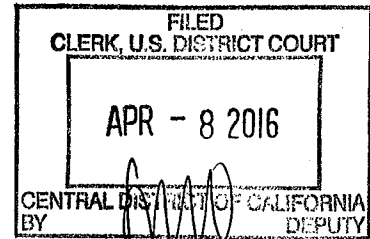


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7 Attorneys for Plaintiff
8 UNITED STATES OF AMERICA

9 UNITED STATES DISTRICT COURT

10 FOR THE CENTRAL DISTRICT OF CALIFORNIA

11 UNITED STATES OF AMERICA,

12 Plaintiff,

13 v.

14 JASON HONG,

15 Defendant.
16

No. CR 16

C R 16-0212

PLEA AGREEMENT FOR DEFENDANT
JASON HONG

17 1. This constitutes the plea agreement between JASON HONG
18 ("defendant") and the Fraud Section of the Criminal Division of the
19 U.S. Department of Justice and United States Attorney's Office for
20 the Central District of California (together, "the government") in
21 the above-captioned case. This agreement is limited to the
22 government, as defined to include only the above two components, and
23 does not bind any other federal, state, local, or foreign
24 prosecuting, enforcement, administrative, or regulatory authorities.

25 DEFENDANT'S OBLIGATIONS

26 2. Defendant agrees to:

27 a) Give up the right to indictment by a grand jury and,
28 at the earliest opportunity requested by the government and provided

1 by the Court, appear and plead guilty to a one-count information in
2 the form attached to this agreement as Exhibit A or a substantially
3 similar form, which charges defendant with conspiracy to commit: (1)
4 wire fraud, in violation of 18 U.S.C. § 1343; and
5 (2) knowingly making false statements for the purpose of
6 influencing, through fictitious short sale offers and other means,
7 the actions of an institution insured by the Federal Deposit
8 Insurance Corporation ("FDIC"), in violation of 18 U.S.C. § 1014,
9 all in violation of 18 U.S.C. § 371.

10 b) Not contest facts agreed to in this agreement.

11 c) Abide by all agreements regarding sentencing
12 contained in this agreement.

13 d) Appear for all court appearances, surrender as
14 ordered for service of sentence, obey all conditions of any bond,
15 and obey any other ongoing court order in this matter.

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

20 f) Be truthful at all times with Pretrial Services, the
21 United States Probation Office, and the Court.

22 g) Pay the applicable special assessment at or before
23 the time of sentencing unless defendant lacks the ability to pay and
24 submits required documentation of that inability to the United
25 States Probation Office.

26 3. Defendant further agrees to cooperate fully concerning
27 this case and any related cases or investigations, with the
28 government, the Federal Bureau of Investigation, the Los Angeles

1 County Sheriff's Department, and, as directed by the government, any
2 other federal, state, local, or foreign prosecuting, enforcement,
3 administrative, or regulatory authority. This cooperation requires
4 defendant to:

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

8 b) Attend all meetings, grand jury sessions, trials or
9 other proceedings at which defendant's presence is requested by the
10 government or compelled by subpoena or court order.

11 c) Produce voluntarily all documents, records, or other
12 tangible evidence relating to matters about which the government, or
13 its designee, inquires.

14 4. For purposes of this agreement: (1) "Cooperation
15 Information" shall mean any statements made, or documents, records,
16 tangible evidence, or other information provided, by defendant
17 pursuant to defendant's cooperation under this agreement; and
18 (2) "Plea Information" shall mean any statements made by defendant,
19 under oath, at the guilty plea hearing and the agreed to factual
20 basis statement in this agreement.

21 THE GOVERNMENT'S OBLIGATIONS

22 5. The government agrees to:

23 a) Not contest facts agreed to in this agreement.

24 b) Abide by all agreements regarding sentencing
25 contained in this agreement.

26 c) At the time of sentencing, provided that defendant
27 demonstrates an acceptance of responsibility for the offense up to
28 and including the time of sentencing, recommend a two-level

1 reduction in the applicable Sentencing Guidelines offense level,
2 pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary, move
3 for an additional one-level reduction if available under that
4 section.

