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6
7 **UNITED STATES DISTRICT COURT**
8 **DISTRICT OF NEVADA**

9 -oOo-

10 UNITED STATES OF AMERICA,

11 Plaintiff,

12 v.

13 ARNOLD a/k/a/ "ARNIE" MYERS,

14 Defendant.

CASE NO. 2:12-CR-113-JCM

PLEA MEMORANDUM

15 The United States of America, by and through Charles G. La Bella, Deputy Chief, and
16 Mary Ann McCarthy, Trial Attorney, U.S. Department of Justice, Criminal Division, Fraud
17 Section, the defendant, ARNIE MYERS, and the defendant's attorney, Randall J. Roske, submit
18 this plea memorandum. The United States and the defendant have reached the following plea
19 agreement, which is not binding on the court:

20 **I. GROUP PLEA/PACKAGE PLEA AGREEMENT**

21 This agreement is contingent on at least five (5) of the thirteen (13) co-defendants,
22 ROSALIO ALCANTAR, PATRICK BERGSRUD, ROBERT BOLTEN, GLENN BROWN,
23 PAUL CITELLI, MICHELLE DELUCA, CHARLES HAWKINS, SAMI ROBERT
24 HINDIYEH, BRIAN JONES, LISA KIM, MORRIS MATTINGLY, ANTHONY ROY
25 WILSON, and JEANNE WINKLER successfully entering their guilty pleas together with
26 Defendant ARNIE MYERS, and that all pleas are accepted by the Court.
27

1 **A. The Plea**

2 1. Defendant will plead guilty to Count One of the information, charging Defendant
3 with conspiracy to commit wire and mail fraud, in violation of Title 18, United States Code,
4 Section 1349. Defendant also agrees to pay restitution and to the forfeiture of the property set forth
5 in this Plea Memorandum.

6 **B. Additional Charges**

7 2. The United States Department of Justice, Criminal Division, Fraud Section agrees
8 to bring no additional criminal charges in the District of Nevada against the defendant relating to or
9 arising from the offense charged in the information, except for any crime of violence and any crime
10 unknown to the Fraud Section before the time the parties sign this Plea Memorandum.

11 **C. Sentencing Guideline Calculations**

12 3. Defendant understands that the Court is required to consider the United States
13 Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines") among other factors in
14 determining the defendant's sentence. Defendant understands that the Sentencing Guidelines are
15 advisory, and that after considering the Sentencing Guidelines, the Court may be free to exercise its
16 discretion to impose any reasonable sentence up to the maximum set by statute for the crime of
17 conviction.

18 4. The parties agree that the following calculations of the United States Sentencing
19 Guidelines (2010) apply for the group:

20	Base Offense Level	
21	(U.S.S.G. §2B1.1(a)):	7
22	Sophisticated Means	
	(U.S.S.G. §2B1.1(b)(9)(c)):	2

23 The parties agree that the loss calculation will be calculated on an individual basis, with

24
25 INTENTIONALLY LEFT BLANK
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1 Defendant ARNIE MYERS's loss calculated as follows:

2	Loss Amount of \$200,000 to \$400,000	
3	(U.S.S.G. §2B1.1(b)(1)(G)):	12
4	TOTAL	21

5 5. Acceptance of Responsibility: Pursuant to U.S.S.G. §3E1.1(a), the United States
 6 will recommend that the defendant receive a two (2) level adjustment for acceptance of
 7 responsibility unless defendant (a) fails to make a complete factual basis for the guilty plea at the
 8 time it is entered; (b) is untruthful with the Court or probation officers in any respect, including
 9 without limitation, financial information; (c) denies involvement in the offense or provides
 10 conflicting statements regarding defendant's involvement; (d) attempts to withdraw the guilty plea;
 11 (e) engages in criminal conduct; (f) fails to appear in court; or (g) violates the conditions of
 12 defendant's pretrial release conditions.

