UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

UNITED STATES OF AMERICA,	)	CR-24-00292 PCP
	)	
PLAINTIFF,	)	SAN JOSE, CALIFORNIA
	)	
VS.	)	JANUARY 15, 2025
	)	
CASSIE WILL-DARNALL,	)	PAGES 1-22
	)	
DEFENDANT.	)	
_____	)	

TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE P. CASEY PITTS
UNITED STATES DISTRICT JUDGE

A P P E A R A N C E S:

FOR THE PLAINTIFF: UNITED STATES ATTORNEY'S OFFICE
BY: JOHNNY E. JAMES, JR.
60 SOUTH MARKET STREET, SUITE 1200
SAN JOSE, CALIFORNIA 95113

FOR THE DEFENDANT: FEDERAL PUBLIC DEFENDER'S OFFICE
BY: VARELL L. FULLER
55 SOUTH MARKET STREET, SUITE 820
SAN JOSE, CALIFORNIA 95113

OFFICIAL COURT REPORTER: LEE-ANNE SHORTRIDGE, CSR, CRR
CERTIFICATE NUMBER 9595

PROCEEDINGS RECORDED BY MECHANICAL STENOGRAPHY
TRANSCRIPT PRODUCED WITH COMPUTER

SAN JOSE, CALIFORNIA JANUARY 15, 2025

P R O C E E D I N G S

(COURT CONVENED AT 11:16 A.M.)

THE CLERK: OKAY. CALLING CASE NUMBER 24-CR-292, UNITED STATES VERSUS CASSIE WILL-DARNALL, ON TODAY FOR A CHANGE OF PLEA.

WILL THE PARTIES PLEASE STATE THEIR APPEARANCES FOR THE RECORD, BEGINNING WITH THE GOVERNMENT.

MR. JAMES: IF IT MAY PLEASE THE COURT, JOHNNY E. JAMES, JR. APPEARING ON BEHALF OF SARAH GRISWOLD FOR THE UNITED STATES.

THE COURT: GOOD MORNING.

MR. FULLER: AND VARELL FULLER FOR MS. CASSIE WILL-DARNALL. SHE'S PRESENT BEFORE THE COURT AND SHE'S OUT OF CUSTODY.

THE COURT: GOOD MORNING.

AND GOOD MORNING, MS. WILL-DARNALL.

THE DEFENDANT: GOOD MORNING.

THE COURT: SO I UNDERSTAND THAT WE'RE HERE FOR A CHANGE OF PLEA AS TO COUNTS ONE AND TWO OF THE INFORMATION.

IS THAT CORRECT?

MR. JAMES: THAT IS THE GOVERNMENT'S UNDERSTANDING, YES, YOUR HONOR.

MR. FULLER: THAT IS CORRECT.

THE COURT: OKAY. AND ARE BOTH PARTIES READY TO

PROCEED?

MR. JAMES: YES, YOUR HONOR.

MR. FULLER: YES, YOUR HONOR.

THE COURT: OKAY. HAVE ANY VICTIMS OF THE OFFENSE BEEN NOTIFIED AS REQUIRED BY THE JUSTICE FOR ALL ACT?

MR. JAMES: MY UNDERSTANDING IS THAT VICTIM NOTIFICATIONS HAVE BEEN SATISFIED, YES, YOUR HONOR.

THE COURT: AND ARE YOU AWARE OF ANYONE WHO WISHES TO PARTICIPATE IN TODAY'S PROCEEDINGS?

MR. JAMES: I AM UNAWARE OF ANYBODY WHO WISHES TO PARTICIPATE, YOUR HONOR.

THE COURT: OKAY. SO LET ME START BY JUST CONFIRMING, ARE YOU CASSIE WILL-DARNALL, THE PERSON NAMED AS THE DEFENDANT IN THE INFORMATION?

THE DEFENDANT: YES.

THE COURT: OKAY. SO WE'RE HERE TODAY TO -- BECAUSE YOU'VE INDICATED A DESIRE TO PLEAD GUILTY TO TWO COUNTS THAT THE GOVERNMENT HAS FILED AGAINST YOU IN THIS CASE.

BEFORE I ACCEPT A GUILTY PLEA, I HAVE TO SATISFY MYSELF THAT YOU ARE PLEADING GUILTY VOLUNTARILY AND WITH A FULL UNDERSTANDING OF THE CHARGES THAT WERE FILED AGAINST YOU AND THE RIGHTS YOU ARE GIVING UP BY PLEADING GUILTY.

TO DO THIS, I'M GOING TO HAVE TO ASK YOU A NUMBER OF QUESTIONS TODAY, WHICH YOU MUST ANSWER UNDER OATH.

SO I JUST WANT -- AS I MENTIONED IN THE EARLIER

PROCEEDING, I WANT YOU TO UNDERSTAND THAT YOU HAVE A RIGHT TO CONFER WITH MR. FULLER AT ANY TIME DURING THIS HEARING.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES. THANK YOU.

