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9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT

11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 DOMENIC SIGMORELLI,

16 Defendant.
17

No. CR 18-315-RGK-2

PLEA AGREEMENT FOR DEFENDANT
DOMENIC SIGMORELLI

18 1. This constitutes the plea agreement between DOMENIC
19 SIGMORELLI ("defendant") and the United States Attorney's Office for
20 the Central District of California ("the USAO") in the above-
21 captioned case. This agreement is limited to the USAO and cannot
22 bind any other federal, state, local, or foreign prosecuting,
23 enforcement, administrative, or regulatory authorities.

24 DEFENDANT'S OBLIGATIONS

25 2. Defendant agrees to:

26 a. At the earliest opportunity requested by the USAO and
27 provided by the Court, appear and plead guilty to the single-count
28 indictment in United States v. Irena Shut, et al., CR 18-315-RGK-2,

1 which charges defendant with Conspiracy, in violation of 18 U.S.C.
2 § 371.

3 b. Not contest facts agreed to in this agreement.

4 c. Abide by all agreements regarding sentencing contained
5 in this agreement.

6 d. Appear for all court appearances, surrender as ordered
7 for service of sentence, obey all conditions of any bond, and obey
8 any other ongoing court order in this matter.

9 e. Not commit any crime; however, offenses that would be
10 excluded for sentencing purposes under United States Sentencing
11 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
12 within the scope of this agreement.

13 f. Be truthful at all times with Pretrial Services, the
14 United States Probation Office, and the Court.

15 g. Pay the applicable special assessments at or before
16 the time of sentencing unless defendant lacks the ability to pay and
17 prior to sentencing submits a completed financial statement on a form
18 to be provided by the USAO.

19 h. Not seek the discharge of any restitution obligation,
20 in whole or in part, in any present or future bankruptcy proceeding.

21 i. Defendant understands and acknowledges that as a
22 result of pleading guilty pursuant to this agreement, defendant will
23 be excluded from Medicare, Medicaid, and all Federal health care
24 programs. Defendant agrees to complete and execute all necessary
25 documents provided by the United States Department of Health and
26 Human Services, or any other department or agency of the federal
27 government, to effectuate this exclusion within 60 days of receiving
28 the documents. This exclusion will not affect defendant's right to

1 apply for and receive benefits as a beneficiary under any Federal
2 health care program, including Medicare and Medicaid.

3 3. Defendant further agrees:

4 i. Truthfully to disclose to law enforcement
5 officials, at a date and time to be set by the USAO, the location of,
6 defendant's ownership interest in, and all other information known to
7 defendant about, all monies, properties, and/or assets of any kind,
8 derived from or acquired as a result of, or used to facilitate the
9 commission of, defendant's illegal activities, and to forfeit all
10 right, title, and interest in and to such items, specifically
11 including all right, title, and interest in and to all such United
12 States currency, property and assets, which defendant admits
13 constitutes the proceeds of defendant's illegal activity and were
14 used to facilitate defendant's criminal activity in violation of 18
15 U.S.C. §§ 371, including the objects of the conspiracy (the
16 "Forfeitable Property").

17 b. To withdraw any claim defendant may have submitted to
18 any federal agency in any administrative forfeiture proceedings
19 commenced by that agency with respect to the Forfeitable Property.
20 Defendant further waives his rights, if any, to any initial or
21 further notice relative to any administrative forfeiture proceedings.
22 Defendant understands, acknowledges, and agrees that the Forfeitable
23 Property shall, at the sole election of the United States of America,
24 be administratively forfeited to the United States of America without
25 any further notice.

26 c. To the entry, as part of defendant's guilty plea, of a
27 personal money judgment of forfeiture against defendant in the amount
28 of nine hundred fifty-five thousand dollars (\$955,000), which sum

1 defendant admits defendant obtained, received, and/or possessed as a
2 result of violations of 18 U.S.C. § 371, and which judgment defendant
3 agrees can be enforced against assets owned by defendant. Defendant
4 agrees to pay the personal money judgment of forfeiture, at least in
5 part, as follows:

6 (i) within thirty (30) days of the sale of
7 defendant's primary residence or defendant's execution of this plea
8 agreement, whichever comes later, defendant shall pay \$500,000 by
9 delivering to the USAO a cashier's check payable to the government
10 entity identified in writing by the USAO; and

11 (ii) At least thirty (30) days before defendant's
12 sentencing, defendant shall pay \$250,000 by delivering to the USAO a
13 cashier's check payable to the government entity identified in
14 writing by the USAO. Defendant further agrees to, alternatively,
15 make the payments set forth above via wire transfer, rather than by
16 delivery of a cashier's check, to an account designated in writing by
17 the USAO, should the USAO in its sole discretion instruct Defendant
18 in writing to do so.

