

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

**FILED**

5-5-09  
MAY 05 2009

MICHAEL W. DOBBINS  
CLERK, U.S. DISTRICT COURT

09 CR

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UNITED STATES OF AMERICA )  
)  
Plaintiff, )  
v. )  
)  
ESPERANZA A. BRANDT )  
)  
Defendant. )  
)

1:09 CR \_\_\_\_\_

Violation: 18 U.S.C. § 371

JUDGE SHADUK

PLEA AGREEMENT MAGISTRATE JUDGE MASON

The Antitrust Division of the Department of Justice, Esperanza A. Brandt ("Defendant"), and her attorney, Todd A. Pugh, hereby enter into the following Plea Agreement pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure ("Fed. R. Crim. P."):

**RIGHTS OF DEFENDANT**

1. Defendant understand her rights:
  - (a) to be represented by an attorney;
  - (b) to be charged by Indictment;
  - (c) to plead not guilty to any criminal charge brought against her;
  - (d) to have a trial by jury, at which she would be presumed not guilty of the charges and the United States would have to prove every essential element of the charged offenses beyond a reasonable doubt for her to be found guilty;
  - (e) to confront and cross-examine witnesses against her and to subpoena witnesses in her defense at trial;
  - (f) not to be compelled to incriminate herself;

- (g) to appeal her conviction, if she is found guilty; and
- (h) to appeal the imposition of sentence against her.

**AGREEMENT TO PLEAD GUILTY  
AND WAIVE CERTAIN RIGHTS**

2. Defendant knowingly and voluntarily waives the rights set out in Paragraph 1(b)-(g) above. Defendant further understands she is waiving all appellate issues that might have been available if she had exercised her right to trial. Defendant is aware that Title 18 U.S.C. § 3742 affords a defendant the right to appeal her conviction and sentence imposed.

Acknowledging this, defendant knowingly waives the right to appeal her conviction on any basis other than the Court's determination of the loss amount and any part of the sentence, including any term of imprisonment and fine within the maximums provided by law, and including any order of restitution or forfeiture (or the manner in which that sentence was determined), in exchange for the concessions made by the United States in this Plea Agreement. ~~In addition, Defendant also waives her right to challenge her conviction and sentence, or the manner in which the sentence was determined in any collateral attack or future challenge, including but not limited to a motion brought under Title 28 U.S.C. § 2255. The waiver in this paragraph does not apply to a claim of involuntariness, or ineffective assistance of counsel, which relates directly to this waiver or to its negotiation.~~ *JEB.* The Defendant agrees that there is currently no known evidence of ineffective assistance of counsel or prosecutorial misconduct. This agreement does not affect the rights or obligations of the United States as set forth in 18 U.S.C. § 3742(b). Pursuant to Fed. R. Crim. P. 7(b), Defendant will waive Indictment and plead guilty at arraignment to Count 1 of an Information to be filed in the United States District Court for the Northern District of Illinois,

Eastern Division.

3. Count 1 of the Information will charge Defendants ESPERANZA A. BRANDT, WILLIAM J. BRANDT, and PRONTO STAFFING, INC. ("PRONTO") with conspiring with others to commit an offense against the United States (wire fraud) in violation of 18 U.S.C. § 371.

4. Defendant, pursuant to the terms of this Plea Agreement, will plead guilty to the criminal charge described in Paragraph 3 above and will make a factual admission of guilt to the Court in accordance with Fed. R. Crim. P. 11, as set forth in Paragraph 28 below.

**POSSIBLE MAXIMUM SENTENCE**

5. Defendant understands that the crime to which she is pleading guilty carries the following penalties:

- (a) Maximum term of imprisonment: 5 years  
(18 U.S.C. § 371);
- (b) Maximum fine: \$250,000 or twice the gain/loss  
(18 U.S.C. § 3571(d));
- (c) Maximum term of supervised release: 3 years, to follow any term of imprisonment, (18 U.S.C. §§ 3559(a)(4) and 3583(b)(2); *see also* U.S.S.G. § 5D1.2(a)(2));
- (d) Restitution: As determined by the Court pursuant to statute (18 U.S.C. §§ 3663 and 3663A); and
- (e) Special Assessment: \$100  
(18 U.S.C. § 3013(a)(2)(A)).