THE COURT: OKAY. AND AT ANY TIME YOU MAY ASK ME TO REPEAT, REPHRASE, OR SIMPLY ASK A QUESTION A DIFFERENT WAY IF YOU DON'T UNDERSTAND. IT'S IMPORTANT THAT YOU FULLY UNDERSTAND ALL THE QUESTIONS THAT I'M GOING TO ASK YOU TODAY.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES. THANK YOU.

THE COURT: AT THIS TIME, MS. WILL-DARNALL, I WILL ASK THE COURTROOM DEPUTY TO ADMINISTER THE OATH TO YOU.

THE CLERK: PLEASE RAISE YOUR RIGHT HAND.

(CASSIE WILL-DARNALL, DEFENDANT, WAS SWORN.)

THE DEFENDANT: YES.

THE CLERK: THANK YOU.

THE COURT: SO TO CONFIRM, DO YOU UNDERSTAND THAT YOU'RE NOW UNDER OATH?

THE DEFENDANT: I DO. THANK YOU.

THE COURT: AND THAT MEANS YOU MUST TELL THE TRUTH AND THAT YOUR ANSWERS MUST ALL BE TRUE AND CORRECT.

THE DEFENDANT: OKAY. THANK YOU.

THE COURT: DO YOU UNDERSTAND THAT IF YOU DO NOT TELL THE TRUTH OR IF YOU MAKE FALSE STATEMENTS TO THE COURT, THE U.S. ATTORNEY MAY BRING ADDITIONAL CHARGES AGAINST YOU, WHICH

COULD CARRY PENALTIES IN ADDITION TO THOSE THAT YOU ARE NOW CHARGED WITH?

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES. THANK YOU.

THE COURT: LET'S START, COULD YOU STATE YOUR FULL NAME FOR THE RECORD.

THE DEFENDANT: CASSIE WILL-DARNALL.

THE COURT: HOW OLD ARE YOU?

THE DEFENDANT: FIFTY-THREE.

THE COURT: AND WHERE WERE YOU BORN?

THE DEFENDANT: SANTA CLARA, CALIFORNIA.

THE COURT: HOW FAR DID YOU GO IN SCHOOL?

THE DEFENDANT: MASTER'S DEGREE, SANTA CLARA UNIVERSITY.

THE COURT: OKAY. AND ARE YOU ABLE TO READ AND WRITE ENGLISH?

THE DEFENDANT: YES.

THE COURT: OKAY. ONE OF THE THINGS I NEED TO DO TODAY IS MAKE MYSELF CERTAIN THAT YOU'RE IN THE RIGHT STATE TO PLEAD GUILTY AND APPROPRIATELY, SO I MAY ASK YOU SOME QUESTIONS ABOUT THAT.

HAVE YOU RECENTLY BEEN SEEING ANY DOCTOR, PSYCHIATRIST, OR OTHER MENTAL HEALTH PROFESSIONAL?

THE DEFENDANT: YES. I HAD A MEDICAL ISSUE THAT HAPPENED RECENTLY, WHICH IS WHY. SO, YES, I HAVE BEEN.

THE COURT: OKAY. IS THERE ANYTHING ABOUT THE MEDICAL ISSUE THAT INTERFERES WITH YOUR ABILITY TO UNDERSTAND WHAT'S GOING ON TODAY OR TO MAKE A REASONED JUDGMENT ABOUT WHAT WE'RE DOING HERE TODAY?

THE DEFENDANT: I DON'T THINK SO, NO.

THE COURT: OKAY. ARE YOU CURRENTLY UNDER THE INFLUENCE OF ANY DRUG, MEDICATION, OR ALCOHOLIC BEVERAGE OF ANY KIND?

THE DEFENDANT: NO.

THE COURT: HAVE YOU TAKEN ANY OF THOSE IN THE LAST 24 HOURS?

THE DEFENDANT: NO.

THE COURT: ARE YOU SICK TODAY IN ANY WAY THAT CAN INTERFERE WITH YOUR ABILITY TO UNDERSTAND WHAT'S GOING ON?

THE DEFENDANT: OH, I --

(DISCUSSION OFF THE RECORD BETWEEN MR. FULLER AND THE DEFENDANT.)

THE DEFENDANT: NO. EVERYTHING IS FINE.

THE COURT: OKAY. A COLD IS PRESUMABLY -- UNLESS IT'S A REALLY BAD COLD, A COLD DOES NOT NECESSARILY INTERFERE WITH YOUR ABILITY TO UNDERSTAND.

SO JUST GENERALLY, DO YOU FEEL YOU UNDERSTAND WHAT'S HAPPENING WITH THE PROCEEDINGS TODAY?

THE DEFENDANT: YES, I DO.

THE COURT: MR. FULLER, DO YOU HAVE ANY DOUBT AS TO

MS. WILL-DARNALL'S COMPETENCY TO PLEAD GUILTY?