13 6. Pursuant to U.S.S.G. §3E1.1(b), the United States will, in its sole discretion, make
 14 a motion for an additional one-level adjustment for acceptance of responsibility prior to sentencing
 15 if the defendant timely notifies the United States of the defendant's intention to plead guilty,
 16 thereby permitting the United States to avoid preparing for trial and allowing for the efficient
 17 allocation of resources.

18 7. The United States will make a recommendation that the defendant receive a 1-
 19 level downward adjustment from the defendant's base offense level for Defendant ARNIE
 20 MYERS and at least four (4) other co-defendants' group plea pursuant to Title 18, United States
 21 Code, Section 3553(b), on the condition that the co-defendants' change of pleas are entered and
 22 conditionally accepted by the Court on or before the defendant's sentencing hearing. If less than
 23 five (5) defendants enter guilty pleas, the Government will not make any motion for a group plea
 24 downward departure.

25 8. The United States will make a recommendation that the defendant receive a 2-
 26 level downward adjustment from the defendant's base offense level for Defendant ARNIE
 27 MYERS and at least eleven (11) other co-defendants' group plea pursuant to Title 18, United

1 States Code, Section 3553(b), on the condition that the co-defendants' change of pleas are entered
2 and conditionally accepted by the Court on or before the defendant's sentencing hearing.

3 9. The United States will make a recommendation that the defendant receive a 3-
4 level downward adjustment from the defendant's base offense level for Defendant ARNIE
5 MYERS and at least seventeen (17) other co-defendants' group plea pursuant to Title 18, United
6 States Code, Section 3553(b), on the condition that the co-defendants' change of pleas are entered
7 and conditionally accepted by the Court on or before the defendant's sentencing hearing. The
8 defendant acknowledges that no more than a total of 3-levels will be recommended for a group
9 plea reduction.

10 10. Defendant's Criminal History Category will be determined by the court.

11 **D. Other Sentencing Matters**

12 11. The parties agree that the Sentencing Guideline calculations are based on
13 information now known and could change upon investigation by the United States Probation
14 Office. It is possible that factors unknown or unforeseen by the parties to the Plea Memorandum
15 may be considered in determining the offense level, specific offense characteristics, and other
16 related factors. In that event, the defendant will not withdraw his plea of guilty. Both the
17 defendant and the United States are free to: (a) supplement the facts by supplying relevant
18 information to the United States Probation Office and the Court, and (b) correct any and all factual
19 inaccuracies relating to the calculation of the sentence.

20 12. The stipulations in this Plea Memorandum do not bind either the United States
21 Probation Office or the Court. Both defendant and the United States are free to: (a) supplement the
22 facts by supplying relevant information to the United States Probation Office and the Court, and
23 (b) correct any and all factual inaccuracies relating to the calculation of the sentence.

24 **E. Fines and Special Assessment**

25 13. Defendant agrees that the Court may impose a fine due and payable immediately
26 upon sentencing.
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1 14. Defendant will pay the special assessment of \$100 per count of conviction at the
2 time of sentencing.

3 **F. Restitution**

4 15. Defendant agrees to make full restitution to the victims of the offense, in this case
5 the condominium homeowners' associations described below in Section IV. Defendant
6 understands and agrees that this amount could be as much as \$277,022, which is the amount of
7 money or things of value he was received for his participation in the scheme. In return for
8 defendant agreeing to make restitution, the United States agrees not to bring any additional charges
9 against the defendant for the conduct giving rise to the relevant conduct. Defendant understands
10 that any restitution imposed by the Court may not be discharged in whole or in part in any present
11 or future bankruptcy proceeding.

12 **G. Forfeiture**

13 16. The parties agree that the government will not request that the Court require
14 Defendants to pay forfeiture in addition to restitution. However, should the Court nevertheless
15 order that Defendants shall pay forfeiture, the government agrees that such amount shall be the the
16 amount of money or things of value he was received for his participation in the scheme, and in no
17 event more than \$277,022. In the event of any order by the Court that Defendant shall pay
18 forfeiture, the Defendant knowingly and voluntarily agrees to the following:

- 19 a. to abandon or to forfeit the property to the United States;
- 20 b. to relinquish all right, title, and interest in the property;
- 21 c. to waive his right to any abandonment proceedings, any civil administrative
22 forfeiture proceedings, any civil judicial forfeiture proceedings, or any criminal forfeiture
23 proceedings ("proceedings") of the property;
- 24 d. to waive service of process of any and all documents filed in this action or any
25 proceedings concerning the property arising from the facts and circumstances of this case;
- 26 e. to waive any further notice to the defendant, the defendant's agents, or the
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1 defendant's attorney regarding the abandonment or the forfeiture and disposition of the property;

2 f. not to file any claim, answer, petition, or other documents in any proceedings
3 concerning the property;

4 g. to waive the statute of limitations, the CAFRA requirements, Fed. R. Crim. P.
5 7(c)(2), 32.2(a), and 32.2(b)(3), and the constitutional due process requirements of any
6 abandonment proceeding or any forfeiture proceeding concerning the property;

7 h. to waive the defendant's right to a jury trial on the forfeiture of the property;

8 i. to waive (a) all constitutional, legal, and equitable defenses to, (b) any
9 constitutional or statutory double jeopardy defense or claim concerning, and (c) any claim or
10 defense under the Eighth Amendment to the United States Constitution, including, but not limited
11 to, any claim or defense of excessive fine in any proceedings concerning the property; and

12 j. to the entry of an Order of Forfeiture of the property to the United States.

13 17. Defendant knowingly and voluntarily agrees and understands the abandonment,
14 the civil administrative forfeiture, the civil judicial forfeiture, or the criminal forfeiture of the
15 property shall not be treated as satisfaction of any assessment, fine, restitution, cost of
16 imprisonment, or any other penalty this Court may impose upon the Defendant in addition to the
17 abandonment or the forfeiture.

18 **H. Waiver of Appeal**

19 18. In exchange for the concessions made by the United States in this Plea
20 Memorandum, Defendant knowingly and expressly waives the right to appeal any sentence that is
21 imposed within the applicable Sentencing Guideline range as calculated by the Court, further
22 waives the right to appeal the manner in which that sentence was determined on the grounds set
23 forth in Title 18, United States Code, Section 3742, and further waives the right to appeal any other
24 aspect of the conviction or sentence, including any order of restitution and forfeiture. Defendant
25 reserves only the right to appeal any portion of the sentence that is an upward departure from the
26 applicable Sentencing Guideline range calculated by the Court.

19. Defendant also waives all collateral challenges, including any claims under 28 U.S.C. § 2255, to the Defendant's conviction, sentence and the procedure by which the Court adjudicated guilt and imposed sentence, except non-waivable claims of ineffective assistance of counsel.

I. Additional Promises, Agreements, and Conditions

20. In exchange for the United States entering into this Plea Memorandum, Defendant agrees that (a) the facts set forth in Section IV of this Plea Memorandum shall be admissible against the Defendant under Fed. R. Evid. 801(d)(2)(A) in the following circumstances: (i) for any purpose at sentencing; and (ii) in any subsequent proceeding, including a trial in the event the Defendant does not plead guilty or withdraws the Defendant's guilty plea, to impeach or rebut any evidence, argument or representation offered by or on the Defendant's behalf; and (b) the Defendant expressly waives any and all rights under Fed. R. Criminal P. 11(f) and Fed. R. Evid. 410 with regard to the facts set forth in Section IV of the Plea Memorandum to the extent set forth above.

21. The parties agree that no promises, agreements, and conditions have been entered into other than those set forth in this plea memorandum, and will not be entered into unless in writing and signed by all parties.

J. Limitations

22. This Plea Memorandum is limited to the Criminal Division of the United States Department of Justice and cannot bind any other federal, state or local prosecuting, administrative, or regulatory authority. But, this Plea Memorandum does not prohibit the United States through any agency thereof, the Criminal Division of the United States Department of Justice, or any third party from initiating or prosecuting any civil proceeding directly or indirectly involving the Defendant, including but not limited to, proceedings under the False Claims Act relating to potential civil monetary liability or by the Internal Revenue Service relating to potential tax liability.