5 6. The government further agrees:

6 a) Not to offer as evidence in its case-in-chief in the
7 above-captioned case or any other criminal prosecution that may be
8 brought against defendant by the government, or in connection with
9 any sentencing proceeding in any criminal case that may be brought
10 against defendant by the government, any Cooperation Information.
11 Defendant agrees, however, that the government may use both
12 Cooperation Information and Plea Information: (1) to obtain and
13 pursue leads to other evidence, which evidence may be used for any
14 purpose, including any criminal prosecution of defendant; (2) to
15 cross-examine defendant should defendant testify, or to rebut any
16 evidence offered, or argument or representation made, by defendant,
17 defendant's counsel, or a witness called by defendant in any trial,
18 sentencing hearing, or other court proceeding; and (3) in any
19 criminal prosecution of defendant for false statement, obstruction
20 of justice, or perjury.

21 b) Not to use Cooperation Information against defendant
22 at sentencing for the purpose of determining the applicable
23 guideline range, including the appropriateness of an upward
24 departure, or the sentence to be imposed, and to recommend to the
25 Court that Cooperation Information not be used in determining the
26 applicable guideline range or the sentence to be imposed. Defendant
27 understands, however, that Cooperation Information will be disclosed
28 to the probation office and the Court, and that the Court may use

1 Cooperation Information for the purposes set forth in U.S.S.G
2 § 1B1.8(b) and for determining the sentence to be imposed.

3 c) In connection with defendant's sentencing, to bring
4 to the Court's attention the nature and extent of defendant's
5 cooperation.

6 d) If the government determines, in its exclusive
7 judgment, that defendant has both complied with defendant's
8 obligations under paragraphs 2 and 3 above and provided substantial
9 assistance to law enforcement in the prosecution or investigation of
10 another ("substantial assistance"), to move the Court pursuant to
11 U.S.S.G. § 5K1.1 to fix an offense level and corresponding guideline
12 range below that otherwise dictated by the sentencing guidelines,
13 and to recommend a sentence within this reduced range.

14 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

15 7. Defendant understands the following:

16 a) Any knowingly false or misleading statement by
17 defendant will subject defendant to prosecution for false statement,
18 obstruction of justice, and perjury and will constitute a breach by
19 defendant of this agreement.

20 b) Nothing in this agreement requires the government or
21 any other prosecuting, enforcement, administrative, or regulatory
22 authority to accept any cooperation or assistance that defendant may
23 offer, or to use it in any particular way.

24 c) Defendant cannot withdraw defendant's guilty plea if
25 the government does not make a motion pursuant to U.S.S.G. § 5K1.1
26 for a reduced guideline range or if the government makes such a
27 motion and the Court does not grant it or if the Court grants such a
28 government motion but elects to sentence above the reduced range.

1 d) At this time the government makes no agreement or
2 representation as to whether any cooperation that defendant has
3 provided or intends to provide constitutes or will constitute
4 substantial assistance. The decision whether defendant has provided
5 substantial assistance will rest solely within the exclusive
6 judgment of the government.

7 e) The government's determination whether defendant has
8 provided substantial assistance will not depend in any way on
9 whether the government prevails at any trial or court hearing in
10 which defendant testifies or in which the government otherwise
11 presents information resulting from defendant's cooperation.

12 NATURE OF THE OFFENSE

13 8. Defendant understands that for defendant to be guilty of
14 the crime charged in the one-count information, that is, conspiracy
15 to violate 18 U.S.C. §§ 1343 and 1014 in violation of 18 U.S.C.
16 § 371, the following must be true: (1) beginning in or about 2010,
17 or earlier, and ending in or about 2014, there was an agreement
18 between two or more persons to commit the crime of wire fraud or the
19 crime of knowingly making a false statement for the purpose of
20 influencing, through short sale offers and other correspondence, the
21 actions of an institution insured by the FDIC; (2) the defendant
22 became a member of the conspiracy knowing of a least one of its
23 objects and intending to help accomplish it; and (3) one of the
24 members of the conspiracy performed one or more overt acts for the
25 purpose of carrying out the conspiracy.

