TODD BLANCHE
Deputy Attorney General
BILAL A. ESSAYLI
First Assistant United States Attorney
ALEXANDER B. SCHWAB
Assistant United States Attorney
Acting Chief, Criminal Division
MARK AVEIS (Cal. Bar No. 107881)
Assistant United States Attorney
Major Frauds Section
1100 United States Courthouse
312 North Spring Street
Los Angeles, California 90012
Telephone: (213) 894-4477
Facsimile: (213) 894-0141
E-mail: mark.aveis@usdoj.gov

Attorneys for Plaintiff
UNITED STATES OF AMERICA

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. SARKIS SARKISYAN, aka Samuel Shaw, Defendant.	No. CR 25-458-CV PLEA AGREEMENT FOR DEFENDANT SARKIS SARKISYAN

1. This constitutes the plea agreement between defendant SARKIS SARKISYAN, aka “Samuel Shaw,” (“defendant”) and the United States Attorney’s Office for the Central District of California (the “USAO”) in the above-captioned case. 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 thirty, thirty-four, and thirty-five of the indictment in *United States v. Sarkis Sarkisyan*, *et al*, CR No. 25-458-CV, which charges defendant with wire fraud in violation of 18 U.S.C. § 1343 (counts thirty-four and thirty-five), and with transactional money laundering in violation of 18 U.S.C. § 1957 (count thirty).

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.

RESTITUTION

3. Defendant agrees that any and all criminal debt ordered by the Court will be due in full and immediately. 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.

4. Defendant further agrees to:

a. 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.

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

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.

<u>THE USAO'S OBLIGATIONS</u>

5. 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. At the time of sentencing, move to dismiss the remaining counts of the indictment and all counts against defendant in the complaints in 25-MJ-3132-DUTY and 25-MJ-3138-DUTY as against defendant. Defendant agrees, however, that at the time of sentencing the Court may consider any dismissed charge(s) in determining the applicable Sentencing Guidelines range, the propriety and extent of any departure from that range, and the sentence to be imposed.

d. 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.

NATURE OF THE OFFENSES

6. Defendant understands that for defendant to be guilty of the crime charged in counts thirty-four and thirty-five of the indictment, that is, wire fraud, in violation of Title 18, United States Code, Section 1343, the following must be true: (1) defendant knowingly participated in or devised a scheme or plan to defraud, or a scheme or plan for 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) defendant acted with the intent to defraud, that is, the intent to deceive and cheat; and (4) 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. Defendant understands that for defendant to be guilty of the crime charged in count thirty of the indictment, that is, transactional money laundering, in violation of Title 18, United States Code, Section 1957, the following must be true: (1) defendant knowingly engaged or attempted to engage in a monetary transaction; (2) defendant knew the transaction involved criminally derived

property; (3) the property had a value greater than $10,000; (4) the property was, in fact, derived from the wire fraud scheme alleged in the indictment; and (5) the transaction occurred in the United States.

PENALTIES AND RESTITUTION

7. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of Title 18, United States Code, Section 1343, is: twenty 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. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of Title 18, United States Code, Section 1957, is: ten years' imprisonment; a three-year period of supervised release; a fine of $250,000 or twice the amount of the criminally derived property involved in the transaction, whichever is greatest; and a mandatory special assessment of $100. Defendant understands that, therefore, the total statutory maximum sentence that the Court can impose in this case is: fifty years' imprisonment; a three-year period of supervised release; a fine of $750,000 or twice the gross gain or gross loss resulting from the offense, or twice the amount of the criminally derived property involved in the transaction, whichever is greatest; and a mandatory special assessment of $300.

8. Defendant understands that defendant will be required to pay full restitution to the victims of the offenses to which defendant is pleading guilty. Defendant agrees that, in return for the United States' 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 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 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 offense 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. The parties agree that the total amount of restitution due is at least $786,457, payable to the U.S. Small Business Administration.

9. 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.

10. 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 felonies 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.

