25 hours at Atlas' Paso Robles terminal.

b. On or about February 9, 1995, defendant and others caused to be created, false and fraudulent driver logs for Atlas employee Lee Bagleman indicating that Bagleman was off duty on that date, when, on that date, Bagleman actually drove 18.25 hours out of Atlas' Paso Robles terminal.

c. On or about February 24, 1995, defendant and others caused to be created, false and fraudulent driver logs for Atlas employee Robert Silveira indicating that Silveira transported two loads for a total of eight hours on that date, when, on that date, Silveira actually transported four loads for a total of 14 hours out of Atlas' Paso Robles terminal.

d. On or about May 17, 1995, defendant and others caused to be created, false and fraudulent driver logs for Atlas employee Michael Schlagenhauser indicating that Schlagenhauser was off duty for a 24-hour period, when, on that date, Schlagenhauser actually worked 10 hours at Atlas' Oxnard terminal.