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9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT

11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 ADAM LEVIN,

16 Defendant.

No. 2:24-cr-754-SVW

PLEA AGREEMENT FOR DEFENDANT
ADAM LEVIN

17
18 1. This constitutes the plea agreement between Adam Levin
19 ("defendant") and the United States Attorney's Office for the Central
20 District of California (the "USAO") in the investigation into
21 defendant's entry into and participation in a conspiracy by which
22 defendant would pay undisclosed compensation for the promotion of an
23 offering of securities of a company for which defendant served as
24 founder and chairperson. This agreement is limited to the USAO and
25 cannot bind any other federal, state, local, or foreign prosecuting,
26 enforcement, administrative, or regulatory authorities.

27 DEFENDANT'S OBLIGATIONS

28 2. Defendant agrees to:

1 a. Give up the right to indictment by a grand jury and,
2 at the earliest opportunity requested by the USAO and provided by the
3 Court, appear and plead guilty to the sole count of the information
4 in the form attached to this agreement as Exhibit A or a
5 substantially similar form, which charges defendant with a conspiracy
6 to violate 15 U.S.C. §§ 77q(b), 77x in violation of 18 U.S.C. § 371.

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

8 c. Abide by all agreements regarding sentencing contained
9 in this agreement.

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

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

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

19 g. Pay the applicable special assessment at or before the
20 time of sentencing unless defendant has demonstrated a lack of
21 ability to pay such assessments.

22 h. Complete the Financial Disclosure Statement on a form
23 provided by the USAO and, within 30 days of defendant's entry of a
24 guilty plea, deliver the signed and dated statement, along with all
25 of the documents requested therein, to the USAO by email at
26 usacac.FinLit@usdoj.gov. Defendant agrees that defendant's ability
27 to pay criminal debt shall be assessed based on the completed
28

1 Financial Disclosure Statement and all required supporting documents,
2 as well as other relevant information relating to ability to pay.

3 i. Authorize the USAO to obtain a credit report upon
4 returning a signed copy of this plea agreement.

5 j. Consent to the USAO inspecting and copying all of
6 defendant's financial documents and financial information held by the
7 United States Probation and Pretrial Services Office.

8 THE USAO'S OBLIGATIONS

9 3. The USAO agrees to:

10 a. Not contest facts agreed to in this agreement.

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

13 c. At the time of sentencing, provided that defendant
14 demonstrates an acceptance of responsibility for the offense up to
15 and including the time of sentencing, recommend a two-level reduction
16 in the applicable Sentencing Guidelines offense level, pursuant to
17 USSG § 3E1.1, and recommend and, if necessary, move for an additional
18 one-level reduction if available under that section.

19 d. Recommend that defendant be sentenced to a term of
20 imprisonment no higher than the low end of the applicable Sentencing
21 Guidelines range, provided that the offense level used by the Court
22 to determine that range is 17 or higher. For purposes of this
23 agreement, the low end of the Sentencing Guidelines range is that
24 defined by the Sentencing Table in USSG Chapter 5, Part A.

25 e. Except for criminal tax violations (including
26 conspiracy to commit such violations chargeable under 18 U.S.C.
27 § 371), not further criminally prosecute defendant for violations of
28 18 U.S.C. §§ 1341, 1343, 1348, 1956, or 1957 arising out of

1 defendant's conduct described in the agreed-to factual basis set
2 forth in paragraph 10, below. Defendant understands that the USAO is
3 free to criminally prosecute defendant for any other unlawful past
4 conduct or any unlawful conduct that occurs after the date of this
5 agreement. Defendant agrees that at the time of sentencing the Court
6 may consider the uncharged conduct in determining the applicable
7 Sentencing Guidelines range, the propriety and extent of any
8 departure from that range, and the sentence to be imposed after
9 consideration of the Sentencing Guidelines and all other relevant
10 factors under 18 U.S.C. § 3553(a).

11 NATURE OF THE OFFENSE

12 4. Defendant understands that for defendant to be guilty of
13 the crime charged, that is, conspiracy to tout securities for
14 undisclosed compensation, in violation of 18 U.S.C. § 371, the
15 following must be true:

16 a. There was an agreement between two or more persons
17 willfully to violate 15 U.S.C. § 77q(b), that is, to describe a
18 security offered for sale without disclosing the receipt of
19 compensation from the issuer of that security;

20 b. Defendant became a member of that conspiracy knowing
21 of its object and intending to help accomplish it; and

22 c. One of the members of the conspiracy performed at
23 least one overt act for the purpose of carrying it out.

24 The elements of the underlying crime that was the object of the
25 conspiracy, that is, 15 U.S.C. §§ 77q(b), 77x, are as follows:

26 a. Description of a security in any communication or
27 publication;

1 b. Use of the means or instruments of transportation or
2 communication in interstate commerce or the mails to describe such
3 security;

4 c. Receipt of consideration directly or indirectly for
5 describing such security;

6 d. Willful failure to disclose fully the receipt and
7 amount of any consideration.

