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Attorneys for United States of America

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. CONSTANTIN BOBI SANDU, aka Bobi Sandu, aka Ionut Mihai, aka Constantin Sandu, Defendant.	Case No. 23CR0386-LAB PLEA AGREEMENT

IT IS HEREBY AGREED between the plaintiff, UNITED STATES OF AMERICA, through its counsel, Randy S. Grossman, United States Attorney, and Jessica Adeline Schulberg, Assistant United States Attorney, and Defendant Constantin Bobi Sandu, with the advice and consent of Joseph Thomas Hitrec, counsel for Defendant, as follows:

I

THE PLEA

Defendant agrees to waive Indictment and plead guilty to **Counts 2 and 3** of a 3-Count Superseding Information charging Defendant with:

Count 2

Beginning in or about July 2020, and continuing to in or about August 2022, in the Southern District of California, and elsewhere, Defendant CONSTANTIN BOBI SANDU, aka Bobi Sandu, Aka Ionut Mihai, Aka Constantin Sandu, knowingly and intentionally conspired and agreed with other persons known and unknown, to commit wire fraud in violation of Title 18, United States Code, Section 1343; all in violation of United States Code Section 1349.

Count 3

On or about August 10, 2021, defendant CONSTANTIN BOBI SANDU, aka Bobi Sandu, Aka Ionut Mihai, Aka Constantin Sandu, transported, transmitted, and transferred a monetary instrument and funds from a place in the United States to a place outside the United States—approximately $2,367.15 USD from a bank account in the United States to a bank account controlled, managed, supervised, directed, and owned by I.T. in Romania—with the intent to promote the carrying on of specified unlawful activity, to wit, Wire Fraud in violation of Title 18, United States Code, Section 1343; all in violation of Title 18, United States Code, Section 1956(a)(2)(A).

In addition, Defendant consents to the forfeiture allegations of the Superseding Information and consents to the forfeiture of all properties seized in connection with this case, and agrees the attached forfeiture addendum shall govern forfeiture in this case.

II

NATURE OF THE OFFENSE

A. ELEMENTS EXPLAINED

The offenses to which Defendant is pleading guilty have the following elements:

Count 2:

1. Beginning in or about July 2020, and continuing to in or about August 2022, there was an agreement between two or more persons to commit the offense of wire fraud; and
2. Defendant joined the agreement knowing of its unlawful purpose and intending to help accomplish it.

As to the forfeiture allegations, defendant understands that the Government would have to prove by a preponderance of the evidence that the property(ies) subject to forfeiture are all property, real and

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personal, involved in such offense or are property(ies) traceable to such property.

Count 3:

1. Defendant transported money from a place in the United States to or through a place outside the United States; and
2. Defendant acted with the intent to promote the carrying on of a specified unlawful activity, to wit: wire fraud.

As to the forfeiture allegations, the defendant understands that the Government would have to prove by a preponderance of the evidence that the property(ies) subject to forfeiture are all property, real and personal, involved in such offense or are property(ies) traceable to such property.

B. ELEMENTS UNDERSTOOD AND ADMITTED - FACTUAL BASIS

Defendant has fully discussed the facts of this case with defense counsel. Defendant has committed each element of the crime and admits that there is a factual basis for this guilty plea. The following facts are true and undisputed:

1. Beginning at least as early as July 2020, there was an agreement between two or more persons to commit the offense of wire fraud.
2. In or about July 2020, Defendant CONSTANTIN BOBI SANDU joined the agreement knowing of its unlawful objective and intending to help accomplish the objective.
3. For example, in furtherance of the conspiracy:

a. The Unemployment Insurance ("UI") Program was a joint federal-state partnership administered on behalf of the U.S. Department of Labor by agencies in each state. In the State of California, the UI Program was administered by California's Employment Development Department ("California EDD").