26 Defendant further understands that the elements of wire fraud
27 in violation of 18 U.S.C. § 1343 are: (1) the defendant knowingly
28 participated in a scheme or plan to defraud, or a scheme or plan for

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

10 Defendant further understands that the elements of knowingly
11 making false statements to an FDIC-insured institution in violation
12 of 18 U.S.C. § 1014 are: (1) the defendant made a false statement or
13 report to a federally insured institution, here, a bank; (2) the
14 defendant made the false statement or report to the bank knowing it
15 was false; and (3) the defendant did so for the purpose of
16 influencing in any way the actions of the bank.

17 PENALTIES AND RESTITUTION

18 9. Defendant understands that the statutory maximum sentence
19 that the Court can impose for a violation of 18 U.S.C. § 371 is:
20 five years of imprisonment; a three-year period of supervised
21 release; a fine of \$250,000 or twice the gross gain or gross loss
22 resulting from the offense, whichever is greatest; and a mandatory
23 special assessment of \$100.

24 10. Defendant understands that defendant will be required to
25 pay full restitution to the victims of the offense to which
26 defendant is pleading guilty. Defendant agrees that, in return for
27 the government's compliance with its obligations under this
28 agreement, the Court may order restitution to persons other than the

1 victims of the offense to which defendant is pleading guilty and in
2 amounts greater than those alleged in the count to which defendant
3 is pleading guilty. In particular, defendant agrees that the Court
4 may order restitution to any victim of any of the following for any
5 losses suffered by that victim as a result of any relevant conduct,
6 as defined in U.S.S.G. § 1B1.3, in connection with the offense to
7 which defendant is pleading guilty. The parties currently believe
8 the applicable amount of restitution is approximately
9 \$14,269,339.22, but recognize and agree that this amount could
10 change based on facts that come to the attention of the parties
11 prior to sentencing.

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

21 12. Defendant understands that, by pleading guilty, defendant
22 may be giving up valuable government benefits and valuable civic
23 rights, such as the right to vote, the right to possess a firearm,
24 the right to hold office, and the right to serve on a jury.
25 Defendant understands that once the Court accepts defendant's guilty
26 plea, it will be a federal felony for defendant to possess a firearm
27 or ammunition. Defendant understands that the conviction in this
28 case may also subject defendant to various other collateral

1 consequences, including but not limited to revocation of probation,
2 parole, or supervised release in another case and suspension or
3 revocation of a professional license. Defendant understands that
4 unanticipated collateral consequences will not serve as grounds to
5 withdraw defendant's guilty plea.

6 13. Defendant understands that, if defendant is not a United
7 States citizen, the felony conviction in this case may subject
8 defendant to: removal, also known as deportation, which may, under
9 some circumstances, be mandatory; denial of citizenship; and denial
10 of admission to the United States in the future. The Court cannot,
11 and defendant's attorney also may not be able to, advise defendant
12 fully regarding the immigration consequences of the felony
13 conviction in this case. Defendant understands that unexpected
14 immigration consequences will not serve as grounds to withdraw
15 defendant's guilty plea.

16 FACTUAL BASIS

17 14. Defendant admits that defendant is, in fact, guilty of the
18 offense to which defendant is agreeing to plead guilty. Defendant
19 and the government agree to the statement of facts provided below
20 and agree that this statement of facts is sufficient to support a
21 plea of guilty to the charge described in this agreement and to
22 establish the Sentencing Guidelines factors set forth in paragraph
23 15 below but is not meant to be a complete recitation of all facts
24 relevant to the underlying criminal conduct or all facts known to
25 either party that relate to that conduct.