### **SENTENCING GUIDELINES**

6. Defendant understands that the Sentencing Guidelines are advisory, not mandatory, but that the Court must consider the Guidelines in effect on the day of sentencing, along with the other factors set forth in 18 U.S.C. § 3553(a), in determining and imposing sentence. Defendant understands that the Guidelines determinations will be made by the Court by a preponderance of the evidence standard. Defendant understands that although the Court is not ultimately bound to impose a sentence within the applicable Guidelines range, its sentence must be reasonable based upon consideration of all relevant sentencing factors set forth in 18 U.S.C. § 3553(a).

### **SENTENCING PROVISIONS**

7. The parties acknowledge and agree that they have discussed all of the Sentencing Guidelines provisions which they believe to be applicable to the offenses to which Defendant is pleading guilty. Defendant acknowledges and agrees that her attorney, in turn, has discussed the applicable Sentencing Guidelines provisions with her to Defendant's satisfaction.

8. With regard to determining Defendant's criminal history points and criminal history category, based on the facts now known to the government, Defendant's criminal history points equal 0, and Defendant's criminal history category is I. The parties acknowledge and understand that prior to sentencing, the United States Probation Office will conduct its own investigation of Defendant's criminal history for purposes of assisting the sentencing court in determining Defendant's criminal history category under the Sentencing Guidelines. The parties further acknowledge and understand that, at the time Defendant enters a guilty plea, the parties may not have full and complete information regarding the defendant's criminal history. The

parties acknowledge, understand, and agree that Defendant may not move to withdraw her guilty plea solely as a result of the sentencing court's independent determination of Defendant's criminal history category.

### **RELEVANT CONDUCT**

9. The parties acknowledge, understand, and agree that pursuant to Sentencing Guidelines Manual § 1B1.3, the sentencing judge will consider relevant conduct in calculating the Sentencing Guidelines range, even if the relevant conduct is not the subject of the offenses to which Defendant is pleading guilty.

10. The parties acknowledge, understand, and agree that pursuant to Sentencing Guideline §§ 1B1.3 and 2C1.1(b)(2), the sentencing court will consider the total amount of the gain and loss resulting from the offenses to which Defendant is pleading guilty, even if not alleged in the offenses of conviction, and will use the total amount in calculating the Sentencing Guidelines range.

11. The parties acknowledge, understand, and agree that the Sentencing Guidelines recommendations included in this agreement represent the positions of the parties on the factors to be considered in calculating the appropriate sentence range under the Sentencing Guidelines. Defendant acknowledges and understands that the Sentencing Guidelines recommendations contained in this agreement do not create any right to be sentenced within any particular sentence range. The parties further understand and agree that if Defendant has provided false, incomplete, or inaccurate information that affects the calculation of the appropriate adjusted offense level or fine range, the government is not bound to make the recommendations contained in this agreement.

### SENTENCING GUIDELINES CALCULATION

12. For purposes of determining Defendant's offense level and fine range under the Sentencing Guidelines, the government intends to establish by a preponderance of the evidence that the amount of gain combined with the loss resulting from the offenses to which Defendant is pleading guilty exceeds \$2,500,000, and therefore an **18** level Guidelines increase would be appropriate under § 2B1.1(b)(J). The Defendant disagrees with the government's calculations. The parties further acknowledge and understand that Defendant will not join in this recommendation. The parties expressly agree and consent to have the sentencing court find the facts pertinent to, and to determine, the applicable gain and loss amounts.

### ACCEPTANCE OF RESPONSIBILITY

13. Defendant has demonstrated a recognition and affirmative acceptance of personal responsibility for her criminal conduct. If the government does not receive additional evidence in conflict with this provision, and if Defendant continues to accept responsibility for her actions within the meaning of U.S.S.G. § 3E1.1(a), including by furnishing the Antitrust Division and the Probation Office with all requested financial information relevant to her ability to satisfy any fine or restitution that may be imposed in this case, a **2**-level decrease under U.S.S.G. § 3E1.1(a) is appropriate. The parties agree that the Defendant has provided timely notice of her intention to enter a plea of guilty, within the meaning of U.S.S.G. § 3E1.1(b), so that an additional **1**-level reduction in the offense level is appropriate, if the offense level is 16 or greater, and the Court finds that a reduction under Guideline § 3E1.1(b) is appropriate.