19 d. To refrain from contesting the forfeiture (by filing a
20 claim, statement of interest, petition for an ancillary proceeding,
21 petition for remission or otherwise) of the Forfeitable Property in
22 any administrative or judicial proceeding, or assisting any other
23 person or entity in falsely contesting the forfeiture of the
24 Forfeitable Property in any administrative or judicial proceeding.

25 e. To take all steps necessary to pass to the United
26 States of America clear title to the Forfeitable Property, including,
27 without limitation, the execution of consent judgments of forfeiture,
28 the entry of any additional money judgments of forfeiture, the

1 identification of all monies, properties and assets of any kind owned
2 and/or controlled by defendant, the liquidation of any item of the
3 Forfeitable Property in the manner required by the United States of
4 America in its sole discretion, the transmission of any item of the
5 Forfeitable Property to the United States of America upon request by
6 the USAO and the completion of any other legal documents required for
7 the transfer of title to the Forfeitable Property to the United
8 States of America.

9 f. To prevent the disbursement of the Forfeitable
10 Property without the authorization of the USAO, if such disbursements
11 are within defendant's direct or indirect control.

12 g. To the Court's entry of an order of forfeiture at or
13 before sentencing with respect to the Forfeitable Property and to the
14 forfeiture of the Forfeitable Property. Defendant knowingly and
15 voluntarily waives (i) the requirements of Federal Rules of Criminal
16 Procedure 32.2 and 43(a) regarding notice of the forfeiture in the
17 charging instrument, announcement of the forfeiture at sentencing,
18 and incorporation of the forfeiture in the judgment; (ii) all
19 constitutional and statutory challenges in any manner (including by
20 direct appeal, habeas corpus, or any other means) to any forfeiture
21 carried out in accordance with this agreement on any grounds; and
22 (iii) all constitutional, legal, and equitable defenses to the
23 forfeiture of the Forfeitable Property in any proceeding on any
24 grounds including, without limitation, that the forfeiture
25 constitutes an excessive fine or punishment. Defendant also
26 acknowledges and understands that the forfeiture of the Forfeitable
27 Property is part of the sentence that may be imposed in this case and
28

1 waives any failure by the Court to advise defendant of this, pursuant
2 to Rule 11(b)(1)(J), at the time defendant's guilty plea is accepted.

3 h. That defendant shall receive a credit towards the
4 payment of any restitution obligation the Court may impose in the
5 amount of any property actually recovered in satisfaction of the
6 money judgment of forfeiture.

7 4. Defendant further agrees to cooperate fully with the USAO,
8 Federal Bureau of Investigation, United States Postal Service-Office
9 of Inspector General, IRS-Criminal Investigation, and California
10 Department of Insurance, and, as directed by the USAO, any other
11 federal, state, local, or foreign prosecuting, enforcement,
12 administrative, or regulatory authority. This cooperation requires
13 defendant to:

14 a. Respond truthfully and completely to all questions
15 that may be put to defendant, whether in interviews, before a grand
16 jury, or at any trial or other court proceeding.

17 b. Attend all meetings, grand jury sessions, trials or
18 other proceedings at which defendant's presence is requested by the
19 USAO or compelled by subpoena or court order.

20 c. Produce voluntarily all documents, records, or other
21 tangible evidence relating to matters about which the USAO, or its
22 designee, inquires.

23 d. If requested to do so by the USAO, act in an
24 undercover capacity to the best of defendant's ability in connection
25 with criminal investigations by federal, state, local, or foreign law
26 enforcement authorities, in accordance with the express instructions
27 of those law enforcement authorities. Defendant agrees not to act in
28 an undercover capacity, tape record any conversations, or gather any

1 evidence except after a request by the USAO and in accordance with
2 express instructions of federal, state, local, or foreign law
3 enforcement authorities.

4 5. For purposes of this agreement: (1) "Cooperation
5 Information" shall mean any statements made, or documents, records,
6 tangible evidence, or other information provided, by defendant
7 pursuant to defendant's cooperation under this agreement or pursuant
8 to the letter agreement previously entered into by the parties, dated
9 on or about November 8, 2017, as extended for subsequent proffer
10 sessions and designated cooperation-related document productions (the
11 "Letter Agreement"); and (2) "Plea Information" shall mean any
12 statements made by defendant, under oath, at the guilty plea hearing
13 and the agreed to factual basis statement in this agreement.

14 THE USAO'S OBLIGATIONS

15 6. The USAO agrees to:

- 16 a. Not contest facts agreed to in this agreement.
- 17 b. Abide by all agreements regarding sentencing contained
18 in this agreement.
- 19 c. Except for criminal tax violations (including
20 conspiracy to commit such violations chargeable under 18 U.S.C.
21 § 371), not further criminally prosecute defendant for violations
22 arising out of defendant's conduct described in the agreed-to factual
23 basis set forth in paragraph 19 below and in the attached Exhibit A.
24 Defendant understands that the USAO is free to criminally prosecute
25 defendant for any other unlawful past conduct to the extent defendant
26 has not expressly disclosed such unlawful conduct to the government,
27 as specifically documented in law enforcement reports prior to the
28 effective date of this agreement, or any unlawful conduct that occurs

1 after the date of this agreement. Defendant agrees that at the time
2 of sentencing the Court may consider the uncharged conduct in
3 determining the applicable Sentencing Guidelines range, the propriety
4 and extent of any departure from that range, and the sentence to be
5 imposed after consideration of the Sentencing Guidelines and all
6 other relevant factors under 18 U.S.C. § 3553(a).