26 In or around February 2010, defendant began working for
27 Owner Management Service, LLC, d/b/a Trust Holding Service Co.,
28 and affiliated companies (collectively, "the Companies"), with

1 co-conspirators D.M., T.M., Jn.M., and R.G., and others, and
2 shortly thereafter, with co-conspirator Jm.M. D.M. was the
3 Companies' beneficial owner and primary officer. The Companies
4 purported to assist property owners ("distressed borrowers") in
5 short sales where the owners could no longer afford mortgage
6 payments on the properties ("distressed properties"). At the
7 direction of D.M. and other co-conspirators, distressed
8 borrowers transferred distressed properties' titles to trusts
9 established and controlled by the co-conspirators, based on
10 representations by the co-conspirators that they would perform
11 short sales on behalf of the distressed borrowers. Instead of
12 performing short sales, the co-conspirators rented the
13 distressed properties to third-parties, collecting rent and not
14 paying most mortgages on the distressed properties.

15 Defendant worked in the short sale department, primarily
16 under the direction of co-conspirators D.M. and Jn.M. In late
17 2013 and 2014, defendant also managed some of the distressed
18 properties which the co-conspirators had leased to renters.

19 While defendant worked at the Companies, at the direction
20 of D.M., Jn.M., and other co-conspirators, defendant and others
21 engaged in various tactics the Companies and co-conspirators
22 had designed to delay lenders' foreclosure on distressed
23 properties so the co-conspirators could continue collecting
24 rent from these properties. These tactics included, but were
25 not limited to: (1) fabricating short sale offers for
26 distressed properties using stolen and fictitious identities
27 and submitting those offers to lenders, including financial
28 institutions insured by the FDIC; and (2) falsifying financial

1 and tax statements for distressed borrowers, including by
2 forging the signatures of distressed borrowers, and submitting
3 them to lenders, including financial institutions insured by
4 the FDIC.

5 One of the distressed properties for which these tactics
6 were used was located at 13243 Bryson Street in Arleta,
7 California ("Bryson Street Property"). The owner of the Bryson
8 Street Property, J.V., transferred the Bryson Street Property's
9 title to a trust controlled by the co-conspirators. Thereafter,
10 the co-conspirators leased the Bryson Street Property and
11 collected the rent payments. While collecting rent, to delay a
12 lender's foreclosure on the Bryson Street Property, defendant
13 and his co-conspirators created and transmitted through
14 interstate commerce fake short sale offer documents, including
15 by using a stolen identity, S.M.L., as a purported short sale
16 offeror. Similarly, defendant and his co-conspirators
17 fabricated and transmitted through interstate commerce tax
18 returns, authorization forms, and hardship letters for J.V.

19 Substantially all false documents created by defendant and
20 his co-conspirators and submitted to lenders or their
21 servicers, including to financial institutions insured by the
22 FDIC, were transmitted by wire, and specifically, by fax,
23 through interstate commerce. The fraudulent actions of
24 defendant and his co-conspirators exposed FDIC-insured
25 financial institutions to new and increased risk of loss.

26 As a result of the foregoing fraudulent actions by
27 defendant and his co-conspirators, the Companies obtained
28 approximately \$14,269,339.22 from 2010 through 2014.

SENTENCING FACTORS

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

Defendant and the government agree to the following applicable Sentencing Guidelines factors:

Base Offense Level: 6 [U.S.S.G. § 2B1.1(a)(2)]

Specific Offense
Characteristics

Gain between \$9.5m and \$25m: 20 [U.S.S.G. § 2B1.1(b)(1)(K)]

Resulted in substantial
financial hardship
to 25 or more victims: 6 [U.S.S.G. § 2B1.1(b)(2)(C)]

Sophisticated Means: 2 [U.S.S.G. § 2B1.1(b)(10)]

Acceptance of
Responsibility: -3 [U.S.S.G. § 3E1.1]

Total Offense Level: 31

The government will agree to a two-level downward adjustment for acceptance of responsibility (and, if applicable, move for an additional one-level downward adjustment under U.S.S.G. § 3E1.1(b)) only if the conditions set forth in paragraph 5(c) are met. Subject

1 to paragraph 27 below, defendant and the government agree not to
2 seek or argue, either orally or in writing, that any other specific
3 offense characteristics, adjustments, or departures relating to the
4 offense level be imposed. Defendant agrees, however, that if, after
5 signing this agreement but prior to sentencing, defendant were to
6 commit an act, or the government were to discover a previously
7 undiscovered act committed by defendant prior to signing this
8 agreement, which act, in the judgment of the government, constituted
9 obstruction of justice within the meaning of U.S.S.G. § 3C1.1, the
10 government would be free to seek the enhancement set forth in that
11 section.