**SENTENCING RECOMMENDATION**

14. Both parties reserve the right to advise the sentencing court and the probation office of any and all information which might be pertinent to the sentencing process, including but not limited to any and all conduct related to the offense, as well as any and all matters which might constitute aggravating or mitigating sentencing factors.

15. Both parties reserve the right to make any recommendation regarding any other matters not specifically addressed by this agreement.

16. Pursuant to Fed. R. Crim. P. 11(c)(1)(B), the United States agrees that it will recommend, as an appropriate disposition of this case, that the Court impose a period of incarceration consistent with an Offense Level of **19** under the Sentencing Guidelines, which the government calculates as follows:

Base Offense Level § 2B1.1	6
Specific Offense Characteristics § 2B1.1(b)(1)(J)	+18
Acceptance of Responsibility § 3E1.1(a)	-2
Timely Notification § 3E1.1(b)	-1
Mitigating Role in the Offense § 3B1.2	-2
<b>Final Offense Level</b>	<b>19</b>

This Offense Level carries a Guideline’s range of imprisonment of 30–37 months. Defendant is free to recommend, as an appropriate disposition of the case, a sentence below the applicable

Guidelines range based on the factors set forth in 18 U.S.C. § 3553(a). Defendant understands that the United States will oppose Defendant's recommendation.

17. The government agrees to recommend that Defendant should be credited for restitution in the amount of \$400,000, if it has been previously paid by WILLIAM J. BRANDT as follows: \$300,000 will be paid by WILLIAM J. BRANDT on the day his guilty plea is accepted by the Court, and \$100,000 will be paid by WILLIAM J. BRANDT on the date he is sentenced. Defendant understands that the government's recommendation is not binding on the Court, and the Court may order Defendant to pay an additional fine, forfeiture, or restitution notwithstanding the government's recommendation. Should, however, the Court order Defendant to pay a fine, forfeiture, or additional restitution, she will not be permitted on that basis to withdraw her guilty plea.

18. The Defendant agrees to pay the special assessment of \$100 at the time of sentencing with a check or money order made payable to the Clerk of the United States District Court.

#### **COURT'S DETERMINATIONS AT SENTENCING**

19. The parties acknowledge, understand, and agree that neither the sentencing court nor the United States Probation Office is a party to or bound by this agreement. The parties further understand that the United States Probation Office will make its own recommendations to the sentencing court. The sentencing court will make its own determinations regarding any and all issues relating to the application of the Sentencing Guidelines and may impose any sentence authorized by law up to the maximum penalties set forth in Paragraph 5 above. The parties further understand that the sentencing court may, in certain circumstances, depart either upward



or downward from the otherwise applicable Guideline range.

20. Defendant understands that, as provided in Fed. R. Crim. P. 11(c)(3)(B), if the Court does not impose a sentence consistent with either party's sentencing recommendation, she nevertheless has no right to withdraw her plea of guilty.

21. Subject to the ongoing, full, and truthful cooperation of Defendant described in Paragraphs 22–24 of this Plea Agreement, and before sentencing in the case, the United States will fully advise the Court and the Probation Office of the fact, manner, and extent of Defendant's cooperation and her commitment to prospective cooperation with the United States' investigation and prosecutions, all material facts relating to Defendant's involvement in the charged offense, and all other relevant conduct. To enable the Court to have the benefit of all relevant sentencing information, the United States hereby requests, and Defendant does not oppose, that sentencing be postponed until her cooperation is complete as referenced under Paragraphs 22–24.