11. Defendant and his counsel have discussed the fact that, and defendant understands that, if defendant is not a United States citizen, the convictions in this case, or any one of them, make it practically inevitable and a virtual certainty that defendant will be removed or deported from the United States. Defendant may also be denied United States citizenship and admission to the United States in the future. Defendant understands that while there may be arguments that defendant can raise in immigration proceedings to avoid or delay removal, removal is presumptively mandatory and a virtual certainty in this case. Defendant further understands that removal and immigration consequences are the subject of a separate proceeding and that no one, including his attorney or the Court, can predict to an absolute certainty the effect of his convictions on his immigration status. Defendant nevertheless affirms that he wants to plead guilty regardless of any immigration consequences that his pleas may entail, even if the consequence is automatic removal from the United States.

FACTUAL BASIS

12. 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 provided in Exhibit A attached hereto and incorporated herein by this reference, and agree that this statement of facts is sufficient to support pleas of guilty

to the charges described in this agreement and to establish the Sentencing Guidelines factors set forth in paragraph 14 below 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.

SENTENCING FACTORS

13. Defendant understands that in determining defendant's sentence the Court is required to calculate the applicable Sentencing Guidelines range and to consider that range, possible departures under the Sentencing Guidelines, and the other sentencing factors set forth in 18 U.S.C. § 3553(a). Defendant understands that the Sentencing Guidelines are advisory only, that defendant cannot have any expectation of receiving a sentence within the calculated Sentencing Guidelines range, and that after considering the Sentencing Guidelines and the other § 3553(a) factors, the Court will be free to exercise its discretion to impose any sentence it finds appropriate up to the maximum set by statute for the crimes of conviction.

14. Defendant and the USAO agree to the following applicable Sentencing Guidelines factors:

Base Offense Level:	7	[U.S.S.G. § 2B1.1(a)]
Loss between \$550K and \$1.5MM <u>or</u> between \$1.5MM and \$3.5MM:	14 or 16	[U.S.S.G. § 2B1.1(b)(1)(H), (I)]
Money Laundering:	1	[U.S.S.G. § 2S1.1(b)(2)(A)]
Sophisticated Means:	2	[U.S.S.G. § 2B1.1(b)(10)]
Acceptance of Responsibility:	-3	[U.S.S.G. § 3E1.1]

Total Offense Level: 21 or 23

The USAO will agree to a two-level downward adjustment for acceptance of responsibility (and, if applicable, move for an additional one-level downward adjustment under U.S.S.G. § 3E1.1(b)) only if the conditions set forth in paragraph 2 are met and if defendant has not committed, and refrains from committing, acts constituting obstruction of justice within the meaning of U.S.S.G. § 3C1.1, as discussed below. Nothwithstanding the foregoing, the government reserves the right to argue for, and defendant reserves the right to oppose, an additional two levels for loss under U.S.S.G. § 2B1.1(b)(1)(I). Subject to paragraph 29 below and the government's right to argue for an additional two level for loss under U.S.S.G. § 2B1.1(b)(1)(I), defendant and the USAO agree not to seek, argue, or suggest in any way, either orally or in writing, that any other specific offense characteristics, adjustments, or departures relating to the offense level be imposed. Defendant agrees, however, that if, after signing this agreement but prior to sentencing, defendant were to commit an act, or the USAO were to discover a previously undiscovered act committed by defendant prior to signing this agreement, which act, in the judgment of the USAO, constituted obstruction of justice within the meaning of U.S.S.G. § 3C1.1, the USAO would be free to seek the enhancement set forth in that section and to argue that defendant is not entitled to a downward adjustment for acceptance of responsibility under U.S.S.G. § 3E1.1.

15. Defendant understands that there is no agreement as to defendant's criminal history or criminal history category.

16. 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

17. 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 CONVICTIONS AND COLLATERAL ATTACK

18. 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.

19. Defendant also gives up any right to bring a post-conviction collateral attack on the convictions or sentence, including any order of restitution, except a post-conviction collateral attack based on a claim of ineffective assistance of counsel, a claim of newly discovered evidence, or an explicitly retroactive change in the applicable Sentencing Guidelines, sentencing statutes, or statutes of conviction. 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

20. Defendant agrees that, provided the Court imposes a total term of imprisonment on all counts of conviction of not more than the statutory maximum, 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 it is within the statutory maximum; (e) the amount and terms of any restitution order; (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; and the drug testing conditions mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d).