12 16. Defendant understands that there is no agreement as to
13 defendant's criminal history or criminal history category.

14 17. Defendant and the government reserve the right to argue
15 for a sentence outside the sentencing range established by the
16 Sentencing Guidelines based on the factors set forth in 18 U.S.C.
17 § 3553(a)(1), (a)(2), (a)(3), (a)(6), and (a)(7).

18 WAIVER OF CONSTITUTIONAL RIGHTS

19 18. Defendant understands that by pleading guilty, defendant
20 gives up the following rights:

- 21 a) The right to persist in a plea of not guilty.
22 b) The right to a speedy and public trial by jury.
23 c) The right to be represented by counsel - and if
24 necessary have the Court appoint counsel - at trial. Defendant
25 understands, however, that, defendant retains the right to be
26 represented by counsel - and if necessary have the court appoint
27 counsel - at every other stage of the proceeding.
28

1 d) The right to be presumed innocent and to have the
2 burden of proof placed on the government to prove defendant guilty
3 beyond a reasonable doubt.

4 e) The right to confront and cross-examine witnesses
5 against defendant.

6 f) The right to testify and to present evidence in
7 opposition to the charges, including the right to compel the
8 attendance of witnesses to testify.

9 g) The right not to be compelled to testify, and, if
10 defendant chose not to testify or present evidence, not to have that
11 choice be used against defendant.

12 h) Any and all rights to pursue any affirmative
13 defenses, Fourth Amendment or Fifth Amendment claims, and other
14 pretrial motions that have been filed or could be filed.

15 WAIVER OF APPEAL OF CONVICTION

16 19. Defendant understands that, with the exception of an
17 appeal based on a claim that defendant's guilty plea was
18 involuntary, by pleading guilty defendant is waiving and giving up
19 any right to appeal defendant's conviction on the offense to which
20 defendant is pleading guilty.

21 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

22 20. Defendant agrees that, provided the Court imposes a total
23 term of imprisonment on all counts of conviction of no more than 60
24 months, defendant gives up the right to appeal all of the following:
25 (a) the procedures and calculations used to determine and impose any
26 portion of the sentence; (b) the term of imprisonment imposed by the
27 Court; (c) the fine imposed by the Court, provided it is within the
28 statutory maximum; (d) the amount and terms of any restitution

1 order, provided it requires payment of no more than \$14,269,339.22;
2 (e) the term of probation or supervised release imposed by the
3 Court, provided it is within the statutory maximum; and (f) any of
4 the following conditions of probation or supervised release imposed
5 by the Court: the conditions set forth in General Orders 318, 01-05,
6 and/or 05-02 of this Court; the drug testing conditions mandated by
7 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug use
8 conditions authorized by 18 U.S.C. § 3563(b)(7).

9 21. The government agrees that, provided (a) all portions of
10 the sentence are at or below the statutory maximum specified above
11 and (b) the Court imposes a term of imprisonment of no less than 60
12 months, the government gives up its right to appeal any portion of
13 the sentence, with the exception that the government reserves the
14 right to appeal the amount of restitution ordered if that amount is
15 less than \$14,269,339.22.

16 RESULT OF WITHDRAWAL OF GUILTY PLEA

17 22. Defendant agrees that if, after entering a guilty plea
18 pursuant to this agreement, defendant seeks to withdraw and succeeds
19 in withdrawing defendant's guilty plea on any basis other than a
20 claim and finding that entry into this plea agreement was
21 involuntary, then (a) the government will be relieved of all of its
22 obligations under this agreement, including in particular its
23 obligations regarding the use of Cooperation Information; and (b) in
24 any investigation, criminal prosecution, or civil, administrative,
25 or regulatory action, defendant agrees that any Cooperation
26 Information and any evidence derived from any Cooperation
27 Information shall be admissible against defendant, and defendant
28 will not assert, and hereby waives and gives up, any claim under the

1 United States Constitution, any statute, or any federal rule, that
2 any Cooperation Information or any evidence derived from any
3 Cooperation Information should be suppressed or is inadmissible.