#### **DEFENDANT'S COOPERATION**

22. In consideration for the government entering into this Plea Agreement, Defendant will cooperate fully and truthfully with the United States in the prosecution of this case; the conduct of the current investigation of violations of federal criminal laws involving the procurement of goods and services at the Hines CMOP and at other federal government facilities; any other federal investigation resulting therefrom; and any litigation or other proceedings arising or resulting from any such investigation to which the United States is a party ("Federal Proceeding"). The ongoing, full, and truthful cooperation of Defendant shall include, but not be limited to:

- (a) producing all non-privileged documents, including claimed personal documents, and other materials, wherever located, in the possession, custody, or control of Defendant, requested by attorneys and agents of the United States;
- (b) making herself available for interviews, not at the expense of the United States, upon the request of attorneys and agents of the United States;
- (c) responding fully and truthfully to all inquiries of the United States in connection with any Federal Proceeding, without falsely implicating any person or intentionally withholding any information, subject to the penalties of making false statements (18 U.S.C. § 1001) and obstruction of justice (18 U.S.C. § 1503, et seq.);
- (d) otherwise voluntarily providing the United States with any non-privileged material or information, not requested in (a) - (c) of this paragraph, that she may have that is related to any Federal Proceeding; and
- (e) when called upon to do so by the United States in connection with any Federal Proceeding, testifying in grand jury, trial, and other judicial proceedings, fully, truthfully, and under oath, subject to the penalties of perjury (18 U.S.C. § 1621), making false statements or declarations in grand jury or court proceedings (18 U.S.C. § 1623), contempt (18 U.S.C. §§ 401-402), and obstruction of justice (18 U.S.C. § 1503, et seq.).

23. Defendant agrees to truthfully and completely execute a Financial Statement along with her husband, WILLIAM J. BRANDT, (with all supporting documentation as may be requested by the government) prior to sentencing, and to both provide and consent to the release of any tax returns filed on her behalf, whether separately or jointly with her spouse, for the previous four years to be provided to, and shared among, the Court, Probation Office, and the Antitrust Division regarding all the details of her financial circumstances as well as of PRONTO STAFFING, Inc. ("PRONTO"), for which she is the sole stock owner, president, treasurer, and

secretary. Defendant understands that providing false or incomplete information, or refusing to provide this information, may be used as a basis for denial of a reduction for acceptance of responsibility pursuant to U.S.S.G. § 3E1.1 and enhancement of her sentence for obstruction of justice under U.S.S.G. § 3C1.1, and may be prosecuted as a violation of 18 U.S.C. § 1001 or as contempt of the Court.

24. Defendant agrees that she will not contest or raise any defense to any debarment proceedings brought against her personally or against PRONTO which is initiated by the U.S. General Services Administration, or any other government agency, and which is related to the conduct described below in Paragraph 28.

#### **GOVERNMENT'S AGREEMENT**

25. Subject to the full, truthful, and continuing cooperation of Defendant, as described above in Paragraph 22-24 of this Plea Agreement, and upon the Court's acceptance of the guilty plea called for by this Plea Agreement and the imposition of sentence, the Antitrust Division will not bring further criminal charges against Defendant for any act or offense committed before the date of this Plea Agreement which relates to PRONTO that she has described in her proffers provided to the United States prior to the entry of her plea agreement. However, nothing in this Plea Agreement will limit the United States in prosecution of Defendant for crimes not disclosed in proffer statements prior to the entry of this Plea Agreement. Further, nothing in this Plea Agreement limits the government in any way from prosecution of Defendant for any criminal activity by Defendant occurring after the date of this Plea Agreement.

26. This Plea Agreement concerns criminal liability only. Except as expressly set forth in this Plea Agreement, nothing herein shall constitute a limitation, waiver, or release by the

United States or any of its agencies of any administrative or judicial civil claim, demand, or cause of action it may have against Defendant or any other person or entity. The obligations of this Plea Agreement are limited to the Antitrust Division and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities, except as expressly set forth in this Plea Agreement.

### **FACTUAL BASIS FOR OFFENSES CHARGED**

27. Defendant will plead guilty because she is in fact guilty of the charge set forth in the Information. In pleading guilty, Defendant admits the following facts and that those facts establish her guilt beyond a reasonable doubt as to the charge, and that the additional facts set forth herein constitute relevant conduct for the purposes of § 1B1.3 of the Sentencing Guidelines. For purposes of this Plea Agreement, the “relevant period” is that period beginning in or about September 2000 and continuing through at least approximately April 2007.