MR. FULLER: NONE AT ALL, YOUR HONOR.

THE COURT: MR. JAMES, DO YOU HAVE ANY DOUBT?

MR. JAMES: I HAVE NO DOUBTS, YOUR HONOR.

THE COURT: OKAY. HAVING OBSERVED MS. WILL-DARNALL IN MAKING HER ANSWERS AND HER DEMEANOR, MANNER, AND ATTITUDE, AND HAVING OBSERVED THAT SHE DOES NOT APPEAR TO BE UNDER THE INFLUENCE OF MEDICINE, DRUGS, OR OTHER SUBSTANCES THAT COULD AFFECT HER JUDGMENT IN THIS MATTER, I DO FIND THAT SHE IS COMPETENT TO ENTER A PLEA TODAY.

IT'S IMPORTANT, BEFORE YOU ENTER THIS PLEA TODAY, THAT YOU UNDERSTAND THE RIGHTS THAT YOU ARE, IN FACT, GIVING UP BY PLEADING GUILTY, SO I WANT TO SPEND SOME TIME TALKING THROUGH THOSE RIGHTS TO MAKE SURE THAT YOU HAVE A FULL UNDERSTANDING OF THEM.

AS YOU KNOW, YOU PREVIOUSLY PLEADED NOT GUILTY TO THE CHARGES IN THIS CASE.

DO YOU UNDERSTAND THAT YOU HAVE THE RIGHT TO CONTINUE TO PLEAD NOT GUILTY AND PUT THE GOVERNMENT TO THE BURDEN OF PROVING YOUR GUILT BEYOND A REASONABLE DOUBT WITH A UNANIMOUS JURY VERDICT BY A 12 PERSON JURY?

THE DEFENDANT: I DO.

THE COURT: OKAY. YOU HAVE THE RIGHT TO ASSISTANCE OF YOUR LAWYER AT SUCH A TRIAL AND AT EVERY OTHER STAGE OF THESE PROCEEDINGS, AND IF YOU CAN'T AFFORD A LAWYER, YOU HAVE

THE RIGHT TO HAVE A LAWYER APPOINTED FOR YOU AT GOVERNMENT EXPENSE.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES.

THE COURT: AT TRIAL, YOU'D BE PRESUMED INNOCENT. THE GOVERNMENT WOULD HAVE THE BURDEN OF PROVING YOU ARE GUILTY BEYOND A REASONABLE DOUBT AND YOU WOULD NOT HAVE THE BURDEN OF PROVING THAT YOU WERE NOT GUILTY.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES, I DO.

THE COURT: AT TRIAL, THE GOVERNMENT'S WITNESSES WOULD HAVE TO COME INTO OPEN COURT AND TESTIFY IN FRONT OF YOU AND YOUR LAWYER. YOUR LAWYER WOULD HAVE THE OPPORTUNITY TO CROSS-EXAMINE ANY GOVERNMENT WITNESSES, TO OBJECT TO EVIDENCE THE GOVERNMENT OFFERED, AND TO OFFER EVIDENCE ON YOUR BEHALF.

HE ALSO WOULD HAVE THE RIGHT TO COMPEL THE ATTENDANCE OF WITNESSES AT TRIAL.

DO YOU UNDERSTAND THOSE TRIAL RIGHTS?

THE DEFENDANT: I DO. THANK YOU.

THE COURT: YOU WOULD HAVE THE RIGHT TO TESTIFY AT TRIAL IF YOU WANTED TO, BUT YOU WOULD ALSO HAVE THE RIGHT NOT TO TESTIFY AND YOU COULD NOT BE REQUIRED TO TESTIFY AT TRIAL. IF YOU CHOSE NOT TO TESTIFY, I WOULD INSTRUCT THE JURY THAT THEY COULD DRAW NO INFERENCE OF GUILT FROM THE FACT THAT YOU DID NOT TESTIFY.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES. THANK YOU.

THE COURT: IF I ACCEPT YOUR GUILTY PLEA, YOU WILL HAVE GIVEN UP YOUR RIGHT TO A TRIAL AND THE OTHER RIGHTS I HAVE JUST DESCRIBED TO YOU, EXCEPT THE RIGHT TO BE REPRESENTED BY AN ATTORNEY, AND THERE WILL BE NO TRIAL OF ANY KIND ON THE CHARGE HERE.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES.

THE COURT: I MENTIONED THIS A LITTLE BEFORE, BUT AS PART OF YOUR PLEADING GUILTY, I HAVE TO DETERMINE THAT THERE'S A FACTUAL BASIS FOR YOUR GUILTY PLEA, AND TO DO THAT, I WILL BE ASKING YOU QUESTIONS ABOUT THE CONDUCT THAT GAVE RISE TO THESE CHARGES AND YOU HAVE TO ANSWER THOSE QUESTIONS TRUTHFULLY.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES.

