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IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

UNITED STATES OF AMERICA, Plaintiff, v. CASSIE WILL-DARNALL, Defendant.	Case No. CR 24–00292 PCP **DEFENDANT'S AMMENDED SUBMISSION IN ADVANCE OF CHANGE OF PLEA HEARING**

INTRODUCTION

Defendant Cassie Will-Darnall respectfully notifies the Court that she intends to change her plea to guilty at the change of plea hearing scheduled for January 15, 2025, at 10:00 a.m. Specifically, Ms. Will-Darnall intends to enter a guilty plea to Counts One and Two of the filed Information.

CHARGES, ELEMENTS, AND PENALTIES

I. Count One

Charges: Bank Fraud in violation of 18 U.S.C. § 1344(2)

Elements: (1) the defendant knowingly carried out a scheme or plan to obtain money or

property from Lender 1 by making false statements or promises; (2) the 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) the defendant acted with the intent to defraud; and (5) Lender 1 was federally insured.

Maximum Penalties: (1) maximum prison term of 30 years; (2) maximum fine of $1 million; (3) 5 years of supervised release;(4) mandatory special assessment of $100; (5) loss of federal benefits; (6) potential deportation; (7) forfeiture.

II. Count Two

Charges: Wire Fraud in violation of 18 U.S.C. § 1343.

Elements: (1) the defendant knowingly participated in, devised, or intended to devise a scheme or plan to defraud for the purpose of obtaining money or property by means of false or fraudulent pretenses, representations, or promises; (2) the statements made as part of the scheme were material; that is, they had a natural tendency to influence, or were capable of influencing, a person to part with money or property; (3) the defendant acted with the intent to defraud, that is, the intent to deceive and cheat; and (4) the defendant used, or caused to be used, an interstate wire communication to carry out or attempt to carry out an essential part of the scheme.

Maximum Penalties: (1) maximum prison term of 20 years; (2) maximum fine of $250,000; (3) 3 years of supervised release; (4) mandatory special assessment of $100; (5) loss of federal benefits; (6) potential deportation; (7) forfeiture.

FACTUAL BASIS

I agree that I am guilty of the offenses to which I am pleading guilty, and I agree that the following facts are true:

Count 1

On or about May 20, 2020, in the Northern District of California, I submitted a PPP application to Lender 1 as the sole partner of Alternative Health Services Inc., seeking a PPP loan of $968,989. Lender 1 was a federally insured financial institution based in New Jersey that participated as an SBA-approved PPP lender to small businesses. On the application, I falsely stated that Alternative

Health Services Inc. had ten employees and an average monthly payroll of $387,595.67 when the company had no employees and no payroll. I knew the statements I made to Lender 1 were false, and I made them with the intent to defraud.

Based on the false information and supporting documentation I provided to Lender 1 in the PPP application, Lender 1 approved and funded the PPP loan. On or about May 20, 2020, $968,989 was transferred to the Rosswood LLC Wells Fargo account ending in 7528, an account which I controlled.

Count 2

On or about July 12, 2020, in the Northern District of California, I knowingly participated in a plan to defraud Lender 2 to obtain money or property through false or fraudulent representations. Specifically, I submitted a PPP application to Lender 2 in my name as the CEO of Rosswood Properties LLC, seeking a PPP loan of $1,650,500. Lender 2 was a non-bank lender based in California that participated as an SBA-approved PPP lender to small businesses. I electronically submitted the application and supporting documentation from California to the SBA through its server in Virginia. On the application, I falsely stated that Rosswood Properties LLC had 35 employees and an average monthly payroll of $816,551 when the company had no employees and no payroll. I made these false statements to Lender 2 with the intent to defraud. Based on the false information and supporting documents I provided to Lender 2 in the Rosswood Properties LLC application, Lender 2 approved and funded the PPP loan. On or about July 21, 2020, $1,864,565 was transferred to the Rosswood LLC Wells Fargo account ending in 7528, an account which I controlled.

WAIVER OF CONSTITUTIONAL RIGHTS

Ms. Will-Darnall understands that by pleading guilty, she gives up the following: the right to persist in a plea of not guilty and the right to a speedy and public trial by jury; the right to have the assistance of counsel at such a trial; the right to be presumed innocent and to have the government bear the burden of proving guilt beyond a reasonable doubt; the right to confront and cross-examine adverse witnesses; the right to testify on her own behalf and to present evidence, including the right to call witnesses and to subpoena those witnesses to testify; and the right to remain silent and not be compelled to testify and, if she chose not to testify or present evidence, not to have such a choice used against her.

Dated: January13, 2024

Respectfully submitted,

JODI LINKER
Federal Public Defender
Northern District of California

/S
VARELL L. FULLER
Assistant Federal Public Defender