

1 BILAL A. ESSAYLI  
Acting United States Attorney  
2 CHRISTINA T. SHAY  
Assistant United States Attorney  
3 Chief, Criminal Division  
NISHA CHANDRAN (Cal. Bar No. 325345)  
4 Assistant United States Attorney  
Major Frauds Section  
5 JENNA G. WILLIAMS (Cal. Bar No. 307975)  
Transnational Organized Crime Section  
6 1100 United States Courthouse  
312 North Spring Street  
7 Los Angeles, California 90012  
Telephone: (213) 894-2429  
8 Facsimile: (213) 894-0241  
E-mail: Nisha.Chandran@usdoj.gov  
9

10 LORINDA I. LARYEA  
Acting Chief, Fraud Section  
Criminal Division, U.S. Department of Justice  
11 THEODORE M. KNELLER (D.C. Bar No. 978680)  
ADAM L.D. STEMPEL (D.C. Bar No. 1615015)  
12 Trial Attorneys, Fraud Section  
Criminal Division, U.S. Department of Justice  
13 1400 New York Avenue, NW  
Washington, DC 20530  
14 Telephone: (202) 514-5799  
Facsimile: (202) 514-3708  
15 Email: Theodore.Kneller@usdoj.gov

16 Attorneys for Plaintiff  
UNITED STATES OF AMERICA

17 UNITED STATES DISTRICT COURT

18 FOR THE CENTRAL DISTRICT OF CALIFORNIA

19 UNITED STATES OF AMERICA,

20 Plaintiff,

21 v.

22 JOSEPH NEAL SANBERG,

23 Defendant.  
24

No. 2:25-cr-00200 (A) -SVW

PLEA AGREEMENT FOR DEFENDANT  
JOSEPH NEAL SANBERG



25 1. This constitutes the plea agreement between JOSEPH NEAL  
26 SANBERG ("defendant") and the United States Attorney's Office for the  
27 Central District of California (the "USAO") and the Fraud Section of  
28 the Department of Justice's Criminal Division (the "DOJ") in the

1 above-captioned case. This agreement is limited to the USAO and DOJ  
2 (collectively referred to herein as the "United States") and cannot  
3 bind any other federal, state, local, or foreign prosecuting,  
4 enforcement, administrative, or regulatory authorities.

5 DEFENDANT'S OBLIGATIONS

6 2. Defendant agrees to:

7 a. Give up the right to indictment by a grand jury and,  
8 at the earliest opportunity requested by the United States and  
9 provided by the Court, appear and plead guilty to counts one and two  
10 of the first superseding information in United States v. Joseph Neal  
11 Sanberg, CR No. 2:25-cr-00200(A)-SVW, in the form attached to this  
12 agreement as Exhibit A or a substantially similar form, which charges  
13 defendant with a wire fraud, in violation of 18 U.S.C. § 1343.

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

15 c. Abide by all agreements regarding sentencing contained  
16 in this agreement.

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

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

24 f. Be truthful at all times with the United States  
25 Probation and Pretrial Services Office and the Court.

26 g. Pay the applicable special assessments at or before  
27 the time of sentencing unless defendant has demonstrated a lack of  
28 ability to pay such assessments.

1           h.    Agree that any and all criminal debt ordered by the  
2 Court will be due in full and immediately. The United States is not  
3 precluded from pursuing, in excess of any payment schedule set by the  
4 Court, any and all available remedies by which to satisfy defendant's  
5 payment of the full financial obligation, including referral to the  
6 Treasury Offset Program.

7           i.    Complete the Financial Disclosure Statement on a form  
8 provided by the United States and, within 30 days of defendant's  
9 entry of a guilty plea, deliver the signed and dated statement, along  
10 with all of the documents requested therein, to the United States by  
11 either email at usacac.FinLit@usdoj.gov (preferred) or mail to the  
12 USAO Financial Litigation Section at 312 North Spring Street, 11th  
13 Floor, Los Angeles, CA 90012. Defendant agrees that defendant's  
14 ability to pay criminal debt shall be assessed based on the completed  
15 Financial Disclosure Statement and all required supporting documents,  
16 as well as other relevant information relating to ability to pay.

17           j.    Authorize the United States to obtain a credit report  
18 upon returning a signed copy of this plea agreement.

19           k.    Consent to the United States inspecting and copying  
20 all of defendant's financial documents and financial information held  
21 by the United States Probation and Pretrial Services Office.