THE COURT: IN LIGHT OF ALL OF THE RIGHTS THAT I'VE JUST EXPLAINED TO YOU, DO YOU STILL WANT TO MOVE FORWARD WITH PLEADING GUILTY TO COUNTS ONE AND TWO?

THE DEFENDANT: YES, PLEASE.

THE COURT: HAS ANYONE THREATENED YOU OR ATTEMPTED TO FORCE YOU TO PLEAD GUILTY TODAY?

THE DEFENDANT: NO.

THE COURT: HAS ANYONE MADE ANY PROMISE TO YOU IN AN EFFORT TO GET YOU TO PLEAD GUILTY?

THE DEFENDANT: NO.

THE COURT: HAS ANYONE MADE ANY PROMISE TO YOU AS TO WHAT KIND OF SENTENCE I WILL IMPOSE?

THE DEFENDANT: NO.

THE COURT: HAS ANYONE MADE ANY PROMISE TO YOU AS TO WHAT THE PROSECUTOR'S RECOMMENDED SENTENCE WILL BE?

THE DEFENDANT: NO.

RIGHT?

MR. FULLER: NO.

THE DEFENDANT: OKAY. NO.

THE COURT: ARE YOU PLEADING GUILTY TO PROTECT ANYONE TODAY?

THE DEFENDANT: NO.

THE COURT: HAVE YOU BEEN PAID BY ANYONE TO ENTER A GUILTY PLEA?

THE DEFENDANT: NO.

THE COURT: NOW I WANT TO GO OVER SOME OF THE DETAILS OF THE CASE TO MAKE SURE THAT YOUR PLEA TODAY IS KNOWING AND VOLUNTARY.

HAVE YOU RECEIVED A COPY OF THE INFORMATION THAT'S PENDING AGAINST YOU, THAT IS, THE WRITTEN CHARGES MADE AGAINST YOU IN THIS CASE?

THE DEFENDANT: YES.

THE COURT: OKAY. YOU HAVE THE RIGHT UNDER FEDERAL LAW TO HAVE THAT INFORMATION READ TO YOU AT THIS TIME HERE IN

OPEN COURT. YOU ALSO HAVE THE RIGHT TO WAIVE, THAT IS, TO GIVE UP YOUR RIGHT TO HAVE THE INFORMATION READ TO YOU IN OPEN COURT IF YOU ARE SATISFIED THAT YOU FULLY UNDERSTAND THE CHARGES AGAINST YOU.

DO YOU WISH TO HAVE THE INFORMATION READ TO YOU, OR DO YOU WAIVE THE READING OF THE INFORMATION?

THE DEFENDANT: I WAIVE THE READING, PLEASE.

THE COURT: ALTHOUGH WE'RE WAIVING THE READING OF THE INFORMATION, I DO WANT TO PERSONALLY EXPLAIN TO YOU THE ELEMENTS OF THE OFFENSES FOR WHICH YOU HAVE BEEN CHARGED IN THE INFORMATION AND FOR WHICH YOU INTEND TO PLEAD GUILTY.

COUNT ONE CHARGES WITH YOU BANK FRAUD IN VIOLATION OF 18 U.S. CODE, SECTION 1344, SUBSECTION 2.

IN ORDER FOR YOU TO BE CONVICTED OF THAT OFFENSE, THE GOVERNMENT MUST PROVE THE FOLLOWING ELEMENTS BEYOND A REASONABLE DOUBT:

FIRST, THAT YOU KNOWINGLY CARRIED OUT A SCHEME OR PLAN TO OBTAIN MONEY OR PROPERTY FROM LENDER 1 BY MAKING FALSE STATEMENTS OR PROMISES;

SECOND, THAT YOU KNEW THAT THE STATEMENTS OR PROMISES WERE FALSE;

THIRD, THAT 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;

FOURTH, THAT YOU ACTED WITH THE INTENT TO DEFRAUD; AND,

FIFTH, THAT LENDER 1 WAS FEDERALLY INSURED.

COUNT TWO CHARGES YOU WITH WIRE FRAUD IN VIOLATION OF 18 U.S. CODE, SECTION 1343.

IN ORDER FOR YOU TO BE CONVICTED OF THAT OFFENSE, THE GOVERNMENT MUST PROVE THE FOLLOWING ELEMENTS BEYOND A REASONABLE DOUBT:

FIRST, THAT YOU 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 PRETENCES, REPRESENTATIONS, OR PROMISES;

SECOND, THAT THE STATEMENTS MADE AS A PART OF THAT SCHEME WERE MATERIAL; THAT IS, THAT THEY HAD A NATURAL TENDENCY TO INFLUENCE, OR WERE CAPABLE OF INFLUENCING, A PERSON TO PART WITH MONEY OR PROPERTY;

THIRD, THAT YOU ACTED WITH INTENT TO DEFRAUD; THAT IS, THE INTENT TO DECEIVE AND CHEAT; AND,

FOURTH, THAT YOU USED OR CAUSED TO BE USED AN INTERSTATE WIRE COMMUNICATION TO CARRY OUT OR ATTEMPT TO CARRY OUT AN ESSENTIAL PART OF THE SCHEME.