b. On March 13, 2020, President Trump declared a nationwide emergency due to COVID-19, and in March 2020, the Families First Coronavirus Response Act ("FFCRA") and the Coronavirus Aid, Relief, and Economic Security ("CARES") Act provided additional funding for state UI agencies to respond to the COVID-19 pandemic. The CARES Act allowed states to expand the scope of workers who were eligible to receive state UI benefits, to extend the period of time for which workers could be eligible for UI benefits, and to allow workers who may have exhausted UI benefits under traditional programs to receive benefits.

c. The CARES Act further expanded the ability of states to provide benefits to unemployed workers by creating three new unemployment programs, namely: the Pandemic Unemployment Assistance ("PUA") program, which permitted states to provide benefits to individuals who were self-employed, seeking part-time employment, or otherwise would not qualify for regular unemployment benefits; the Federal Pandemic Unemployment Compensation ("FPUC") Program, which provided an additional amount in federal benefits to individuals collecting traditional UI program benefits; and the Pandemic Emergency Unemployment Compensation ("PEUC") program, which provided additional weeks of benefits for individuals who had otherwise exhausted their entitlement to regular UI benefits (collectively referred to herein as "expanded pandemic UI benefits"). PUA and FPUC benefits were 100% federally funded benefits paid through state UI agencies. To receive UI, PUA, PEUC, and FPUC benefits from a state UI agency, an applicant could file a claim, via the internet, with the state UI agency from which he was eligible to seek benefits.

d. California EDD provided unemployment insurance benefits for regular UI and expanded pandemic UI benefits to individuals whom California EDD determined were entitled to receive such benefits through debit cards, which were funded by California EDD and issued by Bank 1.

e. Sandu and an uncharged co-conspirator, D.C., unlawfully enriched themselves by filing and causing the filing of fraudulent claims for UI benefits and expanded UI pandemic benefits on behalf of hundreds of fraudulent applicants, who received millions of dollars from California's Employment Development Department (EDD) and who paid thousands of dollars per fraudulent application to Sandu, D.C., and other co-conspirators.

f. Sandu and D.C. developed a process to apply for benefits from EDD by creating fraudulent identifications, falsified utility bills, falsified earnings statements, falsified W-2s, and falsified health insurance cards that Sandu and D.C. provided to fraudu-lent applicants for use in their EDD applications. As part of this process, Sandu and/or D.C. would transfer fraudulent identification documents to other individuals to aid with submitting the fraudulent applications.

g. Sandu and D.C. often "backdated" or modified EDD applications with earlier fictitious unemployment start date to generate the most possible fraudulent income, and therefore, the greatest payout of undeserved benefits.

h. Sandu himself applied for undeserved EDD benefits four separate times, on September 18, 2020, July 10, 2021, July 13, 2021, and June 5, 2022. On September 18, 2020, Sandu submitted his first application listing his true social security number (SSN). Sandu used different, and fraudulent, SSNs in each subsequent application. Sandu received a total of $54,450 for himself as a result of these four applications.

i. Beginning in July 2021, Sandu and D.C. sent public announcements via Facebook to a large network of associates, advertising and offering their services in conducting the fraud. Specifically, Sandu and D.C. used these announcements to recruit new conspirators that they could use to submit additional fraudulent applications to EDD.

j. Sandu and D.C. communicated with fraudulent applicants via Facebook messaging or other electronic means, and/or met with them in person to collect their personal identifiable information (PII) for purposes of generating false identifications and supporting documents, and submitting fraudulent applications.

k. Sandu and D.C. used PII provided by fraudulent applicants to create or have others create false identifications and supporting documents, which would then be submitted in connection with the fraudulent applications for UI benefits from EDD.

l. Sandu and D.C. used their own electronic devices to create and/or manipulate many of the ID.me accounts that were by hundreds of fraudulent applicants to apply for EDD benefits.

m. An applicant paid Sandu a $1,000.00 down payment for his assistance at the time of the application and $1,500.00 after an applicant received undeserved benefits from EDD; Sandu then paid D.C. $400.00-$500.00 and up to $1,000.00 of this fee received for D.C.'s unlawful assistance.