22           3.    Defendant further agrees:

23           a.    To forfeit all right, title, and interest in and to  
24 any and all monies, properties, and/or assets of any kind, derived  
25 from or acquired as a result of, or used to facilitate the commission  
26 of, or involved in the illegal activity to which defendant is  
27 pleading guilty, specifically including, but not limited to, the  
28 following:

1           i.     \$138.50 seized from Bank of America account 3251-  
2 5678-8058 (Consolidated Asset Tracking System ID ("CATS ID") 25-FBI-  
3 003506);

4           ii.    \$605.91 seized from Bank of America account 3830-  
5 2602-6099 (CATS ID 25-FBI-003502);

6           iii.   \$2,187.68 seized from Bank of America account  
7 3940-0164-7725 (CATS ID 25-FBI-003504);

8           iv.    \$9,190.53 seized from Bank of America account  
9 0094-5480-1102 (CATS ID 25-FBI-003505); and

10          v.     All funds, securities, or negotiable instruments,  
11 seized from Bank of America Account 41-01-100-0166771 (CATS ID 25-  
12 FBI-003501, collectively, the "Forfeitable Property").

13          b.     To the Court's entry of an order of forfeiture at or  
14 before sentencing with respect to the Forfeitable Property and to the  
15 forfeiture of the property.

16          c.     That the Preliminary Order of Forfeiture shall become  
17 final as to the defendant upon entry.

18          d.     To take whatever steps are necessary to pass to the  
19 United States clear title to the Forfeitable Property, including,  
20 without limitation, the execution of a consent decree of forfeiture  
21 and the completing of any other legal documents required for the  
22 transfer of title to the United States.

23          e.     Not to contest any administrative forfeiture  
24 proceedings or civil judicial proceedings commenced against the  
25 Forfeitable Property. If defendant submitted a claim and/or petition  
26 for remission for all or part of the Forfeitable Property on behalf  
27 of himself or any other individual or entity, defendant shall and  
28 hereby does withdraw any such claims or petitions, and further agrees

1 to waive any right he may have to seek remission or mitigation of the  
2 forfeiture of the Forfeitable Property. Defendant further waives any  
3 and all notice requirements of 18 U.S.C. § 983(a)(1)(A).

4 f. Not to assist any other individual in any effort  
5 falsely to contest the forfeiture of the Forfeitable Property.

6 g. Not to claim that reasonable cause to seize the  
7 Forfeitable Property was lacking.

8 h. To prevent the transfer, sale, destruction, or loss of  
9 the Forfeitable Property to the extent defendant has the ability to  
10 do so.

11 i. To fill out and deliver to the United States a  
12 completed financial statement listing defendant's assets on a form  
13 provided by the USAO.

14 j. That forfeiture of Forfeitable Property shall not be  
15 counted toward satisfaction of any special assessment, fine,  
16 restitution, costs, or other penalty the Court may impose.

17 k. To the entry as part of defendant's guilty plea of a  
18 personal money judgment of forfeiture against defendant in the amount  
19 of \$6,650,000.00, which sum defendant admits was derived from  
20 proceeds traceable to the violations described in the factual basis  
21 of the plea agreement. Defendant understands that the money judgment  
22 of forfeiture is part of defendant's sentence and is separate from  
23 any fines or restitution that may be imposed by the Court.

24 l. That with respect to any criminal forfeiture ordered  
25 as a result of this plea agreement, defendant waives: (1) the  
26 requirements of Federal Rules of Criminal Procedure 32.2 and 43(a)  
27 regarding notice of the forfeiture in the charging instrument,  
28 announcements of the forfeiture at sentencing, and incorporation of

1 the forfeiture in the judgment; (2) all constitutional and statutory  
2 challenges to the forfeiture (including by direct appeal, habeas  
3 corpus or any other means); and (3) all constitutional, legal, and  
4 equitable defenses to the forfeiture of the Forfeitable Property and  
5 the money judgment of forfeiture in any proceeding on any grounds  
6 including, without limitation, that the forfeiture of the Forfeitable  
7 Property or the money judgment of forfeiture constitute an excessive  
8 fine or punishment. Defendant acknowledges that the forfeiture of  
9 the Forfeitable Property and the money judgment of forfeiture are  
10 part of the sentence that may be imposed in this case and waives any  
11 failure by the Court to advise defendant of this, pursuant to Federal  
12 Rule of Criminal Procedure 11(b)(1)(J), at the time the Court accepts  
13 defendant's guilty pleas.

14 THE UNITED STATES' OBLIGATIONS

15 4. The United States 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. At the time of sentencing, move to dismiss the  
20 underlying indictment as against defendant. Defendant agrees,  
21 however, that at the time of sentencing the Court may consider any  
22 dismissed charges in determining the applicable Sentencing Guidelines  
23 range, the propriety and extent of any departure from that range, and  
24 the sentence to be imposed. Defendant further agrees that he may be  
25 treated as if he had been convicted of the dismissed charges for  
26 purposes of U.S.S.G. § 1B1.2(c), regardless of whether the factual  
27 basis below would be sufficient to satisfy all elements of each  
28

1 charge. Defendant waives the right to challenge the sufficiency of  
2 the factual basis as to any element of any dismissed charge.