4 EFFECTIVE DATE OF AGREEMENT

5 23. This agreement is effective upon signature and execution
6 of all required certifications by defendant, defendant's counsel,
7 and an attorney for the government.

8 BREACH OF AGREEMENT

9 24. Defendant agrees that if defendant, at any time after the
10 effective date of this agreement, knowingly violates or fails to
11 perform any of defendant's obligations under this agreement ("a
12 breach"), the government may declare this agreement breached. For
13 example, if defendant knowingly, in an interview, before a grand
14 jury, or at trial, falsely accuses another person of criminal
15 conduct or falsely minimizes defendant's own role, or the role of
16 another, in criminal conduct, defendant will have breached this
17 agreement. All of defendant's obligations are material, a single
18 breach of this agreement is sufficient for the government to declare
19 a breach, and defendant shall not be deemed to have cured a breach
20 without the express agreement of the government in writing. If the
21 government declares this agreement breached, and the Court finds
22 such a breach to have occurred, then:

23 a) If defendant has previously entered a guilty plea
24 pursuant to this agreement, defendant will not be able to withdraw
25 the guilty plea.

26 b) The government will be relieved of all its
27 obligations under this agreement; in particular, the government:
28 (i) will no longer be bound by any agreements concerning sentencing

1 and will be free to seek any sentence up to the statutory maximum
2 for the crime to which defendant has pleaded guilty; and (ii) will
3 no longer be bound by any agreement regarding the use of Cooperation
4 Information and will be free to use any Cooperation Information in
5 any way in any investigation, criminal prosecution, or civil,
6 administrative, or regulatory action.

7 c) The government will be free to criminally prosecute
8 defendant for false statement, obstruction of justice, and perjury
9 based on any knowingly false or misleading statement by defendant.

10 d) In any investigation, criminal prosecution, or civil,
11 administrative, or regulatory action: (i) defendant will not assert,
12 and hereby waives and gives up, any claim that any Cooperation
13 Information was obtained in violation of the Fifth Amendment
14 privilege against compelled self-incrimination; and (ii) defendant
15 agrees that any Cooperation Information and any Plea Information, as
16 well as any evidence derived from any Cooperation Information or any
17 Plea Information, shall be admissible against defendant, and
18 defendant will not assert, and hereby waives and gives up, any claim
19 under the United States Constitution, any statute, Rule 410 of the
20 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
21 Criminal Procedure, or any other federal rule, that any Cooperation
22 Information, any Plea Information, or any evidence derived from any
23 Cooperation Information or any Plea Information should be suppressed
24 or is inadmissible.

25 COURT AND PROBATION OFFICE NOT PARTIES

26 25. Defendant understands that the Court and the United States
27 Probation Office are not parties to this agreement and need not
28

1 accept any of the government's sentencing recommendations or the
2 parties' agreements to facts or sentencing factors.

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

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

NO ADDITIONAL AGREEMENTS

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

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

AGREED AND ACCEPTED

ANDREW WEISSMANN

Chief

U.S. Department of Justice

Criminal Division, Fraud Section

BENJAMIN SINGER

Deputy Chief

U.S. Department of Justice

Criminal Division, Fraud Section

NIALL M. O'DONNELL

CASEY O'NEILL

Trial Attorneys

U.S. Department of Justice

Criminal Division, Fraud Section

JASON HONG

Defendant

AMY FAN

Attorney for Defendant JASON HONG

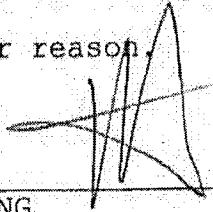
3/30/16
Date

02-30-2016
Date

3/30/2016
Date

CERTIFICATION OF DEFENDANT

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

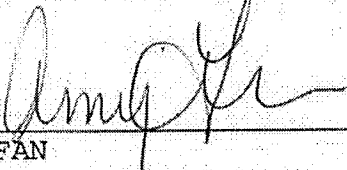

 JASON HONG
 Defendant

03-30-2016
 Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am JASON HONG's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set

1 forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
2 provisions, and of the consequences of entering into this agreement.
3 To my knowledge: no promises, inducements, or representations of any
4 kind have been made to my client other than those contained in this
5 agreement; no one has threatened or forced my client in any way to
6 enter into this agreement; my client's decision to enter into this
7 agreement is an informed and voluntary one; and the factual basis
8 set forth in this agreement is sufficient to support my client's
9 entry of a guilty plea pursuant to this agreement.