28. Esperanza Brandt’s statement is as follows:

(a) On or about April 21, 2000, my spouse WILLIAM J. BRANDT, and I incorporated a new company, PRONTO, in Illinois. Our purpose in creating PRONTO was to provide temporary pharmacist staffing services to the Department of Veterans Affairs’ Consolidated Mail Outpatient Pharmacy located in Hines, Illinois (“Hines CMOP”) where my spouse worked as the Associate Director.

(b) The Hines CMOP processes and sends out prescriptions to veterans located throughout the country. The Hines CMOP employed pharmacist staff members, many of whom were not government employees, but who were instead contracted from outside staffing agencies, such as PRONTO, on a temporary basis.

(c) PRONTO, as a new business, had no past performance history with the government, and PRONTO was not approved by the General Services Administration (“GSA”) to provide staffing services to government facilities. This situation prevented PRONTO from directly bidding on, or receiving, contracts to supply pharmacist services to the Hines CMOP.

(d) In or about March 2000, my husband discussed PRONTO and our desire to provide pharmacist services to the Hines CMOP with the vice president of Company A (“Individual A”). Company A was approved by the GSA to provide staffing services to the government. Company A was already providing temporary staffing services to the Charleston, South Carolina, CMOP. I learned that Company A was based in Georgia.

(e) My husband and I agreed with Individual A that we would partner with Company A in order to get the business at the Hines CMOP, and hopefully at other government facilities. In or about April 2000, my husband and I understood that if Company A were awarded a purchase order to provide pharmacist services to the Hines CMOP, Company A would subcontract that business to PRONTO. We agreed that any profits from this business relationship would be split 50% — 50% between Company A and PRONTO. I spoke to Individual A about this arrangement prior to a June 9, 2000, purchase order for pharmacist services for the Hines CMOP that was awarded to Company A.

(f) With regard to the Hines CMOP temporary pharmacists, my spouse was the primary manager and he exercised control over the day-to-day operations of PRONTO employees at the CMOP. My husband and I agreed that he would take the lead in interviewing, hiring, and helping to supervise PRONTO’s employees at the Hines CMOP

because he was a pharmacist and had experience in that field. I would assist in recruiting. I did not supervise PRONTO's employees at the Hines CMOP at any point, nor did I handle grievances or requests that the PRONTO pharmacists raised.

(g) My primary function over the operations of PRONTO was to sign certain documents which, in most instances, either my husband, or employees of Company A, or other individuals, prepared and directed me to sign. Documents prepared by either my husband or other individuals and signed by me included: PRONTO's articles of incorporation for the State of Illinois; PRONTO's shareholder meeting minutes; PRONTO's application and certification to participate in the Small Business Administration's ("SBA") Small Disadvantaged Business ("SDB") Program; PRONTO's application and certification to participate in the SBA's 8(a) Program; PRONTO's application to participate in the SBA's Mentor-Protege Program, as well as the actual Mentor-Protege Agreement with Company A; PRONTO's annual updates and written statements to the SBA; office space leases on behalf of PRONTO; a business loan application and a promissory note in the name of PRONTO; documents required to open checking accounts in the name of PRONTO; and PRONTO's state and federal tax returns during the relevant period. These documents were prepared by Individual A, other employees of Company A, my husband, or other consultants. In addition, I occasionally took phone calls from government contracting officers and met with GSA and SBA personnel regarding PRONTO's business operations.

(h) In or about September 2000, acting on the advice of Individual A, my spouse WILLIAM J. BRANDT, and I applied for SDB certification for PRONTO through the

SBA. The SBA certified PRONTO as an SDB company in or about December 20, 2000. Individual A explained that getting this certification would allow PRONTO to pursue additional government contracting opportunities that could be very profitable.

(i) At a meeting in or about November, 2001, Individual A and his business partner, Individual B, suggested to myself and my spouse that PRONTO should next obtain certification in SBA's Section 8(a) Business Development Program ("Section 8(a) Program"), and then proceed to apply to the SBA's Mentor-Protege program, as this would open up additional opportunities to gain profitable government contracts.