3 d. At the time of sentencing, provided that defendant  
4 demonstrates an acceptance of responsibility for the offenses up to  
5 and including the time of sentencing, and the conditions set forth in  
6 paragraph 2 through 3 are met and defendant has not committed, and  
7 refrains from committing, acts constituting obstruction of justice  
8 within the meaning of U.S.S.G. § 3C1.1, as discussed below,  
9 recommend a two-level reduction in the applicable Sentencing  
10 Guidelines offense level, pursuant to U.S.S.G. § 3E1.1, and recommend  
11 and, if necessary, move for an additional one-level reduction if  
12 available under that section.

13 e. Not seek a sentence of imprisonment above the high end  
14 of the applicable Sentencing Guidelines range corresponding to an  
15 offense level of 36 and the criminal history category calculated by  
16 the Court. For purposes of this agreement, the high end of the  
17 Sentencing Guidelines range is that defined by the Sentencing Table  
18 in U.S.S.G. Chapter 5, Part A. The parties also agree that the  
19 government may respond to a request by defendant for a sentence below  
20 the government's recommendation.

21 NATURE OF THE OFFENSES

22 5. Defendant understands that for defendant to be guilty of  
23 the crime charged in counts one and two in the first superseding  
24 information, that is, wire fraud, in violation of Title 18, United  
25 States Code, Section 1343, the following must be true for each count:  
26 (1) defendant knowingly devised a scheme or plan to defraud, or a  
27 scheme or plan for obtaining money or property by means of false or  
28 fraudulent pretenses, representations, or promises, or omitted facts;

1 (2) the statements made, or facts omitted, as part of the scheme were  
2 material, that is, they had a natural tendency to influence, or were  
3 capable of influencing, a person to part with money or property;  
4 (3) defendant acted with the intent to defraud, that is, the intent  
5 to deceive and cheat; and (4) defendant used, or caused to be used,  
6 an interstate wire communication to carry out or attempt to carry out  
7 an essential part of the scheme.

8 PENALTIES AND RESTITUTION

9 6. Defendant understands that the statutory maximum sentence  
10 that the Court can impose for each violation of Title 18, United  
11 States Code, Section 1343, is: 20 years imprisonment; a 3-year period  
12 of supervised release; a fine of \$250,000 or twice the gross gain or  
13 gross loss resulting from the offense, whichever is greatest; and a  
14 mandatory special assessment of \$100.

15 7. Defendant understands, therefore, that the total maximum  
16 sentence for all offenses to which defendant is pleading guilty is:  
17 40 years imprisonment; a 3-year period of supervised release; a fine  
18 of \$500,000 or twice the gross gain or gross loss resulting from the  
19 offenses, whichever is greatest; and a mandatory special assessment  
20 of \$200.

21 8. Defendant understands that defendant will be required to  
22 pay full restitution to the victim(s) of the offenses to which  
23 defendant is pleading guilty. Defendant agrees that, in return for  
24 the United States' compliance with its obligations under this  
25 agreement, the Court may order restitution to persons other than the  
26 victim(s) of the offenses to which defendant is pleading guilty and  
27 in amounts greater than those alleged in the counts to which  
28 defendant is pleading guilty. In particular, defendant agrees that

1 the Court may order restitution to any victim of any of the following  
2 for any losses suffered by that victim as a result: any relevant  
3 conduct, as defined in U.S.S.G. § 1B1.3, in connection with the  
4 offenses to which defendant is pleading guilty. The parties  
5 currently believe that the applicable amount of restitution is  
6 approximately \$248,703,886.00, but recognize and agree that this  
7 amount could change based on facts that come to the attention of the  
8 parties prior to sentencing.

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

18 10. Defendant understands that, by pleading guilty, defendant  
19 may be giving up valuable government benefits and valuable civic  
20 rights, such as the right to vote, the right to possess a firearm,  
21 the right to hold office, and the right to serve on a jury. Defendant  
22 understands that he is pleading guilty to a felony and that it is a  
23 federal crime for a convicted felon to possess a firearm or  
24 ammunition. Defendant understands that the convictions in this case  
25 may also subject defendant to various other collateral consequences,  
26 including but not limited to revocation of probation, parole, or  
27 supervised release in another case and suspension or revocation of a  
28 professional license. Defendant understands that unanticipated

1 collateral consequences will not serve as grounds to withdraw  
2 defendant's guilty pleas.