1 **K. Cooperation**

2 23. Defendant agrees, if requested by the United States, to provide complete and
3 truthful information and testimony concerning Defendant's knowledge of all other persons who are
4 committing or have committed offenses against the United States or any state, and agrees to
5 cooperate fully with the United States in the investigation and prosecution of such persons.

6 24. In the event the government decides in its sole discretion that the assistance
7 provided by Defendant amounts to "substantial assistance" pursuant to U.S.S.G. § 5K1.1, the
8 United States will timely file a motion for downward departure from the applicable Sentencing
9 Guideline calculation. The Court has the sole discretion to grant such a motion.

10 25. Defendant agrees that a motion for downward departure based on substantial
11 assistance shall not be made under any circumstances unless Defendant's cooperation is deemed to
12 be substantial assistance by the government. The United States has made no promise, implied or
13 otherwise, that Defendant will be granted a departure for substantial assistance. Further, no
14 promise has been made that such a motion will be made even if Defendant complies with the terms
15 of this Plea Memorandum in all respects but has been unable to provide substantial assistance as
16 determined in the sole discretion of the government.

17 26. The United States agrees to consider the totality of the circumstances, including
18 but not limited to, the following factors, in determining whether, in the sole discretion of the
19 government, Defendant has provided substantial assistance which would merit a motion by the
20 United States for a downward departure from the applicable Guideline:

21 a. The United States' evaluation of the significance and usefulness of Defendant's
22 assistance;

23 b. The truthfulness, completeness, and reliability of any information or testimony
24 provided by Defendant;

25 c. The nature and extent of Defendant's assistance;

26 d. The truthfulness and completeness in disclosing and bringing to the attention of
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1 the Government all crimes which Defendant has committed and all administrative, civil, or
 2 criminal proceedings, investigations, and prosecutions in which he has been or is a subject, target,
 3 party, or witness;

4 e. The truthfulness and completeness in disclosing and providing to the Government,
 5 upon request, any document, record, or other evidence relating to matters about which the
 6 Government or any designated law enforcement agency inquires, including but not limited to,
 7 Defendant's personal finances;

8 f. Any injury suffered, or any danger or risk of injury to Defendant or Defendant's
 9 family resulting from defendant's assistance; and,

10 g. The timeliness of Defendant's assistance.

11 27. Defendant agrees that in the event the United States files a downward departure
 12 motion based upon Defendant's substantial assistance, the United States reserves the right to make
 13 a specific recommendation to the Court regarding the extent of such a departure. Defendant
 14 understands and agrees that the final decision as to how much of a departure, if any, is warranted
 15 rests solely with the Court.

16 L. Breach

17 28. Defendant agrees that if Defendant, at any time after the signature of this Plea
 18 Memorandum and execution of all required certifications by Defendant, Defendant's counsel, and
 19 for the government, knowingly violates or fails to perform any of Defendant's obligations under
 20 this Memorandum ("a breach"), the government may declare this Memorandum breached. All of
 21 Defendant's obligations are material, a single breach of this is sufficient for the government to
 22 declare a breach, and Defendant shall not be deemed to have cured a breach without the express
 23 agreement of the government in writing. If the government declares this Memorandum breached,
 24 and the Court finds such a breach to have occurred, then: (a) if Defendant has previously entered a
 25 guilty plea pursuant to this Memorandum, Defendant will not be able to withdraw the guilty plea,
 26 and (b) the government will be relieved of all its obligations under this agreement.

II. PENALTY

29. The maximum penalty for a violation of Title 18, United States Code, Section 1349, is imprisonment for not more than thirty (30) years, a \$1,000,000 fine, or both. Defendant is also subject to supervised release for a term of not greater than five (5) years.

30. Supervised release is a period of time following imprisonment during which Defendant will be subject to various restrictions and requirements. Defendant understands that if Defendant violates one or more of the conditions of any supervised release imposed, Defendant may be returned to prison for all or part of the term of supervised release, which could result in Defendant serving a total term of imprisonment greater than the statutory maximum stated above.