8 PENALTIES AND RESTITUTION

9 5. Defendant understands that the statutory maximum sentence
10 that the Court can impose for a violation of 18 U.S.C. § 371 is: 5
11 years of imprisonment; a 3-year period of supervised release; a fine
12 of \$250,000 or twice the gross gain or gross loss resulting from the
13 offense, whichever is greatest; and a mandatory special assessment of
14 \$100.

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

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

10 8. Defendant understands that, by pleading guilty, defendant
11 may be giving up valuable government benefits and valuable civic
12 rights, such as the right to vote, the right to possess a firearm,
13 the right to hold office, and the right to serve on a jury.
14 Defendant understands that he is pleading guilty to a felony and that
15 it is a federal crime for a convicted felon to possess a firearm or
16 ammunition. Defendant understands that the conviction in this case
17 may also subject defendant to various other collateral consequences,
18 including but not limited to revocation of probation, parole, or
19 supervised release in another case and suspension or revocation of a
20 professional license. Defendant understands that unanticipated
21 collateral consequences will not serve as grounds to withdraw
22 defendant's guilty plea.

23 9. Defendant understands that, if defendant is not a United
24 States citizen, the felony conviction in this case may subject
25 defendant to: removal, also known as deportation, which may, under
26 some circumstances, be mandatory; denial of citizenship; and denial
27 of admission to the United States in the future. The Court cannot,
28 and defendant's attorney also may not be able to, advise defendant

1 fully regarding the immigration consequences of the felony conviction
2 in this case. Defendant understands that unexpected immigration
3 consequences will not serve as grounds to withdraw defendant's guilty
4 plea.

5 FACTUAL BASIS

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

15 Beginning no later than in or about February 2020, and
16 continuing through at least in or about August 2021, in Los Angeles
17 County, within the Central District of California, and elsewhere,
18 defendant, along with coconspirators Jonathan William Mikula (aka
19 "William Mikula,"), Christian Fernandez (aka "Christian Crockwell"),
20 Amit Raj Beri (aka "Raj Beri"), D.L., S.B., and others, conspired
21 knowingly and willfully by the use of the means and instruments of
22 transportation and communication in interstate commerce to publish
23 articles, letters, investment services, and communications which,
24 though not purporting to offer securities for sale, described such
25 securities for a consideration received and to be received, directly
26 and indirectly, from issuers without fully disclosing the receipt,
27 whether past or prospective, of such consideration and the amount
28

1 thereof, in violation of Title 15, United States Code, Sections
2 77q(b) and 77x.

3 Defendant was a resident of Los Angeles and the founder and
4 Chairman of the Board of Hightimes Holding Corporation ("Hightimes"),
5 a Delaware corporation with a principal place of business in Los
6 Angeles. Hightimes owned and operated High Times, a magazine and
7 brand devoted to cannabis. Hightimes was qualified by the United
8 States Securities and Exchange Commission ("SEC") to conduct a
9 securities offering under Regulation A from March 2018 until June
10 2020, though it actually offered securities under Regulation A
11 through December 2022.

12 Palm Beach Venture was a publisher of promotional pieces for
13 offerings of securities, including securities traded "over-the-
14 counter" ("OTC"), i.e., lower-priced, illiquid securities traded not
15 on public exchanges but instead through "market makers," as well as
16 unregistered securities offered pursuant to Regulation A of the
17 Securities Act of 1933 ("Regulation A"), which permits the offering
18 and sale of certain securities to the public under more limited
19 disclosure requirements than would traditionally be required for
20 publicly reporting companies.

21 Pursuant to Section 17(b) of the Securities Act of 1933 (15
22 U.S.C. § 77q(b)), those who receive consideration directly or
23 indirectly from an issuer for publishing, giving publicity to, or
24 circulating any advertisement or communication that describes the
25 issuer's security offered for sale are required to fully disclose the
26 consideration received.

27 Subscribers to Palm Beach Venture made up a significant
28 percentage of funds raised through offerings promoted and touted

1 through Palm Beach Venture, and defendant and his coconspirators knew
2 and understood that placement in Palm Beach Venture provided issuers
3 with a valuable avenue of exposure to potential investors.

4 Palm Beach Venture promoted Hightimes between in or around April
5 2020 and in or around August 2021. During the promotion period,
6 Hightimes raised approximately \$20 million from more than ten
7 investor-victims, with at least \$6 million in investment proceeds
8 associated with Palm Beach Venture's promotion.