n. Each time a fraudulent benefits application was approved, the scheme caused the resulting benefits to be loaded on a debit card via interstate wire transmission, using Bank 1's servers located outside the State of California.

o. In total, between July 2020 and August 2022, Sandu conspired with 214 uncharged co-conspirators, including D.C., to fraudulently obtain no less than $5,207,687.00 in California Unemployment Insurance benefits.

p. Over the course of the conspiracy, Sandu communicated with his contractor, I.T., in Romania over Facebook messenger with messages containing numerous photos of Sandu's house in Romania (located at Capu Piscului 675a, Dobrești, Arges County, România) and construction materials, invoices, and receipts from a Romanian home supply store. In response to the receipts, and invoices, Sandu responded with screenshots of Remitly transfer confirmations showing transfer of funds from Sandu in the United States to I.T. in Romania.

q. Between May 19, 2021 and August 14, 2022, Sandu sent 20 transactions via the money transfer service Remitly from the United States to his contractor, I.T., in Romania totaling more than $16,000.00, used to pay for the renovation of Sandu's house in Romania located at Capu Piscului 675a, Dobrești, Arges County, România. The funds were proceeds from Sandu's wire fraud conspiracy. On October 25, 2022 and December 6, 2022, Sandu posted photos on Facebook of himself and his family members in the vicinity of his newly renovated house in Romania.

4. Defendant agrees that from his offenses of conviction he personally received and obtained the total sum of approximately $214,950 in criminal proceeds which are subject to forfeiture as provided in the attached forfeiture addendum.

III

PENALTIES

The crimes to which Defendant is pleading guilty carry the following penalties:

Count 2:

A. a maximum 30 years in prison;

B. a maximum $1,000,000 fine;

C. a mandatory special assessment of $100 per count;

D. a term of supervised release of up to 5 years. Failure to comply with any condition of supervised release may result in revocation of supervised release, requiring Defendant to serve in prison, upon revocation, all or part of the statutory maximum term of supervised release.

E. Forfeiture of all property, real or personal, involved in such offense, or any property traceable to such property.

Count 3:

A. a maximum 20 years in prison;

B. a maximum $500,000 fine, or twice the value of the monetary instrument or funds involved in the transportation, transmission, or transfer, whichever is greater;

C. a mandatory special assessment of $100 per count; and

D. a term of supervised release of up to 3 years. Failure to comply with any condition of supervised release may result in revocation of supervised release, requiring Defendant to serve in prison, upon revocation, all or part of the statutory maximum term of supervised release.

E. Forfeiture of all property, real or personal, involved in such offense, or any property traceable to such property.

IV
DEFENDANT'S WAIVER OF TRIAL RIGHTS AND UNDERSTANDING OF CONSEQUENCES

This guilty plea waives Defendant's right at trial to:

A. Continue to plead not guilty and require the Government to prove the elements of the crime beyond a reasonable doubt;

B. A speedy and public trial by jury;

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C. The assistance of counsel at all stages;

D. Confront and cross-examine adverse witnesses;

E. Testify and present evidence and to have witnesses testify on behalf of Defendant; and,

F. Not testify or have any adverse inferences drawn from the failure to testify.

Defendant has been advised by counsel and understands that because defendant is not a citizen of the United States, defendant's conviction in this case makes 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.

V

DEFENDANT ACKNOWLEDGES NO PRETRIAL RIGHT TO BE PROVIDED WITH IMPEACHMENT AND AFFIRMATIVE DEFENSE INFORMATION

Any information establishing the factual innocence of Defendant known to the undersigned prosecutor in this case has been turned over to Defendant. The Government will continue to provide such information establishing the factual innocence of Defendant.

If this case proceeded to trial, the Government would be required to provide impeachment information for its witnesses. In addition, if Defendant raised an affirmative defense, the Government would be required to provide information in its possession that supports such a defense. By pleading guilty Defendant will not be provided this information, if any, and Defendant waives any right to this information. Defendant will not attempt to withdraw the guilty plea or to file a collateral attack based on the existence of this information.