(j) In or about July, 2002, after having been admitted to participate in the SBA's SDB Program, and acting on the advice of Individuals A and B, I additionally sought to participate in the SBA's Section 8(a) Program. PRONTO was eligible to participate in the Section 8(a) Program because I am a woman and a member of a minority group (Hispanic) and I represented that I owned and controlled PRONTO. Neither my spouse, WILLIAM J. BRANDT, nor Individuals A and B, are members of a minority group; therefore, neither PRONTO nor Company A would have been eligible to participate in the SBA's Section 8(a) Program absent my purported ownership and control of PRONTO. PRONTO's Section 8(a) Program application was prepared by my husband and other consultants, and then I signed it on behalf of PRONTO. In the application materials, I certified to the truthfulness of the following statements: that I was the president, secretary, and treasurer of PRONTO; that I owned 100% of PRONTO's stock; and that I devoted 80 hours per week to the management of PRONTO. In reality, I spent very little time participating in the business affairs of PRONTO. My husband,

Individuals A and B, and certain other employees of Company A exercised predominant day-to-day control over PRONTO's business even though I exercised nominal control over PRONTO as its president and sole shareholder. On or about October 10, 2002, the SBA approved PRONTO's application to participate in the Section 8(a) Program.

(k) After the SBA admitted PRONTO into its SDB and Section 8(a) Programs, I knew that certain employees of Company A were preparing and submitting bids in the name of PRONTO for government small-business set-aside contracts. I had virtually no input or role regarding any decision that was reached by Individuals A and B and other employees of Company A as to which contracts PRONTO would bid on, or the bid prices submitted. I played almost no role whatsoever in PRONTO's fulfillment of any government contract outside of the Hines CMOP other than occasionally being briefed by my husband or by certain employees of Company A in order to prepare myself for contract audits conducted by GSA or SBA personnel. By agreement, PRONTO was to receive a portion of the profits obtained by Company A for contracts which it performed in the name of PRONTO. PRONTO's share was initially set at 20% of the profits realized by Company A for contracts performed outside of the Hines CMOP.

(l) After the SBA approved PRONTO's Section 8(a) application, Individuals A and B urged my husband and myself to enter into a formal, SBA-approved, Mentor-Protege agreement with Company A. Individuals A and B told me that they had a Mentor-Protege relationship in place with another woman-owned, minority-owned, small business, and that had proven to be advantageous when bidding on government contracts. Individuals at Company A prepared a draft Mentor-Protege agreement and sent it to my husband. I



signed the agreement and then mailed it to the SBA. The SBA approved the Mentor-Protege agreement on or about October 21, 2003.

(m) I was led to understand by Individuals A and B that the purpose of the Mentor-Protege agreement was to develop the business ability of PRONTO, primarily through improving my business skill set. The Mentor-Protege Agreement which I signed on behalf of PRONTO in or about September, 2003, provided in part:

- “[Company A will] assist PRONTO in understanding [Company A’s] approach and in applying the approach to [PRONTO’s] own business. Structured mentoring involves the transfer of knowledge from our company to the protege. It means that we, as the mentor, actively work with the protege one-on-one or in group sessions to teach the process.”
- “[Company A] will assist PRONTO in identifying the skills of its professional staff.”
- “[Company A] will assist PRONTO in identifying the Target Market by guiding PRONTO in the process of researching the procurement budgets and the procurement budget distributions of a wide range of Government agencies.”
- “[Company A] will guide PRONTO in the process of working from the listing of Government agencies[?] procurement budgets to identify specific targets of opportunity.”
- “[Company A] will assist PRONTO in learning how to parse the overall listing to arrive at targets of opportunity that are realistic based on the corporate vision, the available and planned skills and the likelihood of performing successfully after winning.”
- “[Company A] will assist PRONTO to create the Business Development Plan and in carrying out marketing activities to cultivate the opportunity so that PRONTO is placed in a good strategic position for success.”
- “[Company A] will assist PRONTO in developing a procedure to guide the process of deciding whether to bid a specific opportunity or not to bid it. . . . [Company A] will work to help PRONTO understand that although the actual Bid/No-Bid process is a quantitative one, the events leading to

the decision must include qualitative assessments and information gathering. . . . We will also assist PRONTO in documenting the qualitative and quantitative aspects of the analysis so that PRONTO executive management can make an informed decision.”