9 Knowing that placement within and promotion by Palm Beach
10 Venture permitted issuers to reach additional investors and raise
11 additional funds, defendant conspired with Mikula, Fernandez, Beri,
12 and D.L. to pay \$150,000 in undisclosed compensation to those
13 coconspirators so that Mikula would cause Hightimes to be promoted in
14 Palm Beach Venture. For the same reason, and to achieve the same
15 ends, defendant paid for tens of thousands of dollars of
16 entertainment expenses (in the form of boat rentals, food and
17 alcohol, and other sundry services) lavished upon Mikula, Fernandez,
18 Beri, and others.

19 Coconspirator D.L. was an attorney and resident of Ontario,
20 Canada, who created and administered a sham entity, 2749960 Ontario
21 LTD, whose purpose was to conduct international financial
22 transactions by which it received the criminal proceeds of the
23 conspiracy in Canada.

24 Coconspirator Beri was a resident of West Hollywood, California,
25 and Florida, and was Chief Executive Officer ("CEO") of a Delaware
26 corporation with a principal place of business in Beverly Hills,
27 California.

1 Coconspirator S.B. was a resident of Truckee, California, and
2 the founder and CEO of a Delaware corporation doing business, in
3 Miami, Florida, San Mateo, California, and elsewhere (the "Miami
4 Issuer"). In exchange for undisclosed compensation willfully
5 arranged by coconspirator S.B., Palm Beach Venture promoted the Miami
6 Issuer.

7 To conceal the nature of the conspiracy and promote its object,
8 defendant also employed sophisticated means, including by entering
9 into a sham "Marketing Agreement" with coconspirator D.L. and routing
10 defendant's undisclosed payments through a Canadian bank account and
11 to a Canadian shell corporation.

12 On or around the dates set forth below, in furtherance of the
13 conspiracy, and to accomplish its object, defendant, together with
14 coconspirators Mikula, Fernandez, Beri, D.L., S.B., and others,
15 committed and willfully caused others to commit, the following overt
16 acts, among others, within the Central District of California and
17 elsewhere:

- 18 • On April 3, 2020, defendant and coconspirator D.L. entered
19 into a "Marketing Agreement" by which "2749960 Ontario
20 Ltd." purported to agree to provide "marketing services to
21 Hightimes Holding Corp."
- 22 • On April 6, 2020, in consideration for the funds defendant
23 had committed to send, coconspirator Mikula caused Palm
24 Beach Venture to promote Hightimes's Regulation A offering,
25 which promotion included the materially false
26 representation that "Neither the Palm Beach Research Group
27 nor its affiliates receive compensation for bringing this
28 deal to you."

- 1 • On August 30, 2020, in a text message, coconspirator
2 Fernandez informed defendant of "another push" for
3 Hightimes in Palm Beach Venture, with "September 7th" as
4 the targeted date, to which defendant responded, "Yesss."
- 5 • On August 31, 2020, in response to coconspirator
6 Fernandez's request that defendant wire funds in
7 consideration for the upcoming promotion of Hightimes,
8 defendant text-messed a screenshot of a bank confirmation
9 for an international bank wire of \$100,000 from an account
10 controlled by defendant in the United States to a bank in
11 Ontario, Canada.
- 12 • On September 2, 2020, in a text message, coconspirator
13 Fernandez wrote to defendant, "Amigo you owe \$150 not \$100
14 Porfavor It's almost 7th."
- 15 • On September 3, 2020, after additional text messages
16 between defendant and coconspirator Fernandez about whether
17 defendant's wire for \$100,000 into an account in Ontario,
18 Canada, had cleared, defendant sent coconspirator Fernandez
19 an additional text-message verification of that bank wire,
20 to which coconspirator Fernandez responded, "Once is clear
21 I will tell them the green light for Hightimes push."
- 22 • On September 3, 2020, in consideration for Palm Beach
23 Venture's promotion of Hightimes, defendant caused
24 Hightimes to wire \$100,000 to 2749960 Ontario Ltd.
- 25 • On September 22, 2020, in a text message exchange,
26 coconspirator Fernandez told defendant, "We are writing
27 about cannabis this week an update and we want HT to be
28 part of this as recommended for the readers. Once [your

1 payment] clears I'll let you know," to which defendant
2 responded, "K," and then, after coconspirator Fernandez
3 confirmed "funds seem reflected," defendant responded,
4 "Yessss."

- 5 • On September 22, 2020, defendant caused Hightimes to wire
6 \$25,000 to 2749960 Ontario Ltd. in furtherance of the
7 criminal conspiracy and in consideration for Palm Beach
8 Venture's promotion of Hightimes.
- 9 • On September 23, 2020, coconspirator Mikula caused Palm
10 Beach Venture to promote the Hightimes's Regulation A
11 offering, which promotion included the materially false
12 representation that "Neither the Palm Beach Research Group
13 nor its affiliates receive compensation for bringing this
14 deal to you."
- 15 • On October 16, 2020, in consideration for Palm Beach
16 Venture's promotion of Hightimes, defendant LEVIN caused
17 Hightimes to wire \$25,000 to 2749960 Ontario Ltd.