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VI

DEFENDANT'S REPRESENTATION THAT GUILTY PLEA IS KNOWING AND VOLUNTARY

Defendant represents that:

A. Defendant has had a full opportunity to discuss all the facts and circumstances of this case with defense counsel and has a clear understanding of the charges and the consequences of this plea. By pleading guilty, Defendant may be giving up, and rendered ineligible to receive, valuable government benefits and 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. The conviction in this case may subject Defendant to various collateral consequences, including but not limited to revocation of probation, parole, or supervised release in another case; debarment from government contracting; and suspension or revocation of a professional license, none of which can serve as grounds to withdraw Defendant's guilty plea.

B. No one has made any promises or offered any rewards in return for this guilty plea, other than those contained in this agreement or otherwise disclosed to the Court.

C. No one has threatened Defendant or Defendant's family to induce this guilty plea.

D. Defendant is pleading guilty because Defendant is guilty and for no other reason.

VII

AGREEMENT LIMITED TO U.S. ATTORNEY'S OFFICE SOUTHERN DISTRICT OF CALIFORNIA

This plea agreement is limited to the United States Attorney's Office for the Southern District of California, and cannot bind any other authorities in any type of matter, although the Government will bring this plea agreement to the attention of other authorities if requested by Defendant.

VIII

APPLICABILITY OF SENTENCING GUIDELINES

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The sentence imposed will be based on the factors set forth in 18 U.S.C. § 3553(a). In imposing the sentence, the sentencing judge must consult the United States Sentencing Guidelines (Guidelines) and take them into account. Defendant has discussed the Guidelines with defense counsel and understands that the Guidelines are only advisory, not mandatory. The Court may impose a sentence more severe or less severe than otherwise applicable under the Guidelines, up to the maximum in the statute of conviction. The sentence cannot be determined until a presentence report is prepared by the U.S. Probation Office and defense counsel and the Government have an opportunity to review and challenge the presentence report. Nothing in this plea agreement limits the Government's duty to provide complete and accurate facts to the district court and the U.S. Probation Office.

IX

SENTENCE IS WITHIN SOLE DISCRETION OF JUDGE

This plea agreement is made pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B). The sentence is within the sole discretion of the sentencing judge who may impose the maximum sentence provided by statute. It is uncertain at this time what Defendant's sentence will be. The Government has not made and will not make any representation about what sentence Defendant will receive. Any estimate of the probable sentence by defense counsel is not a promise and is not binding on the Court. Any recommendation by the Government at sentencing also is not binding on the Court. If the sentencing judge does not follow any of the parties' sentencing recommendations, Defendant will not withdraw the plea.

X

PARTIES' SENTENCING RECOMMENDATIONS

A. SENTENCING GUIDELINE CALCULATIONS

Although the Guidelines are only advisory and just one factor the Court will consider under 18 U.S.C. § 3553(a) in imposing a sentence, the parties will jointly recommend the following Base Offense Level, Specific Offense Characteristics, Adjustments, and Departures:

Count 2 - Conspiracy to Commit Wire Fraud 18 USC §§ 1343 and 1349:

1.	Base Offense Level [§2B1.1(a)(1)]	7
2.	Loss exceeds more than $3,500,000 [§2B1.1(b)(1)(J))]	+18
3.	Sophisticated Means [§2B1.1(b)(10)(C)]	+2
4.	Unauthorized Use/Transfer of Means of Identification [§2B1.1(b)(11)(C)(i)]	+2
5.	18 U.S.C. § 1040 National Emergency [§2B1.1(b)(12)]	+2

Count 3 - International Money Laundering 18 USC 1956(a)(2)(A)

1.	Base Offense Level [§ 2S1.1(a)(1)]	31[1]
2.	Convicted Under 18 U.S.C. § 1956 [§ 2S1.1(b)(2)(B)]	+2

Grouping Calculation

1.	Offense Level [§§ 3D1.2, 3D1.3]	33[2]
2.	Acceptance of Responsibility [§ 3E1.1]	-3
3.	Combination of Circumstances [§ 5K2.0]	-4

B. ACCEPTANCE OF RESPONSIBILITY

Despite paragraph A above, the Government need not recommend an adjustment for Acceptance of Responsibility if Defendant engages in

[1] This is the offense level for the underlying offense of conspiracy to commit wire fraud under USSG § 2B1.1.