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

19 FACTUAL BASIS

20 Defendant admits that defendant is, in fact, guilty of the  
21 offenses to which defendant is agreeing to plead guilty. Defendant  
22 and the United States agree to the statement of facts provided in the  
23 factual basis included as Attachment A to this plea agreement and  
24 agree that this statement of facts is sufficient to support pleas of  
25 guilty to the charges described in this agreement and to establish  
26 the Sentencing Guidelines factors set forth in paragraph 13 below,  
27 but is not meant to be a complete recitation of all facts relevant to  
28

1 the underlying criminal conduct or all facts known to either party  
2 that relate to that conduct.

3 SENTENCING FACTORS

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

16 13. Defendant and the United States agree to the following  
17 applicable Sentencing Guidelines factors:

18	Base offense level:	7	U.S.S.G. § 2B1.1(a) (1)
19	Loss greater than \$150 20 million:	+26	U.S.S.G. § 2B1.1(b) (1) (N)
21	10 or more victims:	+2	U.S.S.G. § 2B1.1(b) (2) (A) (i)
22	Offense involved 23 sophisticated means:	+2	U.S.S.G. § 2B1.1(b) (10) (C)
24	Defendant derived more than 25 \$1 million in gross receipts 26 from a financial institution 27 as a result of the offense:	+2	U.S.S.G. § 2B1.1(b) (17) (A)

28 The United States will agree to a two-level downward adjustment for  
acceptance of responsibility (and, if applicable, move for an

1 additional one-level downward adjustment under U.S.S.G. § 3E1.1(b))  
2 only if the conditions set forth in paragraph 2 through 3 are met and  
3 if defendant has not committed, and refrains from committing, acts  
4 constituting obstruction of justice within the meaning of U.S.S.G.  
5 § 3C1.1, as discussed below. The parties agree that defendant did  
6 not use violence or credible threats of violence in connection with  
7 the offense. Subject to paragraph 28 below, defendant and the United  
8 States agree not to seek, argue, or suggest in any way, either orally  
9 or in writing, that any other specific offense characteristics,  
10 adjustments, or departures relating to the offense level be imposed,  
11 except that either party may seek or oppose, and argue for or against  
12 the applicability of a zero-point offender adjustment under U.S.S.G.  
13 § 4C1.1. If, however, the U.S. Probation Office finds in preparing  
14 the Presentence Report that the zero-point offender adjustment does  
15 not apply for any reason including because (i) the defendant  
16 personally caused substantial financial hardship, or (ii) defendant  
17 should receive an adjustment for aggravating role under U.S.S.G. §  
18 3B1.1, the United States may concur with Probation's findings if  
19 asked by the Court. Defendant agrees, however, that if, after  
20 signing this agreement, but prior to sentencing, defendant were to  
21 commit an act, or the United States were to discover a previously  
22 undiscovered act committed by defendant prior to signing this  
23 agreement, which act, in the judgment of the United States,  
24 constituted obstruction of justice within the meaning of U.S.S.G.  
25 § 3C1.1, the United States would be free to seek the enhancement set  
26 forth in that section and to argue that defendant is not entitled to  
27 a downward adjustment for acceptance of responsibility under U.S.S.G.  
28 § 3E1.1.



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

4                                   WAIVER OF APPEAL OF CONVICTION

5           17. Defendant understands that, with the exception of an appeal  
6 based on a claim that defendant's guilty pleas were involuntary, by  
7 pleading guilty defendant is waiving and giving up any right to  
8 appeal defendant's convictions on the offenses to which defendant is  
9 pleading guilty. Defendant understands that this waiver includes,  
10 but is not limited to, arguments that the statutes to which defendant  
11 is pleading guilty are unconstitutional, and any and all claims that  
12 the statement of facts provided herein is insufficient to support  
13 defendant's pleas of guilty.

14                                   WAIVER OF APPEAL AND COLLATERAL ATTACK

15           18. Defendant gives up the right to appeal all of the  
16 following: (a) the procedures and calculations used to determine and  
17 impose any portion of the sentence; (b) the term of imprisonment  
18 imposed by the Court, including, to the extent permitted by law, the  
19 constitutionality or legality of defendant's sentence, provided it is  
20 within the statutory maximum; (c) the fine imposed by the Court,  
21 provided it is within the statutory maximum; (d) the term of  
22 probation or supervised release imposed by the Court, provided it is  
23 within the statutory maximum; and (e) any of the following conditions  
24 of probation or supervised release imposed by the Court: the  
25 conditions set forth in Second Amended General Order 20-04 of this  
26 Court; the drug testing conditions mandated by 18 U.S.C.  
27 §§ 3563(a)(5) and 3583(d); and the alcohol and drug use conditions  
28 authorized by 18 U.S.C. § 3563(b)(7).