18 Defendant also provided false testimony to the SEC in connection
19 with its civil-enforcement investigation into the same conduct to
20 which defendant is agreeing to plead guilty. Specifically, defendant
21 willfully provided knowingly and materially false testimony to the
22 SEC concerning his understanding the nature and purposes of the
23 agreements he entered into with his conconspirators as well as the
24 purpose for the undisclosed compensation he provided to them. For
25 example, when asked, "was [it] a pay to play arrangement," defendant
26 testified, willfully and materially falsely, "I actually never, you
27 know, understood that there was a pay to play arrangement." And when
28 asked whether defendant understood that "some of that 5% . . . might

go back to Mr. Mikula," defendant testified, willfully and materially falsely, "None at all. None at all. Just the opposite, actually."

SENTENCING FACTORS

11. 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 crimes of conviction.

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

Base Offense Level:	6	USSG § 2B1.1(a)(2)
Specific Offense Characteristics:		
Gain More than \$150,000	+10	USSG § 2B1.1(b)(1)(F)
Offense Involved $\geq$ 10 Victims	+2	USSG § 2B1.1(b)(2)(A)(i)
Sophisticated Means	+2	USSG § 2B1.1(b)(10)(C)
Adjustment:		
Obstructing and Impeding the Administration of Justice	+2	USSG § 3C1.1

Defendant and the USAO reserve the right to argue that additional specific offense characteristics, adjustments, and departures under the Sentencing Guidelines are appropriate.

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

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

7 WAIVER OF CONSTITUTIONAL RIGHTS

8 15. Defendant understands that by pleading guilty, defendant
9 gives up the following rights:

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

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

12 c. The right to be represented by counsel -- and if
13 necessary have the Court appoint counsel -- at trial. Defendant
14 understands, however, that, defendant retains the right to be
15 represented by counsel -- and if necessary have the Court appoint
16 counsel -- at every other stage of the proceeding.

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

20 e. The right to confront and cross-examine witnesses
21 against defendant.

22 f. The right to testify and to present evidence in
23 opposition to the charges, including the right to compel the
24 attendance of witnesses to testify.

25 g. The right not to be compelled to testify, and, if
26 defendant chose not to testify or present evidence, to have that
27 choice not be used against defendant.

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 16. Defendant understands that, with the exception of an appeal
6 based on a claim that defendant's guilty plea was involuntary, by
7 pleading guilty defendant is waiving and giving up any right to
8 appeal defendant's conviction on the offense to which defendant is
9 pleading guilty. Defendant understands that this waiver includes,
10 but is not limited to, arguments that the statute to which defendant
11 is pleading guilty is unconstitutional, and any and all claims that
12 the statement of facts provided herein is insufficient to support
13 defendant's plea of guilty.

14 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

15 17. Defendant agrees that, provided the Court imposes a total
16 term of imprisonment on all counts of conviction of no more than 30
17 months, defendant gives up the right to appeal all of the following:
18 (a) the procedures and calculations used to determine and impose any
19 portion of the sentence; (b) the term of imprisonment imposed by the
20 Court; (c) the fine imposed by the Court, provided it is within the
21 statutory maximum; (d) to the extent permitted by law, the
22 constitutionality or legality of defendant's sentence, provided it is
23 within the statutory maximum; (e) the amount and terms of any
24 restitution order, provided it requires payment of no more than \$6
25 million; (f) the term of probation or supervised release imposed by
26 the Court, provided it is within the statutory maximum; and (g) any
27 of the following conditions of probation or supervised release
28 imposed by the Court: the conditions set forth in Second Amended

1 General Order 20-04 of this Court; the drug testing conditions
2 mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and
3 drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

4 18. The USAO agrees that, provided (a) all portions of the
5 sentence are at or below the statutory maximum specified above and
6 (b) the Court imposes a term of imprisonment of no less than 13
7 months the USAO gives up its right to appeal any portion of the
8 sentence.

9 RESULT OF WITHDRAWAL OF GUILTY PLEA

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

25 RESULT OF VACATUR, REVERSAL, OR SET-ASIDE

26 20. Defendant agrees that if the count of conviction is
27 vacated, reversed, or set aside, both the USAO and defendant will be
28 released from all their obligations under this agreement.

1 EFFECTIVE DATE OF AGREEMENT

2 21. This agreement is effective upon signature and execution of
3 all required certifications by defendant, defendant's counsel, and an
4 Assistant United States Attorney.