[2] The United States believes the two counts should be grouped together and the Guidelines should be calculated based on the count with the highest offense level pursuant to USSG § 3D1.3(a).

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conduct inconsistent with acceptance of responsibility including, but not limited to, the following:

1. Fails to truthfully admit a complete factual basis as stated in the plea at the time the plea is entered, or falsely denies, or makes a statement inconsistent with, the factual basis set forth in this agreement;
2. Falsely denies prior criminal conduct or convictions;
3. Is untruthful with the Government, the Court or probation officer; or
4. Breaches this plea agreement in any way.

C. FURTHER ADJUSTMENTS AND SENTENCE REDUCTIONS INCLUDING THOSE UNDER 18 U.S.C. § 3553

Defendant may request or recommend additional downward adjustments, departures, or variances from the Sentencing Guidelines under 18 U.S.C. § 3553. The Government will oppose any downward adjustments, departures, or variances not set forth in Section X, paragraph A above.

D. NO AGREEMENT AS TO CRIMINAL HISTORY CATEGORY

The parties have **no** agreement as to Defendant's Criminal History Category.

E. "FACTUAL BASIS" AND "RELEVANT CONDUCT" INFORMATION

The facts in the "factual basis" paragraph of this agreement are true and may be considered as "relevant conduct" under USSG § 1B1.3 and as the nature and circumstances of the offense under 18 U.S.C. § 3553(a)(1).

F. PARTIES' RECOMMENDATIONS REGARDING CUSTODY

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The Government will recommend that Defendant be sentenced to within the advisory guideline range recommended by the Government at sentencing.

G. SPECIAL ASSESSMENT/FINE/RESTITUTION/FORFEITURE

1. Special Assessment

The parties will jointly recommend that Defendant pay a special assessment in the amount of $100.00 per felony count of conviction to be paid forthwith at time of sentencing. Special assessments shall be paid through the office of the Clerk of the District Court by bank or cashier's check or money order made payable to the "Clerk, United States District Court."

2. Fine

The parties will not recommend imposition of a fine due to Defendant's limited financial prospects and because the cost of collection, even taking into account the Inmate Responsibility Program, likely would exceed the amounts that could reasonably be expected to be collected.

3. Forfeiture

The attached forfeiture addendum shall govern in this case.

H. SUPERVISED RELEASE

If the Court imposes a term of supervised release, Defendant will not seek to reduce or terminate early the term of supervised release until Defendant has served at least 2/3 of the term of supervised release and has fully paid and satisfied any special assessments, fine, criminal forfeiture judgment, and restitution judgment.

XI

DEFENDANT WAIVES APPEAL AND COLLATERAL ATTACK

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Defendant waives (gives up) all rights to appeal and to collaterally attack every aspect of the conviction and sentence, including any restitution and forfeiture ordered. This waiver includes, but is not limited to, any argument that the statute of conviction or Defendant's prosecution is unconstitutional and any argument that the facts of this case do not constitute the crime charged. The only exceptions are 1) defendant may appeal a custodial sentence above the high end of the guideline range recommended by the Government at sentencing (if USSG § 5G1.1(b) applies, the high end of the range will be the statutorily required mandatory minimum sentence), and 2) defendant may collaterally attack the conviction or sentence on the basis that defendant received ineffective assistance of counsel. If Defendant appeals, the Government may support on appeal the sentence, forfeiture, or restitution order actually imposed.