1           19. Defendant also gives up any right to bring a post-  
2 conviction collateral attack on the convictions or sentence,  
3 including any order of restitution, except a post-conviction  
4 collateral attack based on a claim of ineffective assistance of  
5 counsel, a claim of newly discovered evidence, or an explicitly  
6 retroactive change in the applicable Sentencing Guidelines,  
7 sentencing statutes, or statutes of conviction. Defendant  
8 understands that this waiver includes, but is not limited to,  
9 arguments that the statutes to which defendant is pleading guilty are  
10 unconstitutional, and any and all claims that the statement of facts  
11 provided herein is insufficient to support defendant's pleas of  
12 guilty.

13           20. This agreement does not affect in any way the right of the  
14 United States to appeal the sentence imposed by the Court.

15           WAIVER OF RIGHTS CONCERNING PLEA COLLOQUY AND FACTUAL BASIS

16           21. Defendant agrees that: (i) any statements made by  
17 defendant, under oath, at the guilty plea hearing; (ii) the agreed to  
18 factual basis statement in this agreement; and (iii) any evidence  
19 derived from such statements, shall be admissible against defendant  
20 in any action against defendant, and defendant waives and gives up  
21 any claim under the United States Constitution, any statute, Rule 410  
22 of the Federal Rules of Evidence, Rule 11(f) of the Federal Rules of  
23 Criminal Procedure, or any other federal rule, that the statements or  
24 any evidence derived from the statements should be suppressed or are  
25 inadmissible.

26           22. Defendant further agrees that this paragraph of the  
27 agreement is severable. Thus, defendant's waivers are binding and  
28 effective even if, subsequent to defendant's signing this agreement,

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

7 RESULT OF WITHDRAWAL OF GUILTY PLEAS

8 23. Defendant agrees that if, after entering guilty pleas  
9 pursuant to this agreement, defendant seeks to withdraw and succeeds  
10 in withdrawing defendant's guilty pleas on any basis other than a  
11 claim and finding that entry into this plea agreement was  
12 involuntary, then the United States will be relieved of all of its  
13 obligations under this agreement and should the United States choose  
14 to pursue any charge that was either dismissed or not filed as a  
15 result of this agreement, then (i) any applicable statute of  
16 limitations will be tolled between the date of defendant's signing of  
17 this agreement and the filing commencing any such action; and  
18 (ii) defendant waives and gives up all defenses based on the statute  
19 of limitations, any claim of pre-indictment delay, or any speedy  
20 trial claim with respect to any such action, except to the extent  
21 that such defenses existed as of the date of defendant's signing this  
22 agreement.

23 EFFECTIVE DATE OF AGREEMENT

24 24. This agreement is effective upon signature and execution of  
25 all required certifications by defendant, defendant's counsel, and an  
26 attorney for the United States.

1 BREACH OF AGREEMENT

2 25. Defendant agrees that if defendant, at any time after the  
3 effective date of the agreement, knowingly violates or fails to  
4 perform any of defendant's obligations under this agreement ("a  
5 breach"), the United States may declare this agreement breached. All  
6 of defendant's obligations are material, a single breach of this  
7 agreement is sufficient for the United States to declare a breach,  
8 and defendant shall not be deemed to have cured a breach without the  
9 express agreement of the United States in writing. If the United  
10 States declares this agreement breached, and the Court finds such a  
11 breach to have occurred, then:

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

15 b. The United States will be relieved of all its  
16 obligations under this agreement; in particular, the United States:  
17 will no longer be bound by any agreements (i) concerning sentencing  
18 and will be free to seek any sentence up to the statutory maximum for  
19 the crimes to which defendant has pleaded guilty; and (ii) regarding  
20 criminal prosecution, and will be free to criminally prosecute  
21 defendant for any crime, including charges that the United States  
22 would otherwise have been obligated to dismiss pursuant to this  
23 agreement.

24 c. The United States 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 26. Following the Court's finding of a knowing breach of this  
28 agreement by defendant, should the United States choose to pursue any

1 charge that was either dismissed or not filed as a result of this  
2 agreement, then:

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

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

11 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

12 OFFICE NOT PARTIES

13 27. Defendant understands that the Court and the United States  
14 Probation and Pretrial Services Office are not parties to this  
15 agreement and need not accept any of the United States' sentencing  
16 recommendations or the parties' agreements to facts or sentencing  
17 factors.

18 28. Defendant understands that both defendant and the United  
19 States are free to: (a) supplement the facts by supplying relevant  
20 information to the United States Probation and Pretrial Services  
21 Office and the Court, (b) correct any and all factual misstatements  
22 relating to the Court's Sentencing Guidelines calculations and  
23 determination of sentence, and (c) argue on appeal and collateral  
24 review that the Court's Sentencing Guidelines calculations and the  
25 sentence it chooses to impose are not error, although each party  
26 agrees to maintain its view that the calculations in paragraph 13 are  
27 consistent with the facts of this case. While this paragraph permits  
28 both the United States and defendant to submit full and complete

1 factual information to the United States Probation and Pretrial  
2 Services Office and the Court, even if that factual information may  
3 be viewed as inconsistent with the facts agreed to in this agreement,  
4 this paragraph does not affect defendant's and the United States'  
5 obligations not to contest the facts agreed to in this agreement.