21. The USAO agrees that, provided all portions of the sentence are at or below the statutory maximum specified above, the USAO gives up its right to appeal any portion of the sentence.

WAIVER OF RIGHTS CONCERNING PLEA COLLOQUY AND FACTUAL BASIS

22. Defendant agrees that: (i) any statements made by defendant, under oath, at the guilty plea hearing; (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 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.

Defendant further agrees that this paragraph of the agreement is severable. Thus, defendant's waivers are binding and effective even if, subsequent to defendant's signing this agreement, defendant declines to plead guilty, the Court declines to accept his guilty plea, or, if this agreement is of the type described in Federal Rule of Criminal Procedure 11(c)(1)(A) or (c)(1)(C), the Court rejects this agreement. Defendant also agrees that his waivers are binding and effective even if some other portion of this agreement is found to be invalid by this Court or the Ninth Circuit.

RESULT OF WITHDRAWAL OF GUILTY PLEA

23. Defendant agrees that if, after entering a guilty plea or pleas pursuant to this agreement, defendant seeks to withdraw and succeeds in withdrawing defendant’s guilty plea or 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 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.

RESULT OF VACATUR, REVERSAL, OR SET-ASIDE

24. Defendant agrees that if any count of conviction is vacated, reversed, or set aside the USAO may: (a) ask the Court to resentence defendant on any remaining counts of conviction, with both the USAO and defendant being released from any stipulations regarding sentencing contained in this agreement, (b) ask the Court to void the entire plea agreement and vacate defendant’s guilty pleas on any

remaining counts of conviction, with both the USAO and defendant being released from all their obligations under this agreement, or (c) leave defendant's remaining convictions, sentence, and plea agreement intact. Defendant agrees that the choice among these three options rests in the exclusive discretion of the USAO.

EFFECTIVE DATE OF AGREEMENT

25. 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

26. Defendant agrees that if defendant, at any time after the effective date of this agreement, 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 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.

27. Following the Court's finding of a knowing breach of this agreement by defendant, should the USAO choose to pursue any charge 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; and

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.

COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES OFFICE NOT PARTIES

28. 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.

29. 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, although each party agrees to maintain its view that the calculations in paragraph 14 are consistent with the facts of this case. 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.

30. 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

31. 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.

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PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

32. 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

TODD BLANCHE
Deputy Attorney General
BILAL A. ESSAYLI
First Assistant United States
Attorney

Mark Aveis March 17, 2026

MARK AVEIS Date
Assistant United States Attorney

(see following pages)

SARKIS SARKISYAN, aka Samuel Shaw Date
Defendant

(see following pages)

MICHAEL H. ARTAN Date
Attorney for Defendant SARKIS
SARKISYAN

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

TODD BLANCHE
Deputy Attorney General
BILAL A. ESSAYLI
First Assistant United States
Attorney

(see page above)

MARK AVEIS
Assistant United States Attorney

Date

03/4/2026

SARKIS SARKISYAN, aka Samuel Shaw
Defendant

Date

3/4/26

MICHAEL H. ARTAN
Attorney for Defendant SARKIS
SARKISYAN

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.

SARKIS SARKISYAN, aka Samuel Shaw
Defendant

03/4/2026
Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am SARKIS SARKISYAN'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.

MA 3/4/26

MICHAEL H. ARTAN
Attorney for Defendant SARKIS SARKISYAN

Date

EXHIBIT A (Stipulated Factual Basis)

The parties agree that the following stipulated factual basis meets the requirements of Fed.R.Crim.P. 11(b)(3).

At all relevant times:

Defendant was a resident of Los Angeles County, California, in the Central District of California, a location in which he performed all of the acts described below.

All funds that were transferred for the benefit of defendant involved the deposit, withdrawal, transfer, or exchange by, through, or to a financial institution engaged in interstate commerce and located in the Central District of California.

The Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in or about March 2020 that was designed to provide emergency financial assistance to Americans suffering economic harm as a result of the COVID-19 pandemic. One form of assistance provided by the CARES Act was the authorization of United States taxpayer funds in the form of loans to small businesses for job retention and certain other expenses through a program referred to as the Paycheck Protection Program ("PPP;" loans under that program are sometimes referred to herein as a "PPPL" or "PPPLs"). PPPL proceeds were required to be used by the applicant business to pay certain expenses such as payroll costs, interest on mortgages, rent, and utilities.

In order to obtain a PPPL, a qualifying business was required, among other things, to submit a PPPL application that required the applicant business (through its authorized representative) to acknowledge PPP program rules and make certain affirmative certifications that the applicant business would comply with all such rules to be eligible to obtain a PPPL. Such certifications required, among other things, that the applicant affirm that "[PPP] funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments," and that the "loan proceeds will be used only for business-related purposes as specified in the [PPPL application]" and consistent with PPP rules.

The authorized representative of the applicant was required to certify that "the information provided in th[e] PPP application and the information provided in all supporting documents and forms is true and accurate in material respects," and that "I understand that if the funds are knowingly used for unauthorized purposes, the federal government may hold me legally liable, such as for charges of fraud."

A PPPL applicant's representative was also required to state, among other things, the applicant's average monthly payroll expenses and number of its employees. These figures were used to calculate the amount of money that the business was eligible to receive under the PPP. In addition, the applicant's representative was required to provide documentation showing its payroll expenses and such other documentation as the U.S. Small Business Administration ("SBA") or the lender requested.

A PPPL application and supporting documents were submitted online through a portal and processed by a participating lender. The applicant's representative confirmed his/her true identity through a variety of means including providing personal identifying information, uploading a copy of that person's driver's license and/or Social Security card, and/or executing loan documents via a document authentication platform such as DocuSign. If a PPPL application was approved, the participating lender would fund the PPPL using its own funds and would wire-transfer those funds to a bank account designated by the applicant. By wire-transferring the loan proceeds to that designated account, the lender, the SBA and, ultimately, law enforcement would have yet another way to ensure that the application was sought by the stated applicant through his/her duly acting representative and that the applicant received and used those funds in accordance with PPP rules.

If PPP lending criteria were followed by the lender, the SBA, in turn, guaranteed the borrower's repayment in the event of that borrower's default.

PPPL Forgiveness

Under certain circumstances, PPP borrowers were entitled to forgiveness of their PPP obligations. As a condition of forgiveness, borrowers were required to complete a "PPP Loan Forgiveness Application" on which their authorized representative represented and certified that the borrower had complied with all PPP rules "including the rules related to . . . eligible uses of PPP loan proceeds[]" and that "[t]he information provided in th[e forgiveness application was] true and correct in all material respects." The forgiveness application warned that "knowingly making a false statement to obtain forgiveness was a federal crime, punishable by imprisonment and/or a fine."

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PPP Fraud (Counts Thirty-Four and Thirty-Five)

In 2018, defendant caused Prime Funding, Inc. ("Prime") to be incorporated. In January 2021, defendant caused Prime's business address to be updated to defendant's personal residence in Van Nuys, CA ("defendant's residence"). Prime never did any business.

On or about April 14, 2021, defendant submitted online to JPMorgan Chase Bank ("JPMC") a PPPL application on behalf of Prime from within the Central District of California which was processed using a server outside the state of California. With the intent to influence JPMC to approve Prime's PPPL application, defendant knowingly and fraudulently stated on the application that the purpose of the PPPL was to cover Prime's payroll costs for 57 employees at an average monthly payroll of $314,583. In fact, as defendant then well knew, Prime did no business, had no employees or employee salaries to pay, and had no monthly payroll, ever.