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12 AMY FAN

13 Attorney for Defendant JASON HONG
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3/30/2016.
Date

EXHIBIT A

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

No. CR

Plaintiff,

v.

I N F O R M A T I O N

JASON HONG,

[18 U.S.C. § 371: Conspiracy]

Defendant.

The United States charges:

[18 U.S.C. § 371]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

1. Defendant JASON HONG ("defendant") was a resident of Los Angeles County, California. From in or around February 2010 to in or around June 2015, defendant was employed by Owner Management Service, LLC, d/b/a Trust Holding Service Co. and affiliated companies (collectively, "the Companies"), located at 20960 Knapp Street, Chatsworth, California.

1 2. Defendant's co-conspirators included the following
2 and others known and unknown to the United States:

3 a. Co-conspirator D.M., a resident of Los Angeles
4 County, within the Central District of California, was a
5 beneficial owner and officer of the Companies.

6 b. Co-conspirator T.M., a resident of Los Angeles
7 County, within the Central District of California, was a
8 beneficial owner, officer, and primary finance manager for the
9 Companies.

10 c. Co-conspirator Jn.M., a resident of Los Angeles
11 County, within the Central District of California, was an
12 officer and the head of the short sale department for the
13 Companies.

14 d. Co-conspirator Jm.M., a resident of Los Angeles
15 County, within the Central District of California, was an
16 officer and a primary property manager, among other roles, for
17 the Companies.

18 e. Co-conspirator R.G., a resident of Los Angeles
19 County, within the Central District of California, was a manager
20 for the Companies.

21 3. Wells Fargo was a federally chartered financial
22 institution, the deposits of which were insured by the Federal
23 Deposit Insurance Corporation ("FDIC"). Wells Fargo was a
24 "financial institution" as defined in 18 U.S.C. § 20. Wells
25 Fargo funded mortgage loans for properties in the Central
26 District of California and elsewhere.

1 B. THE OBJECTS OF THE CONSPIRACY

2 4. From in or about 2010 through in or about 2014, the
3 exact dates being unknown to the United States, in Los Angeles
4 County, within the Central District of California, and
5 elsewhere, defendant JASON HONG, and others known and unknown to
6 the United States, knowingly and willfully combined, conspired,
7 and agreed to commit the following offenses against the United
8 States: (1) wire fraud, that is, with intent to defraud, to
9 devise and intend to devise a scheme and artifice to defraud,
10 and to obtain money and property by means of materially false
11 and fraudulent pretenses, representations, and promises, and for
12 the purpose of executing the scheme to transmit and cause to be
13 transmitted certain wire communications in interstate and
14 foreign commerce, in violation of 18 U.S.C. § 1343, and (2)
15 knowingly making false statements for the purpose of influencing
16 the actions of an institution the accounts of which are insured
17 by the FDIC, in violation of 18 U.S.C. § 1014.

18 C. THE MANNER AND MEANS OF THE CONSPIRACY

19 5. The objects of the conspiracy were carried out, and
20 were to be carried out, in substance, as follows:

21 a. Co-conspirators D.M. and others would identify
22 borrowers whose properties were nearing foreclosure
23 (hereinafter, "distressed borrowers" and "distressed
24 properties").

25 b. Co-conspirators D.M. and others would convince
26 distressed borrowers to transfer title for the distressed
27 properties to trusts controlled by the co-conspirators, based on
28

1 the representation by the co-conspirators that they would
2 perform a short sale on behalf of the distressed borrowers.