6 29. Defendant understands that even if the Court ignores any  
7 sentencing recommendation, finds facts or reaches conclusions  
8 different from those agreed to, and/or imposes any sentence up to the  
9 maximum established by statute, defendant cannot, for that reason,  
10 withdraw defendant's guilty pleas, and defendant will remain bound to  
11 fulfill all defendant's obligations under this agreement. Defendant  
12 understands that no one -- not the prosecutor, defendant's attorney,  
13 or the Court -- can make a binding prediction or promise regarding  
14 the sentence defendant will receive, except that it will be within  
15 the statutory maximum.

16 NO ADDITIONAL AGREEMENTS

17 30. Defendant understands that, except as set forth herein,  
18 there are no promises, understandings, or agreements between the  
19 United States and defendant or defendant's attorney, and that no  
20 additional promise, understanding, or agreement may be entered into  
21 unless in a writing signed by all parties or on the record in court.

22 //

23 //

24 //

25

26

27

28

1 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

2 31. The parties agree that this agreement will be considered  
3 part of the record of defendant's guilty plea hearing as if the  
4 entire agreement had been read into the record of the proceeding.

5 AGREED AND ACCEPTED

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

9 BILAL A. ESSAYLI  
10 Acting United States Attorney

11 DEPARTMENT OF JUSTICE  
12 CRIMINAL DIVISION

13 LORINDA I. LARYEA  
14 Acting Chief, Fraud Section

15 

16 August 20, 2025

17 NISHA CHANDRAN  
18 JENNA G. WILLIAMS  
19 Assistant United States Attorneys

20 Date

21 THEODORE M. KNELLER  
22 ADAM L.D. STEMPEL  
23 Trial Attorneys, Fraud Section  
24 Department Of Justice  
25 Criminal Division

26 Signed by:  
27 

28 64300818FAB747A...  
29 JOSEPH NEAL SANBERG  
30 Defendant

31 August 15, 2025

32 Date

33   
34 BRIAN R. MICHAEL  
35 MARC L. MUKASEY  
36 Attorneys for Defendant JOSEPH NEAL  
37 SANBERG

38 August 18, 2025

39 Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

Signed by:  


JOSEPH NEAL SANBERG  
Defendant

August 15, 2025  
Date







1 Fund A for tens of millions of dollars if defendant defaulted on the  
2 loan.

3 16. Defendant and co-schemer AlHusseini knowingly and  
4 intentionally made, and caused to be made, materially false and  
5 fraudulent representations to Investor Fund A and Investment  
6 Adviser 1 that co-schemer AlHusseini had sufficient liquid assets to  
7 pay tens of millions of dollars for the shares of Company A stock in  
8 the event of defendant's default. In truth and in fact, co-schemer  
9 AlHusseini did not have sufficient liquid assets to cover the  
10 obligations in the put option agreement if defendant defaulted on the  
11 loan. Defendant knew that the put option agreement was a material  
12 term of the Investor Fund A Loan.

13 17. But at relevant times, defendant knew that co-schemer  
14 AlHusseini did not have sufficient assets to pay tens of millions of  
15 dollars to Investor Fund A in co-schemer AlHusseini's bank and  
16 brokerage accounts that were identified to Investor Fund A and  
17 Investment Adviser 1.

18 18. Defendant and co-schemer AlHusseini prepared, or caused to  
19 be prepared, materially false and fraudulent bank and brokerage  
20 account statements that overstated the liquid assets in co-schemer  
21 AlHusseini's bank and brokerage accounts by tens of millions of  
22 dollars.

23 19. Defendant and co-schemer AlHusseini sent, or caused to be  
24 sent, the false and fraudulent bank and brokerage account statements  
25 showing co-schemer AlHusseini's purported assets, by means of wire  
26 communications in interstate commerce, to Investment Adviser 1 and  
27 Investor Fund A to obtain the \$55 million loan for defendant.

28

1           20. In or around November 2021, defendant negotiated with  
2 Investment Advisor 1 to refinance the terms of the Investor Fund A  
3 Loan by taking out a new loan from Investor Fund B for \$145 million.

4           21. In or around November 2021, defendant and co-schemer  
5 AlHusseini sent, or caused to be sent, falsified bank and brokerage  
6 account statements, by means of interstate wires, containing  
7 materially false and fraudulent statements regarding co-schemer  
8 AlHusseini's purported assets to Investment Advisor 1 and Investor  
9 Fund B to obtain the \$145 million loan for defendant.

10           22. From in or around February 2020 and continuing until at  
11 least in or around October 2024, defendant concealed the scheme to  
12 defraud from Investment Advisor 1, Investor Fund A, and Investor  
13 Fund B.