In further support of Prime's application for a PPPL, defendant:

a. caused to be fabricated, and then submitted to JPMC, fraudulent Internal Revenue Service Forms 941 (quarterly payroll tax returns) that purported to show that Prime had incurred and paid substantial employee taxes. Defendant then well knew that such returns were fraudulent because Prime had neither employees nor paid any employee taxes; and

b. fabricated and then submitted to JPMC fraudulent payroll reports purportedly prepared by a third-party payroll processor that falsely identified wages of more than $1.5 million paid to 56 Prime employees whose job titles included "customer service," "sales," or "admin." Defendant then well knew that the reports were fraudulent because, among other things, Prime had no employees. Below is a page from the fictitious payroll report:

Payroll Report

PRIME FUNDING (103369)

Payroll Report 04/16/2021 TO 08/31/2021

Page 2 of 3

Company ID	Company Name	Employee ID	Employee Name	Cost Center	Gross Wages this Period	Gross Annual Salary	Monthly Average Wages	Medicare tax withheld	Social security tax withheld	Federal Income tax withheld
103369	PRIME FUNDING	Redacted	Albert Cummins	1 - Customer Service	$30,315.77	$68,540.00	$5,711.67	$879.16	$3,759.16	$3,668.21
103369	PRIME FUNDING		Amare Johnson	1 - Customer Service	$31,603.90	$71,452.30	$5,954.36	$916.51	$3,918.88	$3,834.07
103369	PRIME FUNDING		Aracely Rendes	5 - Sales	$30,298.08	$68,500.00	$5,708.33	$878.64	$3,756.96	$3,666.07
103369	PRIME FUNDING		Arjun Hardy	1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
103369	PRIME FUNDING		Barrett Crane	2 - Admin	$39,554.14	$89,426.76	$7,452.23	$1,147.07	$4,904.71	$4,786.09
103369	PRIME FUNDING		Camren Serrano	1 - Customer Service	$24,600.77	$55,800.00	$4,650.00	$715.74	$3,060.42	$2,986.37
103369	PRIME FUNDING		Chaya Guzman	1 - Customer Service	$32,842.39	$74,252.35	$6,187.70	$952.43	$4,072.46	$3,973.91
103369	PRIME FUNDING		Christopher Ortiz	2 - Admin	$13,720.38	$31,020.00	$2,585.00	$397.89	$1,701.33	$1,660.17
103369	PRIME FUNDING		Destiny Johnson	1 - Customer Service	$39,365.38	$89,000.00	$7,416.67	$1,141.60	$4,881.31	$4,763.21
103369	PRIME FUNDING		Dillon Moody	5 - Sales	$21,214.63	$47,963.52	$3,996.96	$615.22	$2,630.61	$2,566.97
103369	PRIME FUNDING		Duncan Underwood	1 - Customer Service	$21,007.83	$47,496.00	$3,958.00	$609.23	$2,604.97	$2,541.95
103369	PRIME FUNDING		Emiliano Atkinson	1 - Customer Service	$17,818.76	$40,281.36	$3,356.78	$516.69	$2,209.28	$2,155.81
103369	PRIME FUNDING		Emmett Williams	5 - Sales	$36,598.29	$82,743.96	$6,895.33	$1,061.35	$4,538.19	$4,428.39
103369	PRIME FUNDING		Gavyn Gardner	1 - Customer Service	$21,007.85	$47,496.00	$3,958.00	$609.23	$2,604.97	$2,541.93
103369	PRIME FUNDING		Gerald Huang	5 - Sales	$23,996.08	$54,252.00	$4,521.00	$695.89	$2,975.51	$2,903.33
103369	PRIME FUNDING		Giana Pennington	1 - Customer Service	$12,585.71	$28,454.64	$2,371.22	$364.99	$1,560.63	$1,522.87
103369	PRIME FUNDING		Giselle Carey	1 - Customer Service	$8,423.31	$19,044.00	$1,587.00	$244.28	$1,044.49	$1,019.22
103369	PRIME FUNDING		Gordon Cameron	1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
103369	PRIME FUNDING		Greyson Ramsey	2 - Admin	$38,215.38	$86,400.00	$7,200.00	$1,108.25	$4,738.71	$4,624.06
103369	PRIME FUNDING		Hadee Saunders	5 - Sales	$19,054.62	$43,080.00	$3,590.00	$552.58	$2,362.77	$2,305.61
103369	PRIME FUNDING		Ireland Graves	2 - Admin	$13,720.38	$31,020.00	$2,585.00	$397.89	$1,701.33	$1,660.17
103369	PRIME FUNDING		Janelle Camacho	1 - Customer Service	$22,540.44	$50,961.00	$4,246.75	$653.67	$2,795.01	$2,727.39
103369	PRIME FUNDING		Jaydon Moses	1 - Customer Service	$24,347.71	$55,047.00	$4,587.25	$706.08	$3,019.12	$2,946.07
103369	PRIME FUNDING		Jeremiah Moses	1 - Customer Service	$18,842.31	$42,600.00	$3,550.00	$546.43	$2,336.45	$2,279.92
103369	PRIME FUNDING		Jordan Hodges	1 - Customer Service	$38,723.24	$87,548.20	$7,295.68	$1,122.97	$4,801.68	$4,685.51
103369	PRIME FUNDING		Jay Arroyo	5 - Sales	$28,851.71	$65,229.96	$5,435.83	$836.70	$3,577.61	$3,491.06
103369	PRIME FUNDING		Kael Greer	4 - Sales	$23,383.73	$52,867.56	$4,405.63	$678.13	$2,899.58	$2,829.43
103369	PRIME FUNDING		Kaliyah Campbell	5 - Sales	$37,152.86	$84,000.00	$7,000.00	$1,077.46	$4,607.08	$4,495.62
103369	PRIME FUNDING		Kamari Brandt	1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
103369	PRIME FUNDING		Kasley Nicholson	1 - Customer Service	$29,134.81	$65,870.00	$5,489.17	$844.91	$3,612.72	$3,525.31
103369	PRIME FUNDING		Kevin Massey	1 - Customer Service	$18,576.92	$42,000.00	$3,500.00	$538.73	$2,303.54	$2,247.81
103369	PRIME FUNDING		Kelsie Shields	1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
103369	PRIME FUNDING		Kenneth Willis	1 - Customer Service	$27,543.05	$62,271.24	$5,189.27	$798.75	$3,415.34	$3,332.71
103369	PRIME FUNDING		Lincoln James	3 - Sales	$34,723.33	$55,906.33	$4,658.02	$716.98	$1,065.60	$2,001.52