3 c. Instead of performing short sales as represented,
4 co-conspirators D.M. and others rented the distressed properties
5 to third parties, collecting rent and not paying the mortgages
6 on the distressed properties.

7 d. At the direction of D.M., Jn.M., and other co-
8 conspirators, defendant HONG and other co-conspirators engaged
9 in various tactics designed to delay foreclosure on the
10 distressed properties so the co-conspirators could continue the
11 collection of rent from those properties. These tactics
12 included: (1) fabricating short sale offers for distressed
13 properties using stolen and fictitious identities and submitting
14 those offers to lenders, including financial institutions
15 insured by the FDIC; (2) falsifying financial and tax statements
16 for distressed borrowers, including by forging the signatures of
17 distressed borrowers, and submitting them, in most instances by
18 wire, that is, facsimile communication, through interstate
19 commerce, to lenders including financial institutions insured by
20 the FDIC; and (3) filing bankruptcy petitions for distressed
21 borrowers without their knowledge, including by forging the
22 signatures of distressed borrowers on the petitions. As a result
23 of those tactics, the lenders, including financial institutions
24 insured by the FDIC, were exposed to new and increased risk of
25 loss.

26 e. The co-conspirators would cause payments to be
27 made to themselves from the proceeds of the scheme, including
28 rental income from the distressed properties.

1 f. One distressed property was located at 13243
2 Bryson Street, Arleta, California ("Bryson Street Property"), in
3 the Central District of California. Wells Fargo was the lender
4 for the Bryson Street Property.

5 D. OVERT ACTS

6 6. In furtherance of the conspiracy, and to carry out
7 its objects, the following overt acts, among others, were
8 committed by members of the conspiracy within the Central
9 District of California and elsewhere:

10 a. On or about February 5, 2010, a member of the
11 conspiracy filed a fabricated bankruptcy petition, including a
12 forged signature, for distressed borrower J.V., the owner of the
13 Bryson Street Property.

14 b. On or about April 9, 2010, a member of the
15 conspiracy filed a second fabricated bankruptcy petition,
16 including a forged signature, for distressed borrower J.V.

17 c. On or about July 21, 2010, defendant HONG
18 fabricated an Explanation Letter, including a forged signature,
19 containing false information related to the employment income of
20 distressed borrower J.V.

21 d. On or about August 24, 2010, a member of the
22 conspiracy filed a third fabricated bankruptcy petition,
23 including a forged signature, for distressed borrower J.V.

24 e. On or about October 4, 2010, a member of the
25 conspiracy filed a fourth fabricated bankruptcy petition,
26 including a forged signature, for distressed borrower J.V.

27 f. On or about January 6, 2011, co-conspirator Jn.M.
28 fabricated a Financial Worksheet for distressed borrower J.V.,

1 including a forged signature, containing false information
2 related to the Bryson Street Property.

3 g. On or about June 6, 2011, defendant HONG and his
4 co-conspirators falsified a loan pre-approval letter for fake
5 short sale buyer S.M.L. for the Bryson Street Property.

6 h. On or about June 22, 2011, defendant HONG and his
7 co-conspirators falsified a Short Sale Addendum, which reflected
8 a fictitious short sale offer by S.M.L. for the Bryson Street
9 Property, which included forged signatures of S.M.L. and J.V.

10 i. On or about April 3, 2014, defendant HONG
11 fabricated a Loan Modification Form for distressed borrower
12 J.V., including a forged signature, containing false information
13 related to the Bryson Street Property.

14 j. On or about April 24, 2014, defendant HONG, at
15 the direction of co-conspirator D.M., emailed distressed
16 borrower J.V. requesting new financial information, including
17 recent pay stubs and copies of tax returns.

18 k. On or about August 29, 2014, a member of the
19 conspiracy filed a fifth fabricated bankruptcy petition,
20 including a forged signature, for distressed borrower J.V.

1 1. On or about November 6, 2014, a member of the
2 conspiracy filed a sixth fabricated bankruptcy petition,
3 including a forged signature, for distressed borrower J.V.
4

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7 U.S. Department of Justice
8 Criminal Division, Fraud Section

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