31. Defendant is required to pay for the costs of imprisonment, probation, and supervised release, unless the Defendant establishes that the Defendant does not have the ability to pay such costs, in which case the court may impose an alternative sanction such as community service.

III. ELEMENTS

32. The essential elements for the offense of conspiracy to commit wire and mail fraud, in violation of 18 U.S.C. § 1349, are as follows:

a. First, from as early as in or about August 2003 through at least in or about February 2009, there was an agreement between two or more persons to commit mail fraud and wire fraud;

b. Second, the defendant was a party to or a member of that agreement; and,

c. Third, the defendant became a member of the conspiracy knowing of at least one of its objects and intending to help accomplish it.

IV. FACTS

33. Defendant is pleading guilty because Defendant is guilty of the charged offenses.

34. Defendant specifically admits and declares under penalty of perjury that all of the facts set forth below are true and correct:

35. From as early as in or around July 2006 through at least in or around February

1 2009, Defendant knowingly participated in a scheme to control various Homeowners' Association
2 (HOA) Boards of Directors so that the HOA boards would award the handling of construction
3 defect lawsuits and remedial construction contracts to a law firm and construction company
4 designated by Defendant's co-conspirators.

5 36. In order to accomplish this scheme, co-conspirators would identify HOA's which
6 potentially could bring construction defect cases; and once identified would enlist real estate agents
7 to identify condominium units within those HOA communities for purchase.

8 37. Co-conspirators would then enlist individuals as straw purchasers to apply for
9 and complete mortgage loans using their own name and credit for the purchase of properties within
10 the HOA communities on behalf of the beneficial owners. The co-conspirators arranged for the
11 straw purchasers to get the necessary funding for the mortgages by assisting them with the loan
12 applications and closing documents, which included false and fraudulent statements that involved
13 concealing the identity and financial interest of the true beneficial owners of the properties from
14 banks, mortgage companies, HOAs, and bona fide homeowners. The co-conspirator real estate
15 agent arranged for the down payments to be funded by a co-conspirator and arranged for the money
16 to be transferred to the escrow accounts.

17 38. In order to accomplish this scheme, Defendant MYERS agreed to act as a straw
18 purchaser at two HOA communities. On or about July 26, 2006, Defendant purchased unit 2052 at
19 Jasmine (then-Jasmine Ranch) and on or about October 2, 2006, he purchased unit 5940 at
20 Palmilla. These units were selected for the Defendant by his co-conspirator.

21 39. Defendant signed and submitted false and fraudulent loan applications and closing
22 documents to the financial institution in order to finance and close on the properties on behalf of
23 his co-conspirators. Defendant's co-conspirators provided the down payments and monthly
24 payments, including HOA dues and mortgage payments, for this property and were the true owners
25 of the property.

26 40. On several occasions, instead of making a straw purchase, the co-conspirators
27

1 transferred a partial interest in a unit to another co-conspirator for the purpose of making it appear
2 as if the co-conspirator was a bona fide homeowner. The co-conspirator real estate agent would
3 assist with the paperwork involved in such transfers and arranged for the completion of the
4 paperwork.

5 41. On or about November 15, 2007, Defendant agreed to a quit-claim deed that
6 resulted in Defendant's ownership interest in a unit at Chateau Versailles, and on or about
7 December 3, 2007, Defendant agreed to a quit-claim deed that resulted in Defendant's ownership
8 interest in a unit at Park Avenue.

9 42. Once the straw purchases were complete, the beneficial owners and co-
10 conspirators often found tenants to rent the units. In most cases, the beneficial owners received the
11 rental payments and continued to pay the mortgages and various expenses associated with the straw
12 purchase.

13 43. Co-conspirators were hired to manage and operate the payments associated with
14 maintaining these straw properties. The co-conspirators called this business of funding these
15 properties the "Bill Pay Program." The co-conspirators involved in running the Bill Pay Program
16 maintained several limited liability companies, at the direction of the co-conspirator construction
17 company owner and others, for the purpose of opening bank accounts and concealing the Bill Pay
18 Program funds. Many of the payments on these properties were wired or caused to be wired from
19 California to Nevada.