DO YOU UNDERSTAND THOSE CHARGES?

THE DEFENDANT: I DO.

THE COURT: OKAY. AND YOU UNDERSTAND THAT THOSE CHARGES ARE FELONY OFFENSES?

THE DEFENDANT: I DO.

THE COURT: OKAY. HAVE YOU HAD ENOUGH TIME TO DISCUSS THE CHARGES CONTAINED IN COUNTS ONE AND TWO OF THE INFORMATION WITH YOUR LAWYER?

THE DEFENDANT: YES.

THE COURT: OKAY. HAS YOUR LAWYER EXPLAINED THE ELEMENTS AND NATURE OF COUNTS ONE AND TWO OF THE INFORMATION AND THE PENALTIES THAT CAN BE IMPOSED?

THE DEFENDANT: YES.

THE COURT: OKAY. AND, MR. FULLER, ARE YOU SATISFIED THAT MS. WILL-DARNALL UNDERSTANDS THE CHARGES CONTAINED IN COUNTS ONE AND TWO OF THE INFORMATION AND THE PENALTIES THAT CAN BE IMPOSED?

MR. FULLER: I AM, YOUR HONOR.

THE COURT: OKAY.

THOUGH WE ALSO -- WE'VE TALKED ABOUT THE PENALTIES A LITTLE BIT. I ALSO WANT TO PERSONALLY GO OVER TODAY THE MAXIMUM PUNISHMENTS YOU COULD FACE ON EACH COUNT IF YOU PLEAD GUILTY.

THE DEFENDANT: OKAY.

THE COURT: COUNT ONE, AS WE SAID, CHARGES YOU WITH BANK FRAUD IN VIOLATION OF 18 U.S. CODE, SECTION 1334, SUBSECTION 2.

THE MAXIMUM PUNISHMENTS YOU FACE FOR PLEADING GUILTY TO THAT COUNT ARE AS FOLLOWS:

YOU COULD BE SUBJECT TO A TERM OF IMPRISONMENT OF NOT MORE

THAN 30 YEARS; YOU COULD BE SUBJECT TO A TOTAL FINE OF UP TO $1 MILLION; FOLLOWING ANY TERM OF IMPRISONMENT, YOU WOULD BE SUBJECT TO A SUPERVISED RELEASE PERIOD OF UP TO FIVE YEARS, AND IF YOU VIOLATE THE TERMS OF THAT SUPERVISED RELEASE, YOU COULD RECEIVE AN ADDITIONAL PRISON TERM; YOU WILL BE REQUIRED TO FORFEIT CERTAIN PROPERTY TO THE GOVERNMENT; YOU MAY BE REQUIRED TO PAY RESTITUTION; AND YOU MUST ALSO PAY A MANDATORY ASSESSMENT OF $100 PER COUNT.

COUNT TWO OF THE INFORMATION CHARGES YOU WITH WIRE FRAUD IN VIOLATION OF 18 U.S. CODE, SECTION 1343. THE MAXIMUM PUNISHMENTS YOU FACE FOR PLEADING GUILTY TO THAT COUNT ARE AS FOLLOWS:

YOU'RE SUBJECT TO A TERM OF IMPRISONMENT OF UP TO 20 YEARS; YOU ARE SUBJECT TO A TOTAL FINE OF UP TO $250,000; FOLLOWING ANY TERM OF IMPRISONMENT, YOU ARE SUBJECT TO A SUPERVISED RELEASE PERIOD OF UP TO THREE YEARS, AND IF YOU VIOLATE THE TERMS OF THAT SUPERVISED RELEASE, YOU COULD RECEIVE AN ADDITIONAL PRISON TERM; YOU WILL ALSO BE REQUIRED TO FORFEIT CERTAIN PROPERTY TO THE GOVERNMENT, AND YOU MAY BE REQUIRED TO PAY RESTITUTION; AND YOU MUST PAY A MANDATORY ASSESSMENT OF $100 PER COUNT.

DO YOU UNDERSTAND THE MAXIMUM PUNISHMENTS YOU COULD FACE AFTER PLEADING GUILTY TO COUNTS ONE AND TWO OF THE INFORMATION?

THE DEFENDANT: I DO.

THE COURT: DO YOU UNDERSTAND THAT YOU ARE PLEADING

GUILTY TO MULTIPLE VIOLATIONS AND I MAY ORDER THAT THE SENTENCE FOR EACH RUN CONSECUTIVELY RATHER THAN CONCURRENTLY?

THE DEFENDANT: YES, I UNDERSTAND.