5 BREACH OF AGREEMENT

6 22. Defendant agrees that if defendant, at any time after the
7 Effective Date of this agreement, knowingly violates or fails to
8 perform any of defendant's obligations under this agreement ("a
9 breach"), the USAO may declare this agreement breached. All of
10 defendant's obligations are material, a single breach of this
11 agreement is sufficient for the USAO to declare a breach, and
12 defendant shall not be deemed to have cured a breach without the
13 express agreement of the USAO in writing. If the USAO declares this
14 agreement breached, and the Court finds such a breach to have
15 occurred, then: (a) if defendant has previously entered a guilty plea
16 pursuant to this agreement, defendant will not be able to withdraw
17 the guilty plea, and (b) the USAO will be relieved of all its
18 obligations under this agreement.

19 23. Following the Court's finding of a knowing breach of this
20 agreement by defendant, should the USAO choose to pursue any charge
21 or any civil, administrative, or regulatory action that was either
22 dismissed or not filed as a result of this agreement, then:

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

26 b. Defendant waives and gives up all defenses based on
27 the statute of limitations, any claim of pre-indictment delay, or any
28 speedy trial claim with respect to any such action, except to the

1 extent that such defenses existed as of the date of defendant's
2 signing this agreement.

3 c. Defendant agrees that: (i) any statements made by
4 defendant, under oath, at the guilty plea hearing (if such a hearing
5 occurred prior to the breach); (ii) the agreed to factual basis
6 statement in this agreement; and (iii) any evidence derived from such
7 statements, shall be admissible against defendant in any such action
8 against defendant, and defendant waives and gives up any claim under
9 the United States Constitution, any statute, Rule 410 of the Federal
10 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal
11 Procedure, or any other federal rule, that the statements or any
12 evidence derived from the statements should be suppressed or are
13 inadmissible.

14 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

15 OFFICE NOT PARTIES

16 24. Defendant understands that the Court and the United States
17 Probation and Pretrial Services Office are not parties to this
18 agreement and need not accept any of the USAO's sentencing
19 recommendations or the parties' agreements to facts or sentencing
20 factors.

21 25. Defendant understands that both defendant and the USAO are
22 free to: (a) supplement the facts by supplying relevant information
23 to the United States Probation and Pretrial Services Office and the
24 Court, (b) correct any and all factual misstatements relating to the
25 Court's Sentencing Guidelines calculations and determination of
26 sentence, and (c) argue on appeal and collateral review that the
27 Court's Sentencing Guidelines calculations and the sentence it
28 chooses to impose are not error, although each party agrees to

1 maintain its view that the calculations in paragraph 12 are
2 consistent with the facts of this case. While this paragraph permits
3 both the USAO and defendant to submit full and complete factual
4 information to the United States Probation and Pretrial Services
5 Office and the Court, even if that factual information may be viewed
6 as inconsistent with the facts agreed to in this agreement, this
7 paragraph does not affect defendant's and the USAO's obligations not
8 to contest the facts agreed to in this agreement.

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

19 NO ADDITIONAL AGREEMENTS

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

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

AGREED AND ACCEPTED

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

E. MARTIN ESTRADA
United States Attorney

APS

December 16, 2022

ADAM P. SCHLEIFER
Assistant United States Attorney

Date

ADAM LEVN
Defendant

Date

ROBERT E. DUGDALE
Attorney for Defendant ADAM LEVIN

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

1 contained in this agreement. No one has threatened or forced me in
2 any way to enter into this agreement. I am satisfied with the
3 representation of my attorney in this matter, and I am pleading
4 guilty because I am guilty of the charge and wish to take advantage
5 of the promises set forth in this agreement, and not for any other
6 reason.

7
8 _____
ADAM LEVIN
Defendant

Date

9
10 CERTIFICATION OF DEFENDANT'S ATTORNEY

11 I am Adam Levin's attorney. I have carefully and thoroughly
12 discussed every part of this agreement with my client. Further, I
13 have fully advised my client of his rights, of possible pretrial
14 motions that might be filed, of possible defenses that might be
15 asserted either prior to or at trial, of the sentencing factors set
16 forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
17 provisions, and of the consequences of entering into this agreement.
18 To my knowledge: no promises, inducements, or representations of any
19 kind have been made to my client other than those contained in this
20 agreement; no one has threatened or forced my client in any way to
21 enter into this agreement; my client's decision to enter into this
22 agreement is an informed and voluntary one; and the factual basis set
23 forth in this agreement is sufficient to support my client's entry of
24 a guilty plea pursuant to this agreement.

25
26 _____
ROBERT E. DUGDALE
Attorney for Defendant Adam Levin

Date

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

AGREED AND ACCEPTED

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

E. MARTIN ESTRADA
United States Attorney

ADAM P. SCHLEIFER
Assistant United States Attorney

Date

ADAM LEVIN
Defendant

12/16/2024

Date

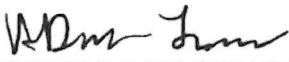
ROBERT E. DUGDALE
Attorney for Defendant ADAM LEVIN

12/16/24
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

1 contained in this agreement. No one has threatened or forced me in
 2 any way to enter into this agreement. I am satisfied with the
 3 representation of my attorney in this matter, and I am pleading
 4 guilty because I am guilty of the charge and wish to take advantage
 5 of the promises set forth in this agreement, and not for any other
 6 reason.