7 d. Subject to paragraph 21, at the time of sentencing,
8 provided that defendant demonstrates an acceptance of responsibility
9 for the offense up to and including the time of sentencing, recommend
10 a two-level reduction in the applicable Sentencing Guidelines offense
11 level, pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary,
12 move for an additional one-level reduction if available under that
13 section.

14 e. Recommend that defendant be sentenced to a term of
15 imprisonment no higher than the low end of the applicable Sentencing
16 Guidelines range, provided that the offense level used by the Court
17 to determine that range is 25 or higher. For purposes of this
18 agreement, the low end of the Sentencing Guidelines range is that
19 defined by the Sentencing Table in U.S.S.G. Chapter 5, Part A,
20 without regard to reductions in the term of imprisonment that may be
21 permissible through the substitution of community confinement or home
22 detention as a result of the offense level falling within Zone B or
23 Zone C of the Sentencing Table.

24 7. The USAO further agrees:

25 a. Not to offer as evidence in its case-in-chief in the
26 above-captioned case or any other criminal prosecution that may be
27 brought against defendant by the USAO, or in connection with any
28 sentencing proceeding in any criminal case that may be brought

1 against defendant by the USAO, any Cooperation Information.
2 Defendant agrees, however, that the USAO may use both Cooperation
3 Information and Plea Information: (1) to obtain and pursue leads to
4 other evidence, which evidence may be used for any purpose, including
5 any criminal prosecution of defendant; (2) to cross-examine defendant
6 should defendant testify, or to rebut any evidence offered, or
7 argument or representation made, by defendant, defendant's counsel,
8 or a witness called by defendant in any trial, sentencing hearing, or
9 other court proceeding; and (3) in any criminal prosecution of
10 defendant for false statement, obstruction of justice, or perjury.

11 b. Not to use Cooperation Information against defendant
12 at sentencing for the purpose of determining the applicable guideline
13 range, including the appropriateness of an upward departure, or the
14 sentence to be imposed, and to recommend to the Court that
15 Cooperation Information not be used in determining the applicable
16 guideline range or the sentence to be imposed. Defendant
17 understands, however, that Cooperation Information will be disclosed
18 to the probation office and the Court, and that the Court may use
19 Cooperation Information for the purposes set forth in U.S.S.G
20 § 1B1.8(b) and for determining the sentence to be imposed.

21 c. In connection with defendant's sentencing, to bring to
22 the Court's attention the nature and extent of defendant's
23 cooperation.

24 d. If the USAO determines, in its exclusive judgment,
25 that defendant has both complied with defendant's obligations under
26 paragraphs 2 through 4 above and provided substantial assistance to
27 law enforcement in the prosecution or investigation of another
28 ("substantial assistance"), to move the Court pursuant to U.S.S.G.

1 § 5K1.1 to fix an offense level and corresponding guideline range
2 below that otherwise dictated by the sentencing guidelines, and to
3 recommend a term of imprisonment within this reduced range.

4 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

5 8. Defendant understands the following:

6 a. Any knowingly false or misleading statement by
7 defendant will subject defendant to prosecution for false statement,
8 obstruction of justice, and perjury, and will constitute a breach by
9 defendant of this agreement.

10 b. Nothing in this agreement requires the USAO or any
11 other prosecuting, enforcement, administrative, or regulatory
12 authority to accept any cooperation or assistance that defendant may
13 offer, or to use it in any particular way.

14 c. Defendant cannot withdraw defendant's guilty plea if
15 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a
16 reduced guideline range or if the USAO makes such a motion and the
17 Court does not grant it or if the Court grants such a USAO motion but
18 elects to sentence above the reduced range.

19 d. The USAO's determination whether defendant has
20 provided substantial assistance will not depend in any way on whether
21 the government prevails at any trial or court hearing in which
22 defendant testifies or in which the government otherwise presents
23 information resulting from defendant's cooperation.