THE COURT: OKAY. DO YOU UNDERSTAND THAT BECAUSE THE OFFENSES TO WHICH YOU INTEND TO PLEAD GUILTY ARE FELONY OFFENSES, IF YOUR PLEA IS ACCEPTED, YOU WILL BE ADJUDGED GUILTY OF THE OFFENSE, AND THAT MAY DEPRIVE YOU OF VALUABLE CIVIL RIGHTS, SUCH AS THE RIGHT TO VOTE, THE RIGHT TO HOLD OFFICE, THE RIGHT TO SERVE ON A JURY, AND THE RIGHT TO POSSESS ANY KIND OF FIREARM?

THE DEFENDANT: I DO.

THE COURT: DO YOU UNDERSTAND THAT IF YOUR PLEA IS ACCEPTED AND YOU ARE ADJUDGED GUILTY OF THE OFFENSE, YOU WILL BE DEPRIVED TO THE RIGHT TO CERTAIN FEDERAL BENEFITS FOR WHICH YOU MIGHT OTHERWISE BE ELIGIBLE?

THE DEFENDANT: YES.

THE COURT: DO YOU UNDERSTAND IF YOU ARE NOT A UNITED STATES CITIZEN, YOUR FELONY CONVICTION MAY SUBJECT YOU TO DEPORTATION FROM THE UNITED STATES, DENIAL OF NATURALIZATION AS A U.S. CITIZEN, OR DENIAL OF ADMISSION TO THE UNITED STATES?

THE DEFENDANT: I DO, YES.

THE COURT: DO YOU UNDERSTAND -- DO YOU UNDERSTAND THAT IN GENERAL, IF YOU CHANGE YOUR MIND AFTER TODAY, YOU WILL NOT AUTOMATICALLY BE ALLOWED TO WITHDRAW YOUR GUILTY PLEA?

THE DEFENDANT: I UNDERSTAND.

THE COURT: I WANT TO TALK ABOUT SENTENCING A LITTLE BIT. YOU HAVE A LITTLE EXPERIENCE, HAVING JUST WATCHED A SENTENCING PROCEEDING, BUT STILL I'LL TALK IT THROUGH WITH YOU IN THIS MATTER.

UNDER THE SENTENCING REFORM ACT OF 1984, THE SENTENCING COMMISSION HAS ISSUED GUIDELINES THAT I MUST CONSIDER IN DETERMINING THE SENTENCE IN ANY CRIMINAL CASE, INCLUDING YOURS. I'M REQUIRED TO CONSIDER THOSE GUIDELINE, INCLUDING THE APPLICABLE SENTENCING GUIDELINES RANGE AND POSSIBLE DEPARTURES UNDER THE GUIDELINES, AS WELL AS THE OTHER FACTORS AT SENTENCING SET FORTH IN 18 U.S. CODE 3553(A).

HAVE YOU AND YOUR LAWYER TALKED ABOUT HOW THESE ISSUES MAY AFFECT YOUR SENTENCE?

THE DEFENDANT: YES.

THE COURT: OKAY. DO YOU UNDERSTAND MY OBLIGATION TO CONSIDER THE SENTENCE THAT THE GUIDELINES RECOMMEND FOR YOU?

THE DEFENDANT: I DO.

THE COURT: I CAN'T DETERMINE THE GUIDELINE SENTENCE UNTIL AFTER I HAVE READ A PRESENTENCE INVESTIGATION REPORT THE PROBATION OFFICE WILL PREPARE, AND UNTIL I'VE GIVEN YOUR LAWYER AND THE PROSECUTOR AN OPPORTUNITY TO CHALLENGE THAT REPORT.

AFTER I DETERMINE WHAT GUIDELINES APPLY TO YOUR CASE, I STILL HAVE THE AUTHORITY TO IMPOSE A SENTENCE THAT IS MORE SEVERE OR LESS SEVERE THAN THE SENTENCE CALLED FOR BY THE APPLICABLE GUIDELINES.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: YES.

THE COURT: IF A TERM OF IMPRISONMENT IS IMPOSED, YOU WILL BE REQUIRED TO ACTUALLY SERVE IN A JAIL OR PRISON ALL OF THE IMPRISONMENT TERM, EXCEPT FOR GOOD TIME DEDUCTIONS. YOU WILL NOT BE PERMITTED TO SERVE ANY PART OF IT ON PAROLE.

DO YOU UNDERSTAND THAT?

THE DEFENDANT: I DO.

THE COURT: SO I'VE REVIEWED THE CHARGE AND WHAT THE GOVERNMENT WOULD HAVE TO PROVE BEYOND A REASONABLE DOUBT SHOULD THE CASE PROCEED TO TRIAL.

MR. FULLER, ARE YOU PREPARED TO EXPLAIN WHAT FACTS PROVIDE A FACTUAL BASIS FOR MS. WILL-DARNALL'S PLEA?

MR. FULLER: I AM, YOUR HONOR.

THE COURT: OKAY. PLEASE DO SO. THANK YOU.