- “[Company A] will also assist PRONTO in developing bid strategies that are reflected in the proposal to showcase the company’s strengths and thus place it in a sound competitive position.”
- “PRONTO will learn that to complete projects successfully, project managers must define a project plan and track performance against it quantitatively while recognizing and reacting to the reality of change.”
- “[Company A] will counsel PRONTO that as the lead PRONTO representative on the project, the project manager must be a competent professional who communicates fairly, openly, proactively, and promptly.”
- “[Company A] will mentor PRONTO senior management to be committed to encouraging the sharing of best practices across the corporation and expecting project managers to participate in this process.”
- “In mentoring PRONTO in the vital areas of Business Development and Project Management, [Company A] will equip its Protege with the tools to succeed.”
- “PRONTO will receive ample opportunities to sharpen its newly acquired proposal development skills by initially supporting [Company A] proposal efforts, then leading the proposal where the company will serve as the prime contractor.”

(n) In fact, this promised training and business development never took place. None of the services described in the Mentor–Protege agreement were provided to me by Individuals A and B, or any other employee from Company A. Although I thought, at first, that I would receive some form of training from Company A, I realized within a year of signing this agreement that Individuals A and B were not interested in providing training to me but were instead interested in using PRONTO’s SBA status as a woman–owned, minority–owned, Section 8(a) disadvantaged business to qualify for set–aside

government contracts. I came to understand that Company A was using the Mentor-Protege agreement as a vehicle to obtain contracts in the name of PRONTO. I also came to understand that, in the event that any government agency audited or investigated the relationship between PRONTO and Company A, the Mentor-Protege agreement would offer some justification or cover for the fact that Company A was running the day-to-day business affairs of PRONTO on contracts outside of the Hines CMOP. I knew that for each and every contract that PRONTO obtained to provide staffing services outside of the state of Illinois, Company A prepared and submitted the bid, recruited the temporary workers, handled payroll and billing, and in general managed these contracts without my prior knowledge or day-to-day input. Individuals A and B, as well as other Company A employees who performed work in the name of PRONTO, never attempted to develop any of my business skills from the date on which the Mentor-Protege agreement took effect on or around October 21, 2003, up until the Grand Jury's investigation became known to myself and others in April 2007.

(o) Despite the above realizations, from at least as early as September of 2003 through October 2006, my husband prepared and I certified in my Annual Updates to the SBA that I had read sections 124.101 through 124.109, and 124.111(a), of Title 13 of the Code of Federal Regulations and that I continued to set strategic policy for Pronto, that I continued to manage the day-to-day business operations of Pronto, and that I devoted full time to Pronto's business. I knew that these representations were not true.

(p) During this time, I knew that the proceeds from our arrangement with Company A were wired from either Company A's bank accounts, or another closely-related entity's

bank accounts, which was also located in Georgia, to various banking accounts in Chicago, Illinois, that were held by myself, PRONTO, or jointly with my spouse, WILLIAM J. BRANDT.

(q) The preceding statement is a summary, made for the purpose of providing the Court with a factual basis for my guilty plea. It does not set forth all of the facts known to me concerning the criminal activity in which I, my spouse WILLIAM J. BRANDT, PRONTO, and certain former owners and employees of Company A participated. I make this statement knowingly and voluntarily because I am in fact guilty of the crime charged.

#### **REPRESENTATION BY COUNSEL**

29. Defendant has reviewed all legal and factual aspects of this case with her attorney and is fully satisfied with her attorney's legal representation. Defendant has thoroughly reviewed this Plea Agreement with her attorney and has received satisfactory explanations from her attorney concerning each paragraph of this Plea Agreement and alternatives available to Defendant other than entering into this Plea Agreement. After conferring with her attorney and considering all available alternatives, Defendant has made a knowing and voluntary decision to enter into this Plea Agreement.

#### **VOLUNTARY PLEA**

30. Defendant's decision to enter into this Plea Agreement and to tender a plea of guilty is freely and voluntarily made and is not the result of force, threats, assurances, promises, or representations other than the representations contained in this Plea Agreement. The United States has made no promises or representations to Defendant as to whether the Court will accept or reject either party's sentencing recommendations as set forth in this Plea Agreement.