24 NATURE OF THE OFFENSE

25 9. Defendant understands that for defendant to be guilty of
26 the crime charged in the single-count indictment, that is,
27 conspiracy, in violation of Title 18, United States Code, Section
28 371, the following must be true: (1) between in or about November

1 2012 and in or about June 2016, there was an agreement between two or
2 more persons to commit violations of Title 18, United States Code,
3 Sections 1341, 1343, and 1346 (Honest Services Mail and Wire Fraud);
4 Title 18, United States Code, Section 1952(a)(3) (Interstate Travel
5 in Aid of Bribery); Title 18, United States Code, Section 1957
6 (Monetary Transactions in Property Derived from Specified Unlawful
7 Activity); and Title 42, United States Code, Section 1320a-7b(b)(1),
8 (b)(2) (Solicitation/Receipt and Offering/Paying Kickbacks in
9 Connection with a Federal Health Care Program); (2) the defendant
10 became a member of the conspiracy knowing of at least one of its
11 objects and intending to help accomplish it; and (3) one of the
12 members of the conspiracy performed at least one overt act for the
13 purpose of carrying out the conspiracy.

14 10. Defendant understands that Honest Services Mail and Wire
15 Fraud, in violation of Title 18, United States Code, Sections 1341
16 and 1346, and 1343 and 1346, each an object of the conspiracy charged
17 in the indictment, has the following elements: (1) the defendant
18 devised or participated in a scheme or plan to deprive a patient of
19 his or her right to honest services; (2) the scheme or plan included
20 payments of kickbacks and bribes to medical professionals in exchange
21 for medical services or items; (3) the medical professionals owed a
22 fiduciary duty to the patients; (4) the defendant acted with the
23 intent to defraud by depriving the patients of their right of honest
24 services of the medical professionals; (5) the defendant's act was
25 material, that is, it had a natural tendency to influence, or was
26 capable of influencing, a patient's acts; and (6) the defendant used,
27 or caused someone to use, the mails and a wire communication to carry
28 out or attempt to carry out the scheme or plan.

1 11. Defendant understands that Interstate Travel in Aid of
2 Bribery, in violation of Title 18, United States Code, Section
3 1952(a)(3), one of the objects of the conspiracy charged in the
4 indictment, has the following elements: (1) defendant used the mail
5 or a facility of interstate commerce with the intent to promote,
6 manage, establish, or carry on, or facilitate the promotion,
7 management, establishment, or carrying on, of unlawful activity,
8 specifically payment and receipt of kickbacks and bribes in violation
9 of California Business & Professions Code § 650 and California
10 Insurance Code § 750; and (2) after doing so, defendant performed or
11 attempted to perform an act to promote, manage, establish, or carry
12 on, or facilitate the promotion, management, establishment, or
13 carrying on, of such unlawful activity.

14 12. Defendant understands that Transactional Money Laundering,
15 in violation of Title 18, United States Code, Section 1957, one of
16 the objects of the conspiracy charged in the indictment, has the
17 following elements: (1) the defendant knowingly engaged or attempted
18 to engage in a monetary transaction; (2) the defendant knew the
19 transaction involved criminally derived property; (3) the property
20 had a value greater than \$10,000; (4) the property was, in fact,
21 derived from specified unlawful activity, namely, honest services
22 mail or wire fraud, health care fraud, or illegal kickbacks for
23 health care referrals; and (5) the transaction occurred in the United
24 States.

25 13. Defendant understands that Payment or Receipt of Kickbacks
26 in Connection with a Federal Health Care Program, in violation of
27 Title 42, United States Code, Sections 1320a-7b(b)(2) and (b)(1),
28 each an object of the conspiracy charged in the indictment, has the

1 following elements: (1) defendant knowingly and willfully paid or
2 received remuneration, directly or indirectly, in cash or in kind, to
3 or from another person; (2) the remuneration was given to induce that
4 person to refer an individual for the furnishing or arranging for the
5 furnishing of any item or service for which payment may be made in
6 whole or in part under a Federal health care program; and
7 (3) defendant knew that such payment of remuneration was illegal.

8 PENALTIES AND RESTITUTION

9 14. Defendant understands that the statutory maximum sentence
10 that the Court can impose for a violation of Title 18, United States
11 Code, Section 371, as charged in count one of the indictment, is:
12 five years' imprisonment, a three-year period of supervised release;
13 a fine of \$250,000 or twice the gross gain or gross loss resulting
14 from the offense, whichever is greater; and a mandatory special
15 assessment of \$100.

16 15. Defendant understands that defendant will be required to
17 pay full restitution to the victims of the offense to which defendant
18 is pleading guilty. Defendant agrees that, in return for the USAO's
19 compliance with its obligations under this agreement, the Court may
20 order restitution to persons other than the victims of the offense to
21 which defendant is pleading guilty and in amounts greater than those
22 alleged in the count to which defendant is pleading guilty. In
23 particular, defendant agrees that the Court may order restitution to
24 any victim of any of the following for any losses suffered by that
25 victim as a result: (a) any relevant conduct, as defined in U.S.S.G.
26 § 1B1.3, in connection with the offenses to which defendant is
27 pleading guilty; and (b) any charges not prosecuted pursuant to this
28

1 agreement as well as all relevant conduct, as defined in U.S.S.G.
2 § 1B1.3, in connection with those charges.