MR. FULLER: SPECIFICALLY AS TO COUNT ONE, MS. WILL-DARNALL IS PREPARED TO ADMIT THE FOLLOWING:

ON OR ABOUT MAY 20TH, IN THE NORTHERN DISTRICT OF CALIFORNIA, SHE 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, MS. WILL-DARNALL 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. MS. WILL-DARNALL KNEW THE STATEMENTS SHE MADE TO LENDER 1 WERE FALSE AND SHE MADE THEM WITH THE INTENT TO DEFRAUD.

BASED ON THE FALSE INFORMATION AND SUPPORTING DOCUMENTS MS. WILL-DARNALL PROVIDED TO LENDER 1 IN THE PPP APPLICATION, LENDER 1 APPROVED AND FUNDED THE PPP LOAN.

ON OR ABOUT MAY 20TH, 2020, $968,989 WAS TRANSFERRED TO ROSSWOOD LLC WELLS FARGO ACCOUNT ENDING IN 7528, AN ACCOUNT WHICH MS. WILL-DARNALL CONTROLLED.

AS TO COUNT TWO, ON OR -- MS. WILL-DARNALL IS PREPARED TO ADMIT THAT ON OR ABOUT JULY 12TH, 2020, IN THE NORTHERN DISTRICT OF CALIFORNIA, SHE KNOWINGLY PARTICIPATED IN A PLAN TO DEFRAUD LENDER 2 TO OBTAIN MONEY OR PROPERTY THROUGH FALSE OR FRAUDULENT PRETENCES. SPECIFICALLY, SHE SUBMITTED A PPP APPLICATION TO LENDER 2 IN THE NAME OF THE C -- IN HER NAME AS CEO OF ROSSWOOD PROPERTIES LLC, SEEKING A PPP LOAN IN OF $1.6 MILLION.

LENDER 2 WAS A NON-BANK LENDER BASED IN CALIFORNIA THAT PARTICIPATED AS AN SBA-APPROVED PPP LENDER TO SMALL BUSINESSES.

SHE ELECTRONICALLY SUBMITTED THE APPLICATION AND SUPPORTING DOCUMENTS FROM CALIFORNIA TO SBA THROUGH ITS SERVERS IN VIRGINIA. ON THE APPLICATION, SHE 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. SHE MADE THE FALSE STATEMENTS TO LENDER 2 WITH THE INTENT TO DEFRAUD.

BASED ON THE FALSE INFORMATION AND SUPPORTING DOCUMENTS SHE PROVIDED TO LENDER 2 IN THE ROSSWOOD PROPERTIES LLC APPLICATION, LENDER 2 APPROVED AND FUNDED THE PPP LOAN.

ON OR ABOUT JULY 21ST, 2020, $1,864,565 WAS TRANSFERRED TO THE ROSSWOOD LLC WELLS FARGO ACCOUNT ENDING IN 7528, AN ACCOUNT WHICH SHE CONTROLLED.

THE COURT: THANK YOU.

MS. WILL-DARNALL, DO YOU AGREE THAT THE GOVERNMENT COULD PROVE ALL THESE FACTS BEYOND A REASONABLE DOUBT SHOULD THE CASE PROCEED TO TRIAL?

THE DEFENDANT: REALLY QUICK, CAN I TALK TO VARELL REALLY QUICK?

MR. FULLER: YEAH.

(DISCUSSION OFF THE RECORD BETWEEN MR. FULLER AND THE DEFENDANT.)

THE DEFENDANT: OKAY, YEAH, I UNDERSTAND.

THE COURT: OKAY. SO DO YOU AGREE THAT THE GOVERNMENT COULD PROVE ALL THESE FACTS BEYOND A REASONABLE DOUBT --

THE DEFENDANT: YES.

THE COURT: -- SHOULD THE CASE PROCEED TO TRIAL?

THE DEFENDANT: YES. I UNDERSTAND, YES. THANK YOU.

THE COURT: AND ARE YOU PLEADING GUILTY TODAY BECAUSE YOU ARE, IN FACT, GUILTY OF THE CHARGES?

THE DEFENDANT: YES.

THE COURT: ON THAT BASIS, I FIND THAT THERE IS A FACTUAL BASIS FOR THE GUILTY PLEA TO THE CRIMES CHARGED IN THE INFORMATION.

MS. WILL-DARNALL, I FINALLY ASK YOU THEN, HOW DO YOU PLEAD AS TO COUNT ONE OF THE INFORMATION, WHICH ALLEGES BANK FRAUD IN VIOLATION OF 18 U.S. CODE, SECTION 1344, SUBSECTION 2, GUILTY OR NOT GUILTY?

THE DEFENDANT: GUILTY.

THE COURT: HOW DO YOU PLEAD AS TO COUNT TWO OF THE INFORMATION, WHICH ALLEGES WIRE FRAUD, IN VIOLATION OF 18 U.S. CODE, SECTION 1343, GUILTY OR NOT GUILTY?