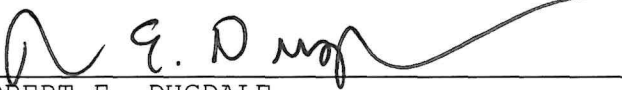
7 
 8 ADAM LEVIN
 Defendant

12/16/2024

Date

10 CERTIFICATION OF DEFENDANT'S ATTORNEY

11 I am Adam Levin's attorney. I have carefully and thoroughly
 12 discussed every part of this agreement with my client. Further, I
 13 have fully advised my client of his rights, of possible pretrial
 14 motions that might be filed, of possible defenses that might be
 15 asserted either prior to or at trial, of the sentencing factors set
 16 forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
 17 provisions, and of the consequences of entering into this agreement.
 18 To my knowledge: no promises, inducements, or representations of any
 19 kind have been made to my client other than those contained in this
 20 agreement; no one has threatened or forced my client in any way to
 21 enter into this agreement; my client's decision to enter into this
 22 agreement is an informed and voluntary one; and the factual basis set
 23 forth in this agreement is sufficient to support my client's entry of
 24 a guilty plea pursuant to this agreement.

25 
 26 ROBERT E. DUGDALE
 Attorney for Defendant Adam Levin

12/16/24
 Date

EXHIBIT A

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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

ADAM LEVIN,

Defendant.

No. CR

I N F O R M A T I O N

[18 U.S.C. § 371: Conspiracy to
Tout Securities for Undisclosed
Compensation]

The United States Attorney charges:

[18 U.S.C. § 371]

A. INTRODUCTORY ALLEGATIONS

1. At times relevant to this Information:

Background

a. Palm Beach Venture was a subscription investment newsletter operating in Florida, Georgia, and elsewhere. Palm Beach Venture had subscribers located throughout the United States, including in Los Angeles County, and communicated with those subscribers through interstate wire communications.

1 b. Palm Beach Venture published promotional pieces for
2 offerings of securities, including securities traded "over-the-
3 counter" ("OTC"), i.e., lower-priced, illiquid securities traded not
4 on public exchanges but instead through "market makers," as well as
5 unregistered securities offered pursuant to Regulation A of the
6 Securities Act of 1933 ("Regulation A"), which permitted the offering
7 and sale of certain securities to the public under more limited
8 disclosure requirements than would traditionally be required for
9 publicly reporting companies.

10 c. Pursuant to Section 17(b) of the Securities Act of
11 1933 (15 U.S.C. § 77q(b)), those who received consideration directly
12 or indirectly from an issuer for publishing, giving publicity to, or
13 circulating any advertisement or communication that describes the
14 issuer's security offered for sale were required fully to disclose
15 the consideration received.

16 d. Subscribers to Palm Beach Venture made up a
17 significant percentage of funds raised through offerings described
18 and promoted by Palm Beach Venture.

19 Defendant, Conspirators, and Relevant Entities

20 e. Defendant ADAM LEVIN was a resident of Los Angeles and
21 the founder and Chairman of the Board of Hightimes Holding
22 Corporation ("Hightimes"), a Delaware corporation with a principal
23 place of business in Los Angeles.

24 f. Hightimes owned and operated High Times, a media
25 company and brand devoted to cannabis and related topics.

26 g. Hightimes was qualified by the United States
27 Securities and Exchange Commission ("SEC") to conduct a securities
28 offering under Regulation A from March 2018 until June 2020, though

1 it actually offered securities under Regulation A through December
2 2022.

3 h. Hightimes raised approximately \$36,000,000 through its
4 Regulation offering.

5 i. Coconspirator Jonathan William Mikula, also known as
6 ("aka") "William Mikula," was a resident of Woodstock, Georgia, and
7 worked as an analyst for Palm Beach Venture. As an analyst for Palm
8 Beach Venture, Mikula influenced and determined which securities
9 offerings Palm Beach Venture would describe and promote and drafted
10 such descriptions and promotions.

11 j. Coconspirator Christian Fernandez, aka "Christian
12 Crockwell," was a resident of Smyrna, Georgia, and a business and
13 personal associate of coconspirator Mikula.

14 k. Coconspirator D.L. was an attorney and resident of
15 Ontario, Canada, who, among other overt acts in furtherance of the
16 conspiracy, created and administered a sham entity, 2749960 Ontario
17 LTD, whose purpose was to conduct international financial
18 transactions by which it received the criminal proceeds of the
19 conspiracy in Canada and then forwarded the same to other entities
20 and accounts in Mexico and the United States.

21 l. Coconspirator Amit Raj Beri, aka "Raj Beri," was a
22 resident of West Hollywood, California, and Florida, and was Chief
23 Executive Officer ("CEO") of a Delaware corporation with a principal
24 place of business in Beverly Hills, California.