14           23. Additionally, beginning in or around October 2024,  
15 defendant negotiated the terms of a loan with Investment Manager 1,  
16 to be collateralized by defendant's shares in Company A. In  
17 furtherance of the scheme and artifice to defraud lenders, defendant  
18 made and caused to be made materially false and fraudulent  
19 representations to Investment Manager 1 regarding the financial  
20 condition of Company A, including by providing and causing to be  
21 provided a copy of a letter purportedly signed by Company A's Audit  
22 Committee that falsely overstated Company A's available cash by  
23 hundreds of millions of dollars.

24           24. Specifically, in furtherance of the scheme to defraud and  
25 to carry out an essential part of the scheme, on or about June 5,  
26 2024, defendant sent an email via interstate wire from within the  
27 Central District of California to Individual 1 in Florida, attaching  
28 a letter purporting to be written and signed by members of

1 Company A's Audit Committee (the "Audit Committee Letter"). The  
2 Audit Committee Letter contained materially false representations  
3 that defendant knew to be false. Among other things, the Audit  
4 Committee Letter stated that Company A had "a balance of cash and  
5 equivalents of at least \$250,000,000." In truth and in fact, Company  
6 A had a cash balance of less than \$1,000,000 in June 2024.

7 25. Defendant knowingly and intentionally sent the Audit  
8 Committee Letter to Individual 1 for the purpose of obtaining money  
9 or property by means of materially false or fraudulent pretenses and  
10 misrepresentations and with the intent to deceive and cheat.  
11 Defendant knew that the letter contained materially false  
12 representations and intended that the materially false  
13 representations would fraudulently influence others to part with  
14 money or property.

15 26. The materially false and fraudulent statements in the Audit  
16 Committee Letter were capable of influencing, intended to influence,  
17 and did in fact influence Investment Manager 1's decision to loan  
18 defendant approximately \$16,000,000 in or around January 2025.

19 **III. False and Fraudulent Representations to Investors**

20 27. Defendant also sent and caused to be sent false and  
21 fraudulent representations to investors seeking to invest in various  
22 assets related to Company A, including purchasing shares of Company A  
23 stock and making pooled investments to acquire debt securities issued  
24 by Company A through defendant. In furtherance of the scheme,  
25 defendant caused Company A's revenue to be falsely inflated and  
26 misrepresented Company A's revenue and assets to induce those  
27 investments.

1       A. Revenue Fraud

2           28. Beginning no later than January 2021, Company A established  
3 a business line, known as "enterprise sustainability services," in  
4 which Company A sold tree planting services to individuals and  
5 companies interested in reducing their environmental impact.

6           29. Beginning no later than January 2021, defendant solicited  
7 small businesses and individuals, directly and through  
8 intermediaries, to sign "Letters of Intent" with Company A. The  
9 Letters of Intent stated that each small business or individual  
10 (collectively, the "LOI Customers") would pay for tens of thousands  
11 of trees to be planted on a recurring monthly or quarterly basis at a  
12 price of \$1 per tree.

13           30. Certain LOI Customers paid Company A for the tree planting  
14 services described in the Letters of Intent with funds received from  
15 defendant. Defendant concealed from Company A investors that  
16 defendant was the source of funds for the payments under the Letters  
17 of Intent. These certain LOI Customers were not bona fide purchasers  
18 of the tree planting services from Company A.

19           31. Between in or about March 2021 and November 2022, defendant  
20 paid millions of dollars to LOI Customers, who then paid Company A.  
21 At times, defendant paid the LOI Customers using money he received  
22 from Company A. For example, in or around January 2022, as a result  
23 of defendant's actions, Company A entered into a 12-month, \$8 million  
24 advisory contract for business development services with one of  
25 defendant's closely held entities, Sanberg Entity 1.

26           32. On or about January 31, 2022, Company A paid Sanberg  
27 Entity 1 \$8 million. The \$8 million payment to Sanberg Entity 1 was  
28 made using funds of investors in Company A.

1           33. On or about March 14, 2022, defendant:

2           a. Made two transfers of approximately \$350,000 each from  
3 the prepaid \$8 million from the bank account of Sanberg Entity 1 to  
4 defendant's personal checking account;

5           b. Made two subsequent transfers of approximately  
6 \$350,000 each from defendant's personal checking account to an  
7 account for another one of defendant's closely held entities, Sanberg  
8 Entity 2; and

9           c. Made two more subsequent transfers to Company A for  
10 \$350,000 each from the Sanberg Entity 2 bank account and listed the  
11 name of LOI Customer 1 and an invoice number in each wire  
12 instruction.