3 16. Defendant understands that supervised release is a period
4 of time following imprisonment during which defendant will be subject
5 to various restrictions and requirements. Defendant understands that
6 if defendant violates one or more of the conditions of any supervised
7 release imposed, defendant may be returned to prison for all or part
8 of the term of supervised release authorized by statute for the
9 offense that resulted in the term of supervised release, which could
10 result in defendant serving a total term of imprisonment greater than
11 the statutory maximum stated above.

12 17. Defendant understands that, by pleading guilty, defendant
13 may be giving up valuable government benefits and valuable civic
14 rights, such as the right to vote, the right to possess a firearm,
15 the right to hold office, and the right to serve on a jury.
16 Defendant understands that once the court accepts defendant's guilty
17 plea, it will be a federal felony for defendant to possess a firearm
18 or ammunition. Defendant understands that the conviction in this
19 case may also subject defendant to various other collateral
20 consequences, including but not limited to revocation of probation,
21 parole, or supervised release in another case, mandatory exclusion
22 from providing services for any federal health care benefit program
23 for at least five years, and suspension or revocation of a
24 professional license. Defendant understands that unanticipated
25 collateral consequences will not serve as grounds to withdraw
26 defendant's guilty plea.

27 18. Defendant understands that, if defendant is not a United
28 States citizen, the felony conviction in this case may subject

1 defendant to: removal, also known as deportation, which may, under
2 some circumstances, be mandatory; denial of citizenship; and denial
3 of admission to the United States in the future. The court cannot,
4 and defendant's attorney also may not be able to, advise defendant
5 fully regarding the immigration consequences of the felony
6 convictions in this case. Defendant understands that unexpected
7 immigration consequences will not serve as grounds to withdraw
8 defendant's guilty plea.

9 FACTUAL BASIS

10 19. Defendant admits that defendant is, in fact, guilty of the
11 offense to which defendant is agreeing to plead guilty. Defendant
12 and the USAO agree to the statement of facts provided in the attached
13 Exhibit A and agree that this statement of facts is sufficient to
14 support a plea of guilty to the charge described in this agreement,
15 establish the Sentencing Guidelines factors set forth in paragraph 21
16 below, but is not meant to be a complete recitation of all facts
17 relevant to the underlying criminal conduct or all facts known to
18 either party that relate to that conduct.

19 SENTENCING FACTORS

20 20. Defendant understands that in determining defendant's
21 sentence the Court is required to calculate the applicable Sentencing
22 Guidelines range and to consider that range, possible departures
23 under the Sentencing Guidelines, and the other sentencing factors set
24 forth in 18 U.S.C. § 3553(a). Defendant understands that the
25 Sentencing Guidelines are advisory only, that defendant cannot have
26 any expectation of receiving a sentence within the calculated
27 Sentencing Guidelines range, and that after considering the
28 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 offenses of conviction.

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

Base Offense Level:	7	[U.S.S.G. § 2B1.1(a)(2)]
Loss between \$3.5M and \$9.5M:	+18	[U.S.S.G. § 2B1.1(b)(1)(O)]
More than 10 victims:	+2	[U.S.S.G. § 2B1.1(b)(2)(A)]
Federal health care offense w/ government health care program loss > \$7M:	+3	[U.S.S.G. § 2B1.1(b)(7)(ii)]
Sophisticated means:	+2	[U.S.S.G. § 2B1.1(b)(10)(C)]
Abuse of Position of Trust:	+2	[U.S.S.G. § 3B1.3]
Acceptance of Responsibility	-3	[U.S.S.G. § 3E1.1]

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 paragraphs 2 through 4 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. Subject to paragraph 35 below, 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

1 the judgment of the USAO, constituted obstruction of justice within
2 the meaning of U.S.S.G. § 3C1.1, the USAO would be free to seek the
3 enhancement set forth in that section and to argue that defendant is
4 not entitled to a downward adjustment for acceptance of
5 responsibility under U.S.S.G. § 3E1.1.

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

8 23. Defendant and the USAO reserve the right to argue for a
9 sentence outside the sentencing range established by the Sentencing
10 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
11 (a)(2), (a)(3), (a)(6), and (a)(7).

12 WAIVER OF STATUTE OF LIMITATIONS

13 24. Having been fully advised by defendant's attorney regarding
14 application of the statute of limitations to the offense to which
15 defendant is pleading guilty, defendant hereby knowingly,
16 voluntarily, and intelligently waives, relinquishes, and gives up:
17 (a) any right that defendant might have not to be prosecuted for the
18 offense to which defendant is pleading guilty because of the
19 expiration of the statute of limitations for the offense prior to the
20 filing of the indictment alleging that offense; and (b) any defense,
21 claim, or argument defendant could raise or assert that prosecution
22 of the offense to which defendant is pleading guilty is barred by the
23 expiration of the applicable statute of limitations, pre-indictment
24 delay, or any speedy trial violation.

