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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

CASE NO. 9:23-CR-80154-DMM-1

UNITED STATES OF AMERICA,

Plaintiff,

v.

GREGORY SCOTT KEOUGH,

Defendant.

**DEFENDANT’S REPLY IN SUPPORT OF
MOTION TO MODIFY CONDITIONS OF SUPERVISED RELEASE**

Defendant Gregory Scott Keough (“Mr. Keough”), by and through undersigned counsel, respectfully submits this Reply in Support of Motion to Modify Conditions of Supervised Release, and in support thereof states as follows:

INTRODUCTION

Mr. Keough wants to move on with his life and reunite with his family in El Salvador. There is nothing left for him in the United States. But his supervised release conditions, as currently structured, will forestall efforts to piece back together a meaningful life.

The Government does not object to the removal of one such condition—the Drug Test

Condition.¹ Mr. Keough therefore requests the Court remove or deem satisfied the Drug Test Condition. The Government insists, however, that the Reporting Conditions are necessary, and that rendering Mr. Keough non-reporting is inappropriate and unwarranted. The Government's position fails to account for Mr. Keough's demonstrated history of acceptance of responsibility, rehabilitation and accountability, as well as his unique personal circumstances making relocation to El Salvador not only appropriate, but necessary.

Mr. Keough therefore requests the Court modify his supervised release conditions to remove or deem satisfied the Drug Test Condition, and alter the Reporting Conditions in a manner that renders Mr. Keough non-reporting so that he may be reunited with his family in El Salvador.

ARGUMENT

The Court has discretion 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). Given this inherent power, the Court can, and should, modify Mr. Keough's supervised release conditions to alter the Reporting Conditions and render him non-reporting. Additionally, Mr. Keough requests the Court remove or deem satisfied the Drug Test Condition; a request the Government does not oppose.

A. Non-Reporting Status is Feasible, and Mr. Keough's Request is Not the Equivalent of Early Termination.

Mr. Keough's request for non-reporting status is not all that uncommon. In fact, it would operate under procedures the United States Probation Office is well-familiar with. Non-citizen releasees are often rendered non-reporting and returned to their country of origin. *See* 18 U.S.C. § 3583(d) (authorizing courts to order surrendering to immigration authorities as a condition of

¹ Capitalized terms used but not defined herein have the definitions ascribed to them in Defendant's Memorandum of Law in Support of Motion to Modify Conditions of Supervised Release (the "Opening Memorandum").

supervised release). In such cases, supervised release conditions are only reimposed and enforced if and when the individual lawfully returns to the United States. U.S. Courts, *Overview of Probation and Supervised Release Conditions, Chapter 3, XVI* (last visited July 22, 2024), <https://www.uscourts.gov/about-federal-courts/probation-and-pretrial-services/post-conviction-supervision/overview-probation-and-supervised-release-conditions> (stating that when a defendant is deported as a condition of supervised release “[t]he probation officer identifies the defendant’s case file as ‘inactive’ and ceases supervision” but once “a defendant reenters the United States...and reports to the probation office as required, the probation officer begins active supervision....”).

Mr. Keough, though a United States citizen,² does not presently intend on returning to the United States during the term of his supervised release, or at any point thereafter. But like non-citizens, oversight of Mr. Keough when his home is elsewhere is unwarranted and a waste of government resources. These resources are better spent on individuals who intend to remain in the country and pose an actual threat to the public at large. Should Mr. Keough return to the United States while his supervised release term remains unfinished, he will take the appropriate steps to remain compliant with the conditions remaining in effect.

The Court can, and should, modify Mr. Keough’s supervised release conditions to render him non-reporting, thus allowing him to reunite permanently with his family in El Salvador.

B. Modification of Mr. Keough’s Supervised Release Conditions to Render Him Non-Reporting is Warranted.

The relevant factors in determining whether a modification of supervised release conditions is warranted are (a) the nature and circumstances of the offense and the history and characteristics

² Mr. Keough has been an authorized legal resident in El Salvador for around ten years. Keough Decl. ¶ 6.

of the defendant; (b) the need for deterrence, specific and general; (c) the need for public protection; and (d) the uniformity of sentences among defendants. *See* Gov’t Br. at 4 (citing *United States v. Reagan*, 162 F. App’x 912, 914 (11th Cir. 2006) (citing 18 U.S.C. §§ 3553(a), 3583(e)(1))).

Mr. Keough was a first-time criminal offender when he pled guilty to wire fraud and money laundering. These crimes were isolated events for which Mr. Keough immediately took responsibility by pleading guilty and fully satisfying his restitution obligations prior to his plea. In prison, he was a model inmate, so much so that he was released early.