31. Preliminary to or in connection with any judicial proceeding, as that term is used in Rule 6(e) of the Federal Rules of Criminal Procedure, Defendant will interpose no objection to the entry of an order under Rule 6(e) authorizing disclosure of those documents, testimony, and related investigative materials which may arguably constitute grand jury material. Defendant will not object to the government soliciting consent from third parties, who provided information to the grand jury pursuant to grand jury subpoena, to turn those materials over to the Department of Veterans Affairs, the U.S. General Services Administration, the Small Business Administration, or other appropriate federal or state administrative agencies, or the Internal Revenue Service, for use in civil or administrative proceedings or investigations, rather than returning the documents to such third party for later summons or subpoena in connection with any civil or administrative proceeding against Defendant.

#### **VIOLATION OF PLEA AGREEMENT**

32. Defendant agrees that, should the United States determine in good faith, during the period that any Federal Proceeding is pending, that Defendant has failed to provide full and truthful cooperation, as described in Paragraph 22-24 of this Plea Agreement, or has otherwise violated any provision of this Plea Agreement, the United States will notify Defendant or her counsel in writing by personal or overnight delivery or facsimile transmission and may also notify her counsel by telephone of its intention to void any of its obligations under this Plea Agreement (except its obligations under this paragraph), and Defendant shall be subject to prosecution for any federal crime of which the United States has knowledge including, but not limited to, the substantive offenses relating to the investigation resulting in this Plea Agreement. Defendant agrees that, in the event that the United States is released from its obligations under

this Plea Agreement and brings criminal charges against Defendant for any such offense, the statute of limitations period for such offense will be tolled for the period between the date of the signing of this Plea Agreement and 6 months after the date the United States gave notice of its intent to void its obligations under this Plea Agreement.

33. Defendant understands and agrees that in any further prosecution of her resulting from the release of the United States from its obligations under this Plea Agreement based on Defendant's violation of the Plea Agreement, any documents, statements (except for those statements proffered pursuant to and governed by proffer letters dated October 9, 2008, and February 4, 2009), information, testimony, or evidence provided by her to attorneys or agents of the United States, federal grand juries, or courts, and any leads derived therefrom, may be used against her in any such further prosecution. In addition, Defendant unconditionally waives her right to challenge the use of such evidence in any such further prosecution, notwithstanding the protections of Fed. R. Evid. 410.

#### **ENTIRETY OF AGREEMENT**

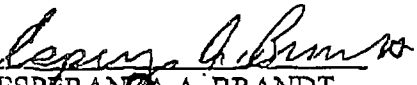
34. This Plea Agreement constitutes the entire agreement between the United States and Defendant concerning the disposition of the criminal charges in this case. Defendant and her attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Plea Agreement to cause Defendant to plead guilty. This Plea Agreement cannot be modified except in writing, signed by the United States and Defendant.

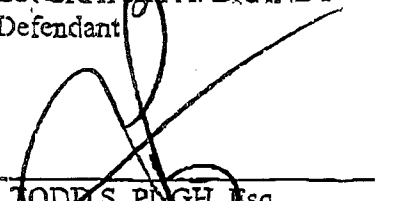
35. The undersigned attorneys for the United States have been authorized by the Attorney General of the United States to enter this Plea Agreement on behalf of the United

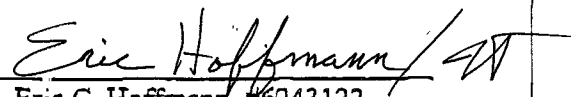
States:


AGREED THIS DATE: 3-2-09

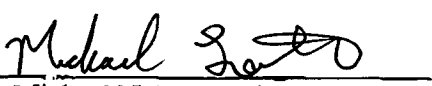
Respectfully submitted,

BY:   
ESPERANZA A. BRANDT  
Defendant

BY:   
TODD S. PUGH, Esq.  
(Counsel for Esperanza Brandt)

BY:   
Eric C. Hoffmann #6243122

  
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