25 WAIVER OF CONSTITUTIONAL RIGHTS

26 25. Defendant understands that by pleading guilty, defendant
27 gives up the following rights:

28 a. The right to persist in a plea of not guilty.

1 b. The right to a speedy and public trial by jury.

2 c. The right to be represented by counsel - and if
3 necessary have the court appoint counsel - at trial. Defendant
4 understands, however, that, defendant retains the right to be
5 represented by counsel - and if necessary have the court appoint
6 counsel - at every other stage of the proceeding.

7 d. The right to be presumed innocent and to have the
8 burden of proof placed on the government to prove defendant guilty
9 beyond a reasonable doubt.

10 e. The right to confront and cross-examine witnesses
11 against defendant.

12 f. The right to testify and to present evidence in
13 opposition to the charges, including the right to compel the
14 attendance of witnesses to testify.

15 g. The right not to be compelled to testify, and, if
16 defendant chose not to testify or present evidence, to have that
17 choice not be used against defendant.

18 h. Any and all rights to pursue any affirmative defenses,
19 Fourth Amendment or Fifth Amendment claims, and other pretrial
20 motions that have been filed or could be filed.

21 WAIVER OF APPEAL OF CONVICTION

22 26. Defendant understands that, with the exception of an
23 appeal based on a claim that defendant's guilty plea was involuntary,
24 by pleading guilty defendant is waiving and giving up any right to
25 appeal defendant's conviction on the offense to which defendant is
26 pleading guilty.

1 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

2 27. Defendant agrees that, provided the Court imposes a term of
3 imprisonment within the total statutory maximum, defendant gives up
4 the right to appeal all of the following: (a) the procedures and
5 calculations used to determine and impose any portion of the
6 sentence; (b) the term of imprisonment imposed by the Court; (c) the
7 fine imposed by the court, provided it is within the statutory
8 maximum; (d) the amount and terms of any restitution order; (e) the
9 term of probation or supervised release imposed by the Court,
10 provided it is within the statutory maximum; and (f) any of the
11 following conditions of probation or supervised release imposed by
12 the Court: the conditions set forth in General Orders 318, 01-05,
13 and/or 05-02 of this Court; the drug testing conditions mandated by
14 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug use
15 conditions authorized by 18 U.S.C. § 3563(b)(7).

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

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

26 RESULT OF WITHDRAWAL OF GUILTY PLEA

27 30. Defendant agrees that if, after entering a guilty plea
28 pursuant to this agreement, defendant seeks to withdraw and succeeds

1 in withdrawing defendant's guilty plea on any basis other than a
2 claim and finding that entry into this plea agreement was
3 involuntary, then (a) the USAO will be relieved of all of its
4 obligations under this agreement, including in particular its
5 obligations regarding the use of Cooperation Information; (b) in any
6 investigation, criminal prosecution, or civil, administrative, or
7 regulatory action, defendant agrees that any Cooperation Information
8 and any evidence derived from any Cooperation Information shall be
9 admissible against defendant, and defendant will not assert, and
10 hereby waives and gives up, any claim under the United States
11 Constitution, any statute, or any federal rule, that any Cooperation
12 Information or any evidence derived from any Cooperation Information
13 should be suppressed or is inadmissible; and (c) should the USAO
14 choose to pursue any charge that was not filed as a result of this
15 agreement, then (i) any applicable statute of limitations will be
16 tolled between the date of defendant's signing of this agreement and
17 the filing commencing any such action; and (ii) defendant waives and
18 gives up all defenses based on the statute of limitations, any claim
19 of pre-indictment delay, or any speedy trial claim with respect to
20 any such action, except to the extent that such defenses existed as
21 of the date of defendant's signing this agreement.

22 EFFECTIVE DATE OF AGREEMENT

23 31. This agreement is effective upon signature and execution of
24 all required certifications by defendant, defendant's counsel, and an
25 Assistant United States Attorney.

26 BREACH OF AGREEMENT

27 32. Defendant agrees that if defendant, at any time after the
28 effective date of this agreement, knowingly violates or fails to

1 perform any of defendant's obligations under this agreement ("a
2 breach"), the USAO may declare this agreement breached. For example,
3 if defendant knowingly, in an interview, before a grand jury, or at
4 trial, falsely accuses another person of criminal conduct or falsely
5 minimizes defendant's own role, or the role of another, in criminal
6 conduct, defendant will have breached this agreement. All of
7 defendant's obligations are material, a single breach of this
8 agreement is sufficient for the USAO to declare a breach, and
9 defendant shall not be deemed to have cured a breach without the
10 express agreement of the USAO in writing. If the USAO declares this
11 agreement breached, and the Court finds such a breach to have
12 occurred, then:

13 a. If defendant has previously entered a guilty plea
14 pursuant to this agreement, defendant will not be able to withdraw
15 the guilty plea.