THE DEFENDANT: GUILTY.

THE COURT: MR. FULLER, DO YOU, AS MS. WILL-DARNALL'S LAWYER, STILL RECOMMEND THAT I ACCEPT HER GUILTY PLEAS?

MR. FULLER: I DO, YOUR HONOR.

THE COURT: MS. WILL-DARNALL, SINCE YOU ACKNOWLEDGE THAT YOU ARE, IN FACT, GUILTY AS CHARGED IN COUNTS ONE AND TWO; AND SINCE I FIND THERE IS A FACTUAL BASIS FOR THE PLEAS; AND SINCE I FIND, BASED ON YOUR RESPONSES TO MY QUESTIONS AND MY DIRECT OBSERVATIONS, THAT YOU ARE COMPETENT TO ENTER A PLEA; AND SINCE I FIND THAT YOU KNOW OF YOUR RIGHT TO A TRIAL AND THE RIGHTS ASSOCIATED WITH THE RIGHT TO A TRIAL; AND SINCE I

FURTHER FIND THAT YOU KNOW THE MAXIMUM POSSIBLE PUNISHMENT THAT MAY BE IMPOSED IF YOU ARE CONVICTED; AND SINCE I FIND THAT YOU HAVE VOLUNTARILY AND KNOWINGLY TENDERED YOUR PLEAS OF GUILTY, I NOW ACCEPT YOUR GUILTY PLEAS AS TENDERED AND ADJUDGE YOU GUILTY OF COUNTS ONE AND TWO OF THE INFORMATION.

AS YOU SAW EARLIER, A WRITTEN PRESENTENCE INVESTIGATION REPORT WILL BE PREPARED BY THE PROBATION OFFICE TO ASSIST THE COURT IN SENTENCING. YOU WILL BE ASKED TO GIVE INFORMATION FOR THAT REPORT, AND YOUR ATTORNEY MAY BE PRESENT IF YOU WISH.

THE COURT WILL PERMIT THE DEFENDANT AND COUNSEL TO READ THE PRESENTENCE INVESTIGATION REPORT AND FILE ANY OBJECTIONS TO THE REPORT BEFORE THE SENTENCING HEARING. BOTH YOU AND YOUR ATTORNEY WILL HAVE AN OPPORTUNITY TO SPEAK ON YOUR BEHALF AT THE SENTENCING HEARING.

AND SO THE NEXT STEP WILL BE TO SET THAT SENTENCING HEARING, AND TO DO SO FAR ENOUGH OUT THAT THE PROBATION OFFICE HAS TIME TO DO THE WORK IT NEEDS TO DO TO PREPARE THAT REPORT.

GENERALLY UNDER THESE CIRCUMSTANCES, WE SET THEM NO FURTHER THAN 95 -- NO EARLIER THAN 95 DAYS OUT, WHICH WOULD ALLOW US TO SET THIS MATTER FOR SENTENCING ON APRIL 23RD, 2025, OR LATER.

WILL APRIL 23RD, 2025 WORK FOR THE PARTIES?

MR. FULLER: THAT DATE WILL WORK FOR THE DEFENSE, YOUR HONOR.

MR. JAMES: THAT DATE SHOULD WORK FOR THE GOVERNMENT,

YOUR HONOR.

THE COURT: OKAY. WELL, WE'LL SET THIS FOR THE SENTENCING HEARING ON APRIL 23RD, 2025.

THE PROBATION OFFICE WILL BE IN TOUCH WITH YOU AS THEY BEGIN TO PREPARE THE PRESENTENCE INVESTIGATION REPORT.

THE DEFENDANT: OKAY.

THE COURT: IS THERE ANYTHING ELSE THAT WE NEED TO DO TODAY FROM THE GOVERNMENT'S PERSPECTIVE?

MR. JAMES: NOTHING FURTHER FROM THE GOVERNMENT, YOUR HONOR.

MR. FULLER: NOTHING FURTHER, YOUR HONOR.

THE COURT: OKAY. THANK YOU, MS. WILL-DARNALL, AND I'LL SEE YOU AGAIN IN A FEW MONTHS.

THE DEFENDANT: ALL RIGHT. THANK YOU.

THE CLERK: THANK YOU. COURT IS CONCLUDED.

(THE PROCEEDINGS WERE CONCLUDED AT 11:38 A.M.)

CERTIFICATE OF REPORTER

I, THE UNDERSIGNED OFFICIAL COURT REPORTER OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA, 280 SOUTH FIRST STREET, SAN JOSE, CALIFORNIA, DO HEREBY CERTIFY:

THAT THE FOREGOING TRANSCRIPT, CERTIFICATE INCLUSIVE, IS A CORRECT TRANSCRIPT FROM THE RECORD OF PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.



LEE-ANNE SHORTRIDGE, CSR, CRR
CERTIFICATE NUMBER 9595

DATED: MARCH 24, 2025