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Defendant signed the Prime PPPL application, electronically transmitted it to JPMC, and certified that PPPL proceeds would solely be used by Prime to retain employees or for other permissible business expenses. Defendant then well knew and intended that none of the PPPL proceeds would be used for the certified purposes.

In reliance on defendant's material false statements and fictitious documents, JPMC approved the Prime application and funded the loan of $786,457 by wire transferring the proceeds to an account solely controlled by defendant.

On or about June 30, 2022, defendant electronically, over interstate wires, submitted an application from the Central District of California for forgiveness of the entire Prime PPPL. Defendant knowingly and falsely certified that Prime's payroll costs for the period covered by the Prime PPPL were more than $1.5MM, a figure that defendant then well knew was entirely fraudulent because Prime had no employees, at all. This false certification was capable of influencing JPMC to forgives the Prime PPPL and thus part with money.

Transactional Money Laundering (Count Thirty)

On or about June 28, 2023, defendant caused co-defendant Vahe Margaryan, aka William McGrayan, to wire-transfer $25,000 to a Prime account at JPMC that defendant solely controlled, the source of which was proceeds of an SBA-guaranteed loan in the amount of $2.83 million for defendant to purchase an entity called Dynamic Delivery Install, Inc. Defendant then well knew that Dynamic Delivery Install, Inc., was a "shell" entity that did no business, that the $25,000 wire-transfer involved criminally derived property, that such funds were, in fact, derived from a wire fraud scheme, in violation of 18 U.S.C. § 1343, and that the transfer was designed to conceal commission of that wire fraud scheme.

Sentencing Guidelines

Defendant agrees that, for the purpose of establishing his stipulated Sentencing Guidelines loss in paragraph 14 of this plea agreement, the actual loss that defendant caused by the misrepresentations and misuse of PPP funds described above was at least $786,457. The parties agree that this actual loss figure is legally appropriate under USSG § 2B1.1(b)(1) *et seq.*

As described above, defendant intentionally engaged in sophisticated means through the offense conduct by, among other things, creating and submitting fraudulent IRS Forms 941 and fraudulent payroll reports.