16 b. The USAO will be relieved of all its obligations under
17 this agreement; in particular, the USAO: (i) will no longer be bound
18 by any agreements concerning sentencing and will be free to seek any
19 sentence up to the statutory maximum for the crime to which defendant
20 has pleaded guilty; and (ii) will no longer be bound by any agreement
21 regarding the use of Cooperation Information and will be free to use
22 any Cooperation Information in any way in any investigation, criminal
23 prosecution, or civil, administrative, or regulatory action.

24 c. The USAO will be free to criminally prosecute
25 defendant for false statement, obstruction of justice, and perjury
26 based on any knowingly false or misleading statement by defendant.

27 d. In any investigation, criminal prosecution, or civil,
28

1 administrative, or regulatory action: (i) defendant will not assert,
2 and hereby waives and gives up, any claim that any Cooperation
3 Information was obtained in violation of the Fifth Amendment
4 privilege against compelled self-incrimination; and (ii) defendant
5 agrees that any Cooperation Information and any Plea Information, as
6 well as any evidence derived from any Cooperation Information or any
7 Plea Information, shall be admissible against defendant, and
8 defendant will not assert, and hereby waives and gives up, any claim
9 under the United States Constitution, any statute, Rule 410 of the
10 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
11 Criminal Procedure, or any other federal rule, that any Cooperation
12 Information, any Plea Information, or any evidence derived from any
13 Cooperation Information or any Plea Information should be suppressed
14 or is inadmissible.

15 33. Following the Court's finding of a knowing breach of this
16 agreement by defendant, should the USAO choose to pursue any charge
17 that was not filed as a result of this agreement, then:

18 a. Defendant agrees that any applicable statute of
19 limitations is tolled between the date of defendant's signing of this
20 agreement and the filing commencing any such action.

21 b. Defendant waives and gives up all defenses based on
22 the statute of limitations, any claim of pre-indictment delay, or any
23 speedy trial claim with respect to any such action, except to the
24 extent that such defenses existed as of the date of defendant's
25 signing this agreement.

26 COURT AND PROBATION OFFICE NOT PARTIES

27 34. Defendant understands that the Court and the United States
28

1 Probation Office are not parties to this agreement and need not
2 accept any of the USAO's sentencing recommendations or the parties'
3 agreements to facts or sentencing factors.

4 35. Defendant understands that both defendant and the USAO are
5 free to: (a) supplement the facts by supplying relevant information
6 to the United States Probation Office and the Court, (b) correct any
7 and all factual misstatements relating to the Court's Sentencing
8 Guidelines calculations and determination of sentence, and (c) argue
9 on appeal and collateral review that the Court's Sentencing
10 Guidelines calculations and the sentence it chooses to impose are not
11 error, although each party agrees to maintain its view that the
12 calculations in paragraph 21 above are consistent with the facts of
13 this case. While this agreement permits both the USAO and defendant
14 to submit full and complete factual information to the United States
15 Probation Office and the Court, even if that factual information may
16 be viewed as inconsistent with the facts agreed to in this agreement,
17 this agreement does not affect defendant's and the USAO's obligations
18 not to contest the facts agreed to in this agreement.

19 36. Defendant understands that even if the Court ignores any
20 sentencing recommendation, finds facts or reaches conclusions
21 different from those agreed to, and/or imposes any sentence up to the
22 maximum established by statute, defendant cannot, for that reason,
23 withdraw defendant's guilty plea, and defendant will remain bound to
24 fulfill all of defendant's obligations under this agreement.
25 Defendant understands that no one -- not the prosecutor, defendant's
26 attorney, or the Court -- can make a binding prediction or promise
27 regarding the sentence defendant will receive, except that it will be
28 within the statutory maximum.

NO ADDITIONAL AGREEMENTS

37. Defendant understands that, except as set forth in this agreement, 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.


PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

38. 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

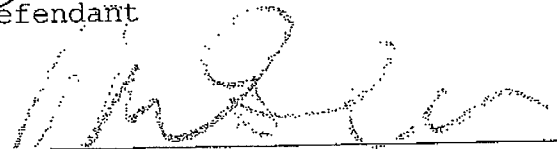
NICOLA T. HANNA
United States Attorney


ASHWIN JANAKIRAM
Assistant United States Attorney

7/23/2018
Date


DOMENIC SIGNORELLI
Defendant

7/22/18
Date


MEGHAN A. BLANCO
Attorney for Defendant
DOMENIC SIGNORELLI

7/22/18
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 charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

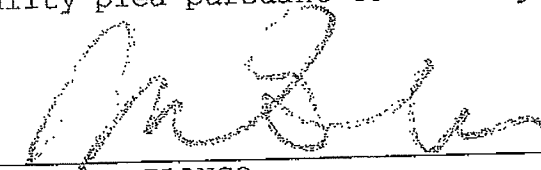


DOMENIC SIGNORELLI
Defendant7/22/18

Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am DOMENIC SIGNORELLI'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 a guilty plea pursuant to this agreement.