25 m. Coconspirator S.B. was a resident of Truckee,
26 California. Coconspirator S.B. was also the founder and CEO of a
27 Delaware corporation doing business in Miami, Florida; San Mateo,
28 California; and elsewhere (the "Miami Issuer").

1 n. The Miami Issuer first qualified to conduct a
2 Regulation A offering in or around July 2020 and offered securities
3 under that qualification thereafter in 2020 and 2021.

4 Promotion of Issuers

5 o. Defendant LEVIN, along with coconspirators Mikula,
6 Fernandez, Beri, S.B., and others known and unknown, knew and
7 understood that placement in Palm Beach Venture provided issuers with
8 a valuable avenue of exposure to potential investors.

9 p. Palm Beach Venture promoted Hightimes between in or
10 around April 2020 and in or around August 2021. Hightimes raised at
11 least \$20 million in investor funds during that period, with
12 approximately \$6 million of that amount associated with Palm Beach
13 Venture's promotion.

14 q. Palm Beach Venture promoted the Miami Issuer on or
15 around September 8, 2020, which promotion resulted in raising
16 approximately \$30 million in investor funds.

17 B. OBJECT OF THE CONSPIRACY

18 2. Beginning no later than in or about February 2020, and
19 continuing through at least in or about August 2021, in Los Angeles
20 County, within the Central District of California, and elsewhere,
21 defendant LEVIN, along with coconspirators Mikula, Fernandez, Beri,
22 D.L., conspired with one another and others known and unknown,
23 knowingly and willfully, by the use of the means and instruments of
24 transportation and communication in interstate commerce, to commit an
25 offense against the United States, namely, to publish, give publicity
26 to, and circulate notices, circulars, advertisements, articles,
27 letters, investment services, and communications which, though not
28 purporting to offer securities for sale, described such securities

1 for a consideration received and to be received, directly and
2 indirectly, from issuers without fully disclosing the receipt,
3 whether past or prospective, of such consideration and the amount
4 thereof, in violation of Title 15, United States Code, Sections
5 77q(b) and 77x.

6 C. MANNER AND MEANS OF THE CONSPIRACY

7 3. The object of the conspiracy was carried out, and was to be
8 carried out, in substance, as follows:

9 a. Knowing that placement within and promotion by Palm
10 Beach Venture permitted securities issuers to reach additional
11 investors and raise additional funds, and knowing that Palm Beach
12 Venture would make the materially misleading representation that
13 neither it "nor its affiliates receive compensation for bringing this
14 deal to you," coconspirator Mikula would agree to write and place
15 articles and other promotional pieces regarding the securities of
16 specific issuers (the "Collusive Issuers") on the understanding and
17 agreement that such issuers and their associates would pay
18 undisclosed direct and indirect compensation to him, coconspirators
19 Fernandez, Beri, D.L., and others.

20 b. In exchange for coconspirator Mikula's promotion and
21 touting of Hightimes and its Regulation offering through Palm Beach
22 Venture, defendant LEVIN would pay and cause Hightimes to pay
23 \$150,000 in undisclosed compensation to coconspirators Mikula,
24 Fernandez, Beri, D.L., and others.

25 c. In exchange for coconspirator Mikula's promotion and
26 touting of the Miami Issuer and its Regulation offering through Palm
27 Beach Venture, coconspirator S.B. would pay and cause the Miami
28

1 Issuer to pay undisclosed compensation to coconspirators Mikula,
2 Fernandez, Beri, D.L., and others.

3 d. To promote the conspiracy and disguise the source,
4 purpose, and nature of the illegal payments, defendant LEVIN, along
5 with coconspirators Mikula, Beri, D.L., S.B., and others, would
6 arrange for coconspirators Fernandez, Beri, and D.L. to receive
7 compensation on coconspirator Mikula's behalf. Coconspirators
8 Fernandez and D.L. would then transfer those funds through a series
9 of domestic and foreign bank accounts before returning a portion of
10 the funds to coconspirator Mikula through nominee bank transactions,
11 cash withdrawals, disguised check payments and wire transfers, and
12 gifts, including luxury items such as a Range Rover automobile.

13 e. Coconspirators Fernandez, D.L., and others would open,
14 form, and operate a series of domestic and foreign business entities
15 and bank accounts for the purpose of receiving the payments generated
16 by the conspiracy and concealing the nature, location, source,
17 ownership, and control of those payments. In exchange, coconspirator
18 Fernandez would take a significant percentage -- sometimes half -- of
19 these funds.

20 f. Also in exchange for coconspirator Mikula's touting of
21 Hightimes through Palm Beach Venture, defendant LEVIN would provide
22 additional undisclosed and indirect compensation in the form of
23 lavish meals, beverages, and entertainment worth tens of thousands of
24 dollars to coconspirators Mikula, Fernandez, Beri, and others.