EXHIBIT A (Stipulated Factual Basis)

The parties agree that the following stipulated factual basis meets the requirements of Fed.R.Crim.P. 11(b)(3).

At all relevant times:

Defendant was a resident of Los Angeles County, California, in the Central District of California, a location in which he performed all of the acts described below.

All funds that were transferred for the benefit of defendant involved the deposit, withdrawal, transfer, or exchange by, through, or to a financial institution engaged in interstate commerce and located in the Central District of California.

The Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in or about March 2020 that was designed to provide emergency financial assistance to Americans suffering economic harm as a result of the COVID-19 pandemic. One form of assistance provided by the CARES Act was the authorization of United States taxpayer funds in the form of loans to small businesses for job retention and certain other expenses through a program referred to as the Paycheck Protection Program ("PPP;" loans under that program are sometimes referred to herein as a "PPPL" or "PPPLs"). PPPL proceeds were required to be used by the applicant business to pay certain expenses such as payroll costs, interest on mortgages, rent, and utilities.

In order to obtain a PPPL, a qualifying business was required, among other things, to submit a PPPL application that required the applicant business (through its authorized representative) to acknowledge PPP program rules and make certain affirmative certifications that the applicant business would comply with all such rules to be eligible to obtain a PPPL. Such certifications required, among other things, that the applicant affirm that "[PPP] funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments," and that the "loan proceeds will be used only for business-related purposes as specified in the [PPPL application]" and consistent with PPP rules.

The authorized representative of the applicant was required to certify that "the information provided in th[e] PPP application and the information provided in all supporting documents and forms is true and accurate in material respects," and that "I understand that if the funds are knowingly used for unauthorized purposes, the federal government may hold me legally liable, such as for charges of fraud."

A PPPL applicant's representative was also required to state, among other things, the applicant's average monthly payroll expenses and number of its employees. These figures were used to calculate the amount of money that the business was eligible to receive under the PPP. In addition, the applicant's representative was required to provide documentation showing its payroll expenses and such other documentation as the U.S. Small Business Administration ("SBA") or the lender requested.

A PPPL application and supporting documents were submitted online through a portal and processed by a participating lender. The applicant's representative confirmed his/her true identity through a variety of means including providing personal identifying information, uploading a copy of that person's driver's license and/or Social Security card, and/or executing loan documents via a document authentication platform such as DocuSign. If a PPPL application was approved, the participating lender would fund the PPPL using its own funds and would wire-transfer those funds to a bank account designated by the applicant. By wire-transferring the loan proceeds to that designated account, the lender, the SBA and, ultimately, law enforcement would have yet another way to ensure that the application was sought by the stated applicant through his/her duly acting representative and that the applicant received and used those funds in accordance with PPP rules.

If PPP lending criteria were followed by the lender, the SBA, in turn, guaranteed the borrower's repayment in the event of that borrower's default.

PPPL Forgiveness

Under certain circumstances, PPP borrowers were entitled to forgiveness of their PPP obligations. As a condition of forgiveness, borrowers were required to complete a "PPP Loan Forgiveness Application" on which their authorized representative represented and certified that the borrower had complied with all PPP rules "including the rules related to . . . eligible uses of PPP loan proceeds[]" and that "[t]he information provided in th[e forgiveness application was] true and correct in all material respects." The forgiveness application warned that "knowingly making a false statement to obtain forgiveness was a federal crime, punishable by imprisonment and/or a fine."

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PPP Fraud (Counts Thirty-Four and Thirty-Five)

In 2018, defendant caused Prime Funding, Inc. ("Prime") to be incorporated. In January 2021, defendant caused Prime's business address to be updated to defendant's personal residence in Van Nuys, CA ("defendant's residence"). Prime never did any business.

On or about April 14, 2021, defendant submitted online to JPMorgan Chase Bank ("JPMC") a PPPL application on behalf of Prime from within the Central District of California which was processed using a server outside the state of California. With the intent to influence JPMC to approve Prime's PPPL application, defendant knowingly and fraudulently stated on the application that the purpose of the PPPL was to cover Prime's payroll costs for 57 employees at an average monthly payroll of $314,583. In fact, as defendant then well knew, Prime did no business, had no employees or employee salaries to pay, and had no monthly payroll, ever.