MEGHAN A. BLANCO
Attorney for Defendant
DOMENIC SIGNORELLI

7/22/18
Date

EXHIBIT A**STATEMENT OF FACTS**Relevant Entities

TYY Consulting, Inc. ("TYY") purported to provide "marketing consulting services" to pharmacies, specifically including Concierge Compounding Pharmaceuticals, Inc. ("Concierge") and Precise Compounding Pharmacy, Inc. ("Precise") (collectively, "the TYY-Affiliated Pharmacies").

Irena Shut ("Shut") was a TYY "marketing" representative, based in Los Angeles, California, who, through her entity, Mise Marketing, was paid percentage-based commissions for facilitating the referral of prescriptions for compounded drugs and other items reimbursed by health care benefit programs to the TYY-Affiliated Pharmacies.

Defendant and Robert Joseph ("Joseph") were podiatrists licensed in California, who, in exchange for kickback and bribe payments from Shut, wrote prescriptions for compounded drugs that were routed to the TYY-Affiliated Pharmacies.

The Kickback and Bribe Arrangements

Shut used a portion of her referral payments from TYY and the TYY-Affiliated Pharmacies to pay kickbacks and bribes to defendant and at least one other prescribing physician. Specifically, between in or about September 2013 and July 2016, Shut paid defendant approximately \$955,000, concealed through various means, including payments to two members of defendant's family, in exchange for authorizing prescriptions for compounded drugs that were dispensed at the TYY-Related Pharmacies. Relatedly, between in or about October 2013 and January 2016, Shut paid Joseph kickbacks and bribes, through Joseph's mother, in exchange for Joseph authorizing prescriptions for

1 compounded drugs that were dispensed at the TYY-Related Pharmacies.
2 Defendant and Joseph discussed with each other the nature and
3 operation of their kickback and bribe arrangements with Shut.

4 Knowledge/Willfulness

5 Defendant and his co-conspirators knew that the payment of
6 kickbacks and bribes for the referral of prescriptions for compounded
7 drugs was illegal. Defendant further understood that had he stopped
8 authorizing prescription referrals for the TYY-Related Pharmacies,
9 Shut would cease making payments to defendant's family members.
10 Moreover, the payment of kickbacks and bribes for the referral of
11 prescriptions for compounded drugs was material to health care
12 benefit programs and patients. The use of interstate wires and
13 mailings to execute essential parts of the scheme was foreseeable to
14 defendant. Moreover, mailings and interstate wires were used to
15 execute essential parts of the scheme.

16 Effects of the Conspiracy

17 In furtherance of the conspiracy, Shut directly and indirectly
18 compensated defendant a total of approximately \$955,000, in exchange
19 for authorizing prescriptions for compounded drugs for dispensing at
20 the TYY-Affiliated Pharmacies. The Affected Health Care Programs
21 paid the TYY-Affiliated Pharmacies approximately \$14 million for the
22 kickback tainted prescriptions authorized by defendant.

23 Overt Acts

24 In furtherance of the conspiracy and to accomplish its objects,
25 defendant and his co-conspirators committed various overt acts within
26 the Central District of California, and elsewhere, specifically
27 including, but not limited to, the following:
28

1 Overt Act No. 1: On or about September 30, 2014, Shut sent an
2 email to two TYY owners, writing, in part, "Help." The email
3 forwarded another email from an employee of defendant, which
4 cautioned defendant to be "aware of the issues with the labor dept."
5 The forwarded email included a faxed letter from the medical director
6 of the TSA workers' compensation case management program to
7 defendant, which expressed concern over defendant's then-ongoing and
8 frequent prescribing of costly compounded topical medications to a
9 TSA employee who had returned to duty eighteen months earlier, with
10 no difficulty or issues involving his prior foot injury.

11 Overt Act No. 2: On or about November 20, 2014, Shut wrote a
12 check for \$16,000 from Mise Marketing to Joseph's mother, in exchange
13 for Joseph's authorization of prescriptions for compounded drugs for
14 dispensing at the TYY-Affiliated Pharmacies.

15 Overt Act No. 3: On or about November 20, 2014, Shut wrote a
16 check for \$45,000 from Mise Marketing to a family member of
17 Signorelli, in exchange for Signorelli's authorization of
18 prescriptions for compounded drugs for dispensing at the TYY-
19 Affiliated Pharmacies.

20 Overt Act No. 4: On or about February 6, 2015, Shut and
21 individuals affiliated with TYY and Concierge participated in a text
22 message thread regarding defendant. In the text, a TYY owner
23 indicated that defendant had given blanket authorization for refills
24 in perpetuity for all of his patients with prescriptions dispensed at
25 the TYY-Affiliated Pharmacies. Shut also advised that TYY
26 representatives should only contact defendant directly and not
27 contact his office staff regarding refills and other questions
28 pertaining to prescriptions.