25 4. Defendant LEVIN was able to raise approximately \$6 million
26 of investor funds through securities offerings described and promoted
27 by Palm Beach Venture without required disclosures that such
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1 promotions had been obtained through direct and indirect compensation
2 to coconspirator Mikula and others.

3 D. OVERT ACTS

4 5. On or around the dates set forth below, in furtherance of
5 the conspiracy, and to accomplish its object, defendant LEVIN,
6 together with coconspirators Mikula, Fernandez, Beri, D.L., S.B., and
7 others, committed and willfully caused others to commit, the
8 following overt acts, among others, within the Central District of
9 California and elsewhere:

10 Overt Act No. 1: On April 3, 2020, defendant LEVIN and
11 coconspirator D.L. entered into a "Marketing Agreement" by which
12 "2749960 Ontario Ltd." purported to agree to provide "marketing
13 services to Hightimes Holding Corp."

14 Overt Act No. 2: On April 6, 2020, in consideration for the
15 funds defendant LEVIN had committed to funnel through coconspirators
16 Fernandez, Beri, D.L., and others to coconspirator Mikula,
17 coconspirator Mikula caused Palm Beach Venture to promote Hightimes's
18 Regulation A offering, which promotion included the materially false
19 representation that "Neither the Palm Beach Research Group nor its
20 affiliates receive compensation for bringing this deal to you."

21 Overt Act No. 3: On August 30, 2020, in a text message,
22 coconspirator Fernandez informed defendant LEVIN of "another push"
23 for Hightimes in Palm Beach Venture, with "September 7th" as the
24 targeted date, to which defendant LEVIN responded, "Yesss."

25 Overt Act No. 4: On August 31, 2020, in response to
26 coconspirator Fernandez's request that defendant LEVIN wire funds in
27 consideration for the upcoming promotion of Hightimes, defendant
28 LEVIN text-messaged a screenshot of a bank confirmation for an

1 international bank wire of \$100,000 from an account controlled by
2 defendant LEVIN in the United States to a bank in Ontario, Canada.

3 Overt Act No. 5: On September 2, 2020, in a text message,
4 coconspirator Fernandez wrote to defendant LEVIN, "Amigo you owe \$150
5 not \$100 Porfavor It's almost 7th."

6 Overt Act No. 6: On September 3, 2020, after additional text
7 messages between coconspirator Fernandez and defendant LEVIN about
8 whether defendant LEVIN's wire for \$100,000 into an account in
9 Ontario, Canada, had cleared, defendant LEVIN sent coconspirator
10 Fernandez an additional text-message verification of that bank wire,
11 to which coconspirator Fernandez responded, "Once is clear I will
12 tell them the green light for Hightimes push."

13 Overt Act No. 7: On September 3, 2020, in consideration for
14 Palm Beach Venture's promotion of Hightimes, defendant LEVIN caused
15 Hightimes to wire \$100,000 to 2749960 Ontario Ltd.

16 Overt Act No. 8: On September 22, 2020, in a text message
17 exchange, coconspirator Fernandez told defendant LEVIN, "We are
18 writing about cannabis this week an update and we want HT to be part
19 of this as recommended for the readers. Once [your payment] clears
20 I'll let you know," to which defendant LEVIN responded, "K," and
21 then, after coconspirator Fernandez confirmed "funds seem reflected,"
22 defendant LEVIN responded, "Yessss."

23 Overt Act No. 9: On September 22, 2020, defendant LEVIN
24 caused Hightimes to wire \$25,000 to 2749960 Ontario Ltd. in
25 furtherance of the criminal conspiracy and in consideration for Palm
26 Beach Venture's promotion of Hightimes.

27 Overt Act No. 10: On September 23, 2020, coconspirator Mikula
28 caused Palm Beach Venture to promote the Hightimes's Regulation A

1 offering, which promotion included the materially false
2 representation that "Neither the Palm Beach Research Group nor its
3 affiliates receive compensation for bringing this deal to you."

4 Overt Act No. 11: On October 16, 2020, in consideration for
5 Palm Beach Venture's promotion of Hightimes, defendant LEVIN caused
6 Hightimes to wire \$25,000 to 2749960 Ontario Ltd.

7
8 E. MARTIN ESTRADA
9 United States Attorney

10
11 LINDSEY GREER DOTSON
12 Assistant United States Attorney
Chief, Criminal Division

13 BRETT A. SAGEL
14 Assistant United States Attorney
15 Chief, Corporate and Securities
Fraud Strike Force

16 ALEXANDER B. SCHWAB
17 Assistant United States Attorney
Deputy Chief, Corporate and
Securities Fraud Strike Force

18 ADAM P. SCHLEIFER
19 Assistant United States Attorney
20 Corporate and Securities Fraud
Strike Force