The need for deterrence in Mr. Keough’s case is minimal. Mr. Keough committed non-violent, isolated crimes. Indeed, the most deterrent thing the Court could do is allow Mr. Keough to relocate to El Salvador to reunite with his family. Numerous studies confirm that meaningful contact with friends and family dramatically reduces recidivism. *See* Grant Duwe & Byron R. Johnson, *The Effects of Prison Visits from Community Volunteers on Offender Recidivism*, 96 Prison J. 279, 296 (March 2016) (finding that regular visits from “community volunteers” such as clergy and mentors “reduced the risk of recidivism by 25% for rearrest, 20% for reconviction, and 31% for new offense reincarceration.”); Jordan S. Donohue, *Barriers to Successful Re-Entry*, U.N.L.V. Cntr. For Crime and Justice Policy (Dec. 2024), <https://www.unlv.edu/sites/default/files/media/document/2024-12/r6-Reentry.pdf> (“When compared to persons released into their family’s home, recidivism risks were 35% higher for persons beginning reentry without housing.”); Leah Wong, *Research roundup: The positive impacts of family contact for incarcerated people and their families*, Prison Policy Initiative (Dec. 21, 2021), https://www.prisonpolicy.org/blog/2021/12/21/family_contact/ (summarizing multiple studies, and showing 13-25% reductions in recidivism among those receiving regular family visits

in prison). So powerful are these familial bonds in reducing recidivism that many federal criminal laws incorporate provisions allowing for family reunification. *See* 18 U.S.C. § 3621(b) (instructing the Bureau of Prisons to consider placing an inmate “in a facility within 500 driving miles of” the inmate’s primary residence); *Treaty Transfers*, Fed. Bureau of Prisons, https://www.bop.gov/inmates/custody_and_care/treaty_transfers.jsp (last visited July 22, 2025) (noting that the Treaty Transfer Program, 18 U.S.C. § 4100 *et seq.*, is designed to allow prisoners “to serve their sentence closer to home and facilitate their reentry”).

As indicated in his Opening Memorandum, Mr. Keough and his family rely on each other heavily for strength and guidance. Now more than ever, the family needs to be together. Reuniting the family in El Salvador will not only be a great benefit to the Keough family, but will dramatically reduce the likelihood of recidivism, if any, that Mr. Keough presents.

Nor is there a great need for public protection in this case. The whole purpose of Mr. Keough’s Motion is to remove him from the general United States public. Upon his return to El Salvador, Mr. Keough has no present intention of returning to the United States for any reason. Moreover, he intends to return to El Salvador and obtain employment through his in-laws’ real estate ventures, consulting and helping them manage and develop properties in El Salvador. This work has no ties whatsoever to the United States, nor could it from a practical standpoint.

The Government’s qualm with Mr. Keough’s Motion is totally backward-looking. They appear primarily concerned with Mr. Keough’s supposed “pattern of improper financial conduct,” which, they say, will continue once he returns to El Salvador. *See* Gov’t Br. at 5-6. In broader support of this contention, the Government cites to Mr. Keough’s conduct in this case and his prior

role in the “financial technology companies” Creditmovil and DeFi Money Market.³ *See id.*

But when looking ahead, this narrative falls apart. For starters, Creditmovil is an El Salvadoran company in which Mr. Keough currently owns no interest. And Creditmovil does not now, nor has it ever, had operations in the United States. Mr. Keough otherwise has no prospects in the “financial technology” industry as it stands. He intends to return to El Salvador and seek employment with his in-laws’ real estate ventures. These ventures own no property and do not conduct business in the United States. Mr. Keough’s past with companies such as Creditmovil and DeFi Money Market is therefore unmoving when considering modification. His future lies with his El Salvadoran family’s real estate businesses that do not touch or concern the United States at all.

Moreover, the Government asserts that general deterrence is necessary to “encourage white-collar defendants to move abroad after being released from imprisonment to avoid servicing their terms of supervised release.” *See* Gov’t Br. at 5. But such an assertion simply underscores the uniqueness of Mr. Keough’s circumstances. He has deep, lengthy, and intimate ties to El Salvador. *See, e.g.*, Keough Decl. ¶¶ 6 (stating that Mr. Keough has been an authorized legal resident of El Salvador for the last ten years), 8 (stating that the Keough family resided full-time in El Salvador for at least two years, and that the family owns no real estate in the United States); PSR 18 ¶ 77 (stating that Mr. Keough’s wife and children are El Salvadoran citizens). The insinuation that a future white-collar defendant would spend years in another country building a life and fathering five children as a cover in the event they are eventually placed on supervised release is absurd. There is accordingly no palpable need for deterrence, specific or general, in the

³ The civil SEC matter related to DeFi Money Market was settled in August 2021. *See In re Blockchain Credit Partners d/b/a DeFi Money Market, et al.*, File No. 3-20453 (SEC Aug. 6, 2021), available at <https://www.sec.gov/files/litigation/admin/2021/33-10961.pdf>.

case of Mr. Keough.

CONCLUSION

Mr. Keough simply wants to rebuild his life in the presence of his family. But the Reporting Conditions are preventing him from doing so by keeping him stateside while his family suffers without him in El Salvador. *See* Opening Memo. at 3-4. Rendering Mr. Keough non-reporting is a valid and administratively feasible supervised release status. It is also warranted given Mr. Keough's unique personal circumstances. As such, the Court should modify Mr. Keough's supervised release to render him non-reporting, thus allowing him to relocate permanently to El Salvador with his family.⁴

Dated: July 24, 2025

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⁴ As previously stated, the Government does not oppose Mr. Keough's request to deem satisfied or remove the Drug Test Condition. Mr. Keough respectfully requests the Court do so.