20 44. Defendant wrote and mailed checks for his monthly mortgage and HOA dues and
21 then provided the co-conspirators with an itemized accounting to be reimbursed for his expenses.
22 Defendant also received \$500 per unit per month for his participation in the scheme, and was
23 promised an additional \$20,000 at the completion of the scheme. Defendant started the "Arnie
24 Myers Management Company" to retain the funds, which were wired in interstate commerce to his
25 account in Nevada.

26 45. Many of the straw purchasers and those who acquired a transferred interest in the
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1 properties agreed with co-conspirators to run for election to the respective HOA Board of
2 Directors. These co-conspirators were paid or promised cash, checks, or things of value for their
3 participation, all of which resulted in a personal financial benefit to the co-conspirators.

4 46. To ensure the co-conspirators would win the elections, co-conspirators at times
5 employed deceitful tactics, such as creating false phone surveys to gather information about
6 homeowners' voting intentions, using mailing lists to vote on behalf of out-of-town homeowners
7 unlikely to participate in the elections, and submitting fake and forged ballots. Co-conspirators
8 also hired private investigators to uncover negative information on the bona fide candidates in
9 order to create smear campaigns.

10 47. Another tactic the co-conspirators used to rig certain HOA board elections was
11 to prepare forged ballots for out-of-town homeowners and either cause them to be transported or
12 mailed to California and thereafter to have the ballots mailed back to Las Vegas from various
13 locations around California so as to make it appear that the ballots were completed and mailed by
14 bona fide homeowners residing outside Nevada. For instance, on or about April 15, 2008 and on
15 or about April 21, 2008, a co-conspirator mailed ballots from several mail boxes in California back
16 to Nevada in order to assist in the rigging of an election at Park Avenue.

17 48. On several occasions, co-conspirators attempted to create the appearance that
18 the elections were legitimate by hiring "independent" attorneys to run the HOA board elections.
19 These "special election masters" were to: (i) contact the bona fide homeowners to inform them of
20 the election; (ii) mail the bona fide homeowners election ballots and voting instructions; (iii)
21 collect and secure those election ballots returned by mail until the date of the election; and (iv)
22 preside over the HOA board election, including supervising the counting of ballots. However, in
23 truth and fact, the "special election masters" were selected by the co-conspirators and paid in cash,
24 check, or promised things of value, by or on behalf of the co-conspirator construction company and
25 its owner, for their assistance in rigging the elections. In particular, the "special election masters"
26 allowed the co-conspirators to access the ballots for the purpose of opening the ballots and pre-
27 counting the votes entered for each candidate to then know the number of fake ballots which

1 needed to be created to ensure the co-conspirator up for election won the seat on the HOA board.
2 These attorneys would run the board election knowing the co-conspirators had access to the ballots
3 and concealed their relationship with the co-conspirators from the bona fide homeowners.

4 49. Defendant understood that he obtained an ownership interest in the various
5 properties in order to become a board member. He ran for election at Jasmine, Palmilla, Chateau
6 Versailles, and Park Avenue. He was elected at Chateau Versailles and Park Avenue. Defendant
7 failed to disclose his financial relationship with the co-conspirators to the bona fide homeowners.

8 50. Once elected, the straw purchaser board members would meet with the co-
9 conspirators in order to manipulate board votes, including the selection of property managers,
10 contractors, general counsel and attorneys to represent the HOA. Defendant participated in some
11 of these meetings, including a meeting on May 28, 2008 to discuss upcoming votes at Chateau
12 Versailles. On other occasions he took direction from co-conspirators who attended these meetings
13 to vote in furtherance of the conspiracy

14 51. At times the co-conspirators created and submitted fake bids for "competitors"
15 to make the process appear to be legitimate while ensuring co-conspirators were awarded the
16 contract. Once hired, co-conspirators, including property managers and general counsel, would
17 then recommend that the HOA board hire the co-conspirator construction company for remediation
18 and construction defect repairs and the co-conspirator law firm to handle the construction defect
19 litigation. In addition, the co-conspirator construction company's initial contract for emergency
20 remediation repairs contained a "right of first refusal" clause to ensure the co-conspirator
21 construction company was awarded the construction repair contracts following the construction
22 defect litigation.