In further support of Prime's application for a PPPL, defendant:

a. caused to be fabricated, and then submitted to JPMC, fraudulent Internal Revenue Service Forms 941 (quarterly payroll tax returns) that purported to show that Prime had incurred and paid substantial employee taxes. Defendant then well knew that such returns were fraudulent because Prime had neither employees nor paid any employee taxes; and

b. fabricated and then submitted to JPMC fraudulent payroll reports purportedly prepared by a third-party payroll processor that falsely identified wages of more than $1.5 million paid to 56 Prime employees whose job titles included "customer service," "sales," or "admin." Defendant then well knew that the reports were fraudulent because, among other things, Prime had no employees. Below is a page from the fictitious payroll report:

Payroll Report
PRIME FUNDING (103369)

Payroll Report: 04/16/2021 TO 08/31/2021

Page 2 of 3

Company ID	Company Name	Employee ID	Employee Name	Cost Center	Gross Wages this Period	Gross Annual Salary	Monthly Average Wages	Medicare tax withheld	Social security tax withheld	Federal Income tax withheld
103369	PRIME FUNDING	Redacted	[redacted]	1 - Customer Service	$30,315.77	$68,540.00	$5,711.67	$879.16	$3,759.16	$3,668.21
103369	PRIME FUNDING			1 - Customer Service	$31,603.90	$71,452.30	$5,954.36	$916.51	$3,918.88	$3,824.07
103369	PRIME FUNDING			5 - Sales	$30,298.08	$68,500.00	$5,708.33	$878.64	$3,756.96	$3,666.07
103369	PRIME FUNDING			1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
103369	PRIME FUNDING			2 - Admin	$39,554.14	$89,426.76	$7,452.23	$1,147.07	$4,904.71	$4,786.05
103369	PRIME FUNDING			1 - Customer Service	$24,680.77	$55,800.00	$4,650.00	$715.74	$3,060.42	$2,986.37
103369	PRIME FUNDING			1 - Customer Service	$32,842.39	$74,252.35	$6,187.70	$952.43	$4,072.46	$3,973.93
103369	PRIME FUNDING			2 - Admin	$13,720.38	$31,020.00	$2,585.00	$397.89	$1,701.33	$1,660.17
103369	PRIME FUNDING			1 - Customer Service	$39,365.38	$89,000.00	$7,416.67	$1,141.60	$4,881.31	$4,763.21
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103369	PRIME FUNDING			1 - Customer Service	$21,007.85	$47,496.00	$3,958.00	$609.23	$2,604.97	$2,541.95
103369	PRIME FUNDING			1 - Customer Service	$17,816.76	$40,281.36	$3,356.78	$516.69	$2,209.28	$2,155.83
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103369	PRIME FUNDING			1 - Customer Service	$21,007.85	$47,496.00	$3,958.00	$609.23	$2,604.97	$2,541.95
103369	PRIME FUNDING			5 - Sales	$23,996.08	$54,252.00	$4,521.00	$695.89	$2,975.51	$2,903.53
103369	PRIME FUNDING			1 - Customer Service	$12,585.71	$28,454.64	$2,371.22	$364.99	$1,560.63	$1,522.87
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103369	PRIME FUNDING			1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
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103369	PRIME FUNDING			5 - Sales	$37,153.85	$84,000.00	$7,000.00	$1,077.46	$4,607.08	$4,495.62
103369	PRIME FUNDING			1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
103369	PRIME FUNDING			1 - Customer Service	$29,134.81	$65,870.00	$5,489.17	$844.91	$3,612.72	$3,525.31
103369	PRIME FUNDING			1 - Customer Service	$18,576.92	$42,000.00	$3,500.00	$538.73	$2,303.54	$2,247.81
103369	PRIME FUNDING			1 - Customer Service	$20,945.06	$47,354.04	$3,946.17	$607.41	$2,597.19	$2,534.35
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103369	PRIME FUNDING			3 - Sales	$24,723.33	$55,896.23	$4,658.02	$716.98	$3,065.69	$2,991.52

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