XII

BREACH OF THE PLEA AGREEMENT

Defendant and Defendant's attorney know the terms of this agreement and shall raise, before the sentencing hearing is complete, any claim that the Government has not complied with this agreement. Otherwise, such claims shall be deemed waived (that is, deliberately not raised despite awareness that the claim could be raised), cannot later be made to any court, and if later made to a court, shall constitute a breach of this agreement.

Defendant breaches this agreement if Defendant violates or fails to perform any obligation under this agreement. The following are non-exhaustive examples of acts constituting a breach:

1. Failing to plead guilty pursuant to this agreement;

2. Failing to fully accept responsibility as established in Section X, paragraph B, above;

3. Failing to appear in court;

4. Attempting to withdraw the plea;

5. Failing to abide by any court order related to this case;

6. Appealing (which occurs if a notice of appeal is filed) or collaterally attacking the conviction or sentence in violation of Section XI of this plea agreement; or

7. Engaging in additional criminal conduct from the time of arrest until the time of sentencing.

If Defendant breaches this plea agreement, Defendant will not be able to enforce any provisions, and the Government will be relieved of all its obligations under this plea agreement. For example, the Government may proceed to sentencing but recommend a different sentence than what it agreed to recommend above. Or the Government may pursue any charges including those that were dismissed, promised to be dismissed, or not filed as a result of this agreement (Defendant agrees that any statute of limitations relating to such charges is tolled indefinitely as of the date all parties have signed this agreement; Defendant also waives any double jeopardy defense to such charges). In addition, the Government may move to set aside Defendant's guilty plea. Defendant may not withdraw the guilty plea based on the Government's pursuit of remedies for Defendant's breach.

Additionally, if Defendant breaches this plea agreement: (i) any statements made by Defendant, under oath, at the guilty plea hearing (before either a Magistrate Judge or a District Judge); (ii) the factual basis statement in Section II.B in this agreement; and (iii) any

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evidence derived from such statements, are admissible against Defendant in any prosecution of, or any action against, Defendant. This includes the prosecution of the charge(s) that is the subject of this plea agreement or any charge(s) that the prosecution agreed to dismiss or not file as part of this agreement, but later pursues because of a breach by the Defendant. Additionally, Defendant knowingly, voluntarily, and intelligently waives any argument that the statements and any evidence derived from the statements should be suppressed, cannot be used by the Government, or are inadmissible 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, and any other federal rule.

XIII

CONTENTS AND MODIFICATION OF AGREEMENT

This plea agreement embodies the entire agreement between the parties and supersedes any other agreement, written or oral. No modification of this plea agreement shall be effective unless in writing signed by all parties.

XIV

DEFENDANT AND COUNSEL FULLY UNDERSTAND AGREEMENT

By signing this agreement, Defendant certifies that Defendant has read it (or that it has been read to Defendant in Defendant's native language). Defendant has discussed the terms of this agreement with defense counsel and fully understands its meaning and effect.

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XV

DEFENDANT SATISFIED WITH COUNSEL

Defendant has consulted with counsel and is satisfied with counsel's representation. This is Defendant's independent opinion, and Defendant's counsel did not advise Defendant about what to say in this regard.

RANDY S. GROSSMAN
United States Attorney

DATED 7/10/2023

Jessica Adeline Schulberg
JESSICA ADELINE SCHULBERG
Assistant U.S. Attorney

DATED 08 July 2023

JOSEPH THOMAS HITREC
Defense Counsel

IN ADDITION TO THE FOREGOING PROVISIONS TO WHICH I AGREE, I SWEAR UNDER PENALTY OF PERJURY THAT THE FACTS IN THE "FACTUAL BASIS" SECTION ABOVE ARE TRUE.

DATED 08/07/2023

CONSTANTIN BOBI SANDU,
aka Bobi Sandu,
aka Ionut Mihai,
aka Constantin Sandu,
Defendant

Approved By:

s/Michael A. Deshong
MICHAEL A. DESHONG
Assistant U.S. Attorney

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