13           34. Defendant also made or caused to be made additional  
14 payments to Company A directly from bank accounts held in the names  
15 of Sanberg Entity 2 and other closely held entities that defendant  
16 controlled. To conceal from Company A's investors that defendant was  
17 in fact was the source of these funds, defendant made these payments  
18 to Company A purportedly on behalf of LOI Customers through the  
19 Sanberg Entity 2 bank account, and through other accounts in the  
20 names of other entities that defendant controlled. Defendant  
21 concealed from Company A investors that he controlled Sanberg  
22 Entity 2 and the other closely held entities that defendant used to  
23 make payments to Company A on behalf of LOI Customers.

24           35. On or about March 21, 2022, defendant knowingly sent  
25 encrypted messages via interstate wires using a smartphone  
26 application called "Signal" from within the Central District of  
27 California to Employee 1 of Company A in Arizona to carry out an  
28 essential part of the scheme. Defendant informed Employee 1 via the

1 messages that the March 14, 2022 payments of \$350,000 to Company A  
2 from Sanberg Entity 2 should be credited to LOI Customer 1.

3 36. To conceal the scheme to defraud from Company A's  
4 investors, defendant's March 21, 2022 text messages to Employee 1  
5 contained deceitful statements of half-truths, and statements that  
6 omitted material facts. Defendant made such statements to Employee 1  
7 with the intent to deceive and cheat Company A investors.

8 37. At relevant times and to further conceal the scheme to  
9 defraud, defendant also instructed Company A not to contact the LOI  
10 Customers to conceal from Company A's investors and creditors that  
11 certain payments for tree planting services pursuant to Letters of  
12 Intent were made by or indirectly funded by entities controlled by  
13 defendant and not from the LOI Customers.

14 38. From in or around March 2021 through in or around November  
15 2022, Company A recognized as revenue the anticipated monthly and  
16 quarterly payments from each of the LOI Customers in the amounts  
17 specified in the Letters of Intent. Company A recognized that  
18 revenue from the LOI Customers as being from arms-length third  
19 parties and not as related-party revenue from Company A's co-founder,  
20 defendant.

21 39. The revenue booked from the LOI Customers materially  
22 misstated the recognized revenue of Company A such that Company A's  
23 financial statements were materially inaccurate.

24 40. At relevant times, defendant knew Company A's financial  
25 statements materially misstated revenue from LOI Customers. Knowing  
26 that Company A's financial statements materially misstated  
27 Company A's revenue, defendant knowingly and intentionally, through  
28 the use of interstate wires, solicited investors to purchase

1 securities to invest in Company A by means of materially false and  
2 fraudulent representations, and statements that omitted material  
3 facts.

4 B. Inflated Assets Fraud

5 41. In furtherance of the scheme to defraud, defendant also  
6 made, and caused to be made, materially false and fraudulent  
7 representations that materially overstated Company A's value and  
8 assets, including Company A's available cash, to multiple investors  
9 for the purpose of influencing their decision to purchase Company A  
10 stock or to make pooled investments to acquire debt securities issued  
11 by Company A.

12 42. From at least in or around June 2024 to in or around  
13 January 2025, defendant knowingly and intentionally made, and caused  
14 to be made, materially false and fraudulent representations that  
15 overstated Company A's available cash by hundreds of millions of  
16 dollars to investors for the purpose of influencing their decisions  
17 to invest in securities related to Company A.

18 **IV. Conclusion**

19 43. From in or around August 2024 to at least in or around  
20 February 2025, defendant accepted and received, directly or  
21 indirectly, criminal proceeds of the wire fraud scheme. Defendant  
22 transferred at least approximately \$6,650,000 to an account held in  
23 defendant's name at a financial institution, account number 41-01-  
24 100-0166771, knowing that the deposits were the proceeds of some form  
25 of unlawful activity, namely proceeds of the victim-lenders' and  
26 victim-investors' funds that defendant obtained from the wire fraud  
27 scheme.

28

1           44. In accepting and receiving those victim-lenders' and  
2 victim-investors' funds, defendant deposited millions of dollars in  
3 unlawful proceeds from the scheme to defraud in an account with a  
4 financial institution. The financial institution later loaned  
5 defendant more than \$1 million because defendant posted the millions  
6 of dollars deposited to the account as collateral for the loan.  
7 Accordingly, defendant derived more than \$1 million in gross receipts  
8 from a financial institution as a result of the offense.

9           45. Defendant's scheme to defraud lenders and investors  
10 involved sophisticated means as described above, including the use of  
11 sophisticated loan and investment structures, and multiple corporate  
12 entities, and defendant intentionally engaged in or caused the  
13 conduct constituting sophisticated means.

14           46. In total, defendant's scheme to defraud lenders and  
15 investors involved 10 or more victims who sustained actual pecuniary  
16 harm, and victim losses are at least approximately \$248,703,886.

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28