23 52. Defendant used his position on the board to vote in a manner directed by and
24 favorable to certain co-conspirators. For instance, Defendant participated in the following votes to
25 benefit the co-conspirators: (1) in or around March 2008, Defendant voted to remove the property
26 management company at Chateau Versailles and replace it with a co-conspirator-controlled
27 property management company; and, (2) on or about June 2, 2008, Defendant voted to hire the co-

1 conspirator construction company to do the emergency remediation repair work at Park Avenue
2 and approved a clause providing the company with a right of first refusal for the final construction
3 repair contract.

4 53. In or about January 2009, after local and federal law enforcement officials
5 executed search warrants at the homes and businesses of several of his co-conspirators, Defendant,
6 at the direction of a co-conspirator, further abused his power as a board member at Chateau
7 Versailles by signing two checks on the account of the HOA payable to the co-conspirator
8 construction company owner, totaling approximately \$70,000, for the sole purpose of enriching
9 that co-conspirator at the expense of the bona fide homeowners.

10 54. This entire process created the appearance of legitimacy since bona fide
11 homeowners believed the elected board members and property managers were, as fiduciaries,
12 acting in their best interest rather than to advance the financial interests of co-conspirators. In fact,
13 Defendant MYERS and others were paid or received things of value by or on behalf of their co-
14 conspirators for their assistance in purchasing the properties, obtaining HOA membership status,
15 rigging elections, using their positions to manipulate the HOA's business and to further the goals
16 of the conspiracy, and to enrich the co-conspirators at the expense of the HOA and the bona fide
17 homeowners. In total, for his role in the conspiracy, Defendant was compensated or received
18 things of value in the amount of \$277,022.

19 V. ACKNOWLEDGMENT

20 55. Defendant acknowledges by the Defendant's signature below that Defendant has
21 read this Plea Memorandum, that Defendant understands the terms and conditions and the factual
22 basis set forth herein, that Defendant has discussed these matters with Defendant's attorney, and
23 that the matters set forth in this memorandum, including the facts set forth in Part IV above, are
24 true and correct.

25 56. Defendant acknowledges that Defendant has been advised, and understands, that
26 by entering a plea of guilty the Defendant is waiving, that is, giving up, certain rights guaranteed
27 to the Defendant by law and by the Constitution of the United States. Specifically, Defendant is

1 giving up:

2 a. The right to proceed to trial by jury on the original charges, or to a trial by
3 a judge if Defendant and the United States both agree;

4 b. The right to confront the witnesses against the Defendant at such a trial, and to
5 cross-examine them;

6 c. The right to remain silent at such trial, with such silence not to be used against
7 Defendant in any way;

8 d. The right, should Defendant so choose, to testify in Defendant's own behalf at
9 such a trial;

10 e. The right to compel witnesses to appear at such a trial, and to testify in
11 Defendant's behalf; and,

12 f. The right to have the assistance of an attorney at all stages of such proceedings.

13 57. Defendant acknowledges that Defendant is, in all respects, satisfied by the
14 representation provided by Defendant's attorney and that Defendant's attorney has discussed with
15 the defendant the burdens and benefits of this agreement and the rights he waives herein.

16 58. Defendant, Defendant's attorney, and the attorney for the United States
17 acknowledge that this Plea Memorandum contains the entire negotiated and agreed to by, and
18 between the parties, and that no other promise has been made or implied by either the Defendant,
19 Defendant's attorney, or the attorney for the United States.

20
21 DENIS J. McINERNEY
22 Chief
23 United States Department of Justice,
Criminal Division, Fraud Section


24 2/14/2012
25 DATED


26 CHARLES LA BELLA
27 Deputy Chief

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2/26/2012
DATED

2/26/2012
DATED


MARY ANN McCARTHY
Trial Attorney
United States Department of Justice
Criminal Division, Fraud Section


ARNOLD MYERS
Defendant


RANDALL ROSKE
Defense Counsel