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CLERK U.S. DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

Attorneys for Plaintiff United States of America

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IN THE UNITED STATES DISTRICT COURT EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

CASE NO. 1: 21-6-0010B-DAD-BAM

PLEA AGREEMENT

DATE: · TIME:

COURT: Hon. DALE A. DROZD

RALPH HACKETT,

Defendant.

I. INTRODUCTION

Scope of Agreement. A.

The Information in this case charges the defendant, RALPH HACKETT, with one count of aiding and abetting mail fraud in violation of 18 U.S.C. §§ 1341 and 2. This document contains the complete Plea Agreement between the United States Attorney's Office for the Eastern District of California (the "government") and the defendant regarding this case. This Plea Agreement is limited to the United States Attorney's Office for the Eastern District of California and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities.

Court Not a Party. В.

The Court is not a party to this Plea Agreement. Sentencing is a matter solely within the discretion of the Court and the Court may take into consideration any and all facts and circumstances

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concerning the criminal activities of the defendant, including activities which may not have been charged in the Information. The Court is under no obligation to accept any recommendations made by the government, and the Court may in its discretion impose any sentence it deems appropriate up to and including the statutory maximum established by statute and stated in this Plea Agreement.

If the Court should impose any sentence up to the maximum established by statute, the defendant cannot, for that reason alone, withdraw his guilty plea, and he will remain bound to fulfill all of the obligations under this Plea Agreement. The defendant understands neither the prosecutor, defense counsel, nor the Court can make a binding prediction or promise regarding the sentence he receives.

II. <u>DEFENDANT'S OBLIGATIONS</u>

A. Guilty Plea.

The defendant will plead guilty to one count of aiding and abetting mail fraud in violation of 18 U.S.C. §§ 1341 and 2. The defendant agrees that he is in fact guilty of this crime and that the facts set forth in the Factual Basis for Plea attached hereto as Exhibit A are accurate.

The defendant agrees that this Plea Agreement will be filed with the Court and become a part of the record of the case. The defendant understands and agrees that he will not be allowed to withdraw his plea should the Court not follow the government's sentencing recommendations.

The defendant agrees that the statements made by him in signing this Plea Agreement, including the factual admissions set forth in the Factual Basis for Plea attached hereto as Exhibit A, shall be admissible and useable against the defendant by the government in any subsequent criminal or civil proceedings, even if the defendant fails to enter a guilty plea pursuant to this Plea Agreement. The defendant waives any rights under Fed. R. Crim. P. 11(f) and Fed. R. Evid. 410, to the extent that these rules are inconsistent with this Paragraph or with this Plea Agreement generally.

The defendant acknowledges that, under the United States Constitution, he is entitled to be indicted by a Grand Jury on the charge to which he is pleading guilty and that pursuant to Fed. R. Crim. P. 7(b) he agrees to waive any and all rights he has to being prosecuted by Indictment to the charge set forth in the Information. The defendant agrees that at a time set by the Court, he will sign a written Waiver of Prosecution by Indictment and consent to proceed by Information rather than by Indictment.

B. Restitution.

The defendant agrees that his conduct is governed by the Mandatory Restitution Act pursuant to 18 U.S.C. § 3663A(c)(1)(A)(ii) and agrees to pay restitution of \$656,834 to the victims affected by his crime. The defendant further agrees that he will not seek to discharge any restitution obligation or any part of such obligation in any bankruptcy proceeding. Payment of restitution shall occur prior to the defendant's sentencing. The defendant understands that this Plea Agreement is voidable at the option of the government if he fails to pay the stipulated restitution amount prior to his sentencing.

C. <u>Fine.</u>

The parties agree that no fine is appropriate.

D. <u>Special Assessment.</u>

The defendant agrees to pay a special assessment of \$100 at the time of sentencing by delivering a check or money order payable to the United States District Court to the United States Probation Office immediately before the sentencing hearing. The defendant understands that this Plea Agreement is voidable at the option of the government if he fails to pay the assessment prior to that hearing.

E. Violation of Plea Agreement by Defendant and Withdrawal of Plea.

If the defendant, cooperating or not, violates this Plea Agreement in any way, withdraws his plea, or tries to withdraw his plea, this Plea Agreement is voidable at the option of the government. If the government elects to void the agreement based on the defendant's violation, the government will no longer be bound by its representations to the defendant concerning the limits on criminal prosecution and sentencing as set forth herein. A defendant violates a plea agreement by committing any crime or providing or procuring any statement or testimony which is knowingly false, misleading, or materially incomplete in any litigation or sentencing process in this case, or engaging in any post-plea conduct constituting obstruction of justice. Varying from stipulated United States Sentencing Guidelines ("USSG") application or agreements regarding arguments as to 18 U.S.C. § 3553, as set forth in this Plea Agreement, personally or through counsel, also constitutes a violation of the Plea Agreement. The government also shall have the right to: (1) prosecute the defendant on the count to which he is pleading guilty; (2) reinstate any counts that may be dismissed pursuant to this Plea Agreement; and (3) file any new charges that would otherwise be barred by this Plea Agreement. The defendant shall thereafter be

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subject to prosecution for any federal criminal violation of which the government has knowledge. The decision to pursue any of these options is solely in the discretion of the United States Attorney's Office.

By signing this Plea Agreement, the defendant agrees to waive any objections, motions, and defenses that the defendant might have to the government's decision. Any prosecutions that are not time-barred by the applicable statute of limitations as of the date of this Plea Agreement or that are otherwise permitted by agreements to waive the statute of limitations made herein may be commenced in accordance with this Paragraph E notwithstanding the expiration of the statute of limitations between the signing of this Plea Agreement and the commencement of any such prosecutions. The defendant agrees not to raise any objections based on the passage of time with respect to such counts including, but not limited to, any statutes of limitation or any objections based on the Speedy Trial Act or the Speedy Trial Clause of the Sixth Amendment to any counts that were not time-barred as of the date of this Plea Agreement or are otherwise permitted by agreements to waive the statute of limitations made herein. The determination whether defendant violated the Plea Agreement will be by a probable cause standard.

In addition, (1) all statements made by the defendant to the government or other designated law enforcement agents, or any testimony given by the defendant before a Grand Jury or other tribunal, whether before or after this Plea Agreement, shall be admissible in evidence in any criminal, civil, or administrative proceedings hereafter brought against the defendant by the government; and (2) the defendant shall assert no claim under the United States Constitution, any statute, Fed. R. Crim. P. 11(f), Fed. Rule Evid. 410, or any other federal rule, that statements made by the defendant before or after this Plea Agreement, or any leads derived therefrom, should be suppressed. By signing this Plea Agreement, the defendant waives any and all rights in the foregoing respects.

F. Agreement to Cooperate.

The defendant agrees to cooperate fully with the government and any other federal, state, or local law enforcement agency, as directed by the government. As used in this plea agreement, "cooperation" requires the defendant to: (1) respond truthfully and completely to all questions, whether in interviews, in correspondence, telephone conversations, before a grand jury, or at any trial or other court proceeding; (2) attend all meetings, grand jury sessions, trials, and other proceedings at which the defendant's presence is requested by the government or compelled by subpoena or court order; (3)

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produce any and all non-attorney-client privileged documents, records, or other tangible evidence requested by the government; (4) not participate in any criminal activity while cooperating with the government; and (5) disclose to the government the existence and status of all money, property, or assets, of any kind, derived from or acquired as a result of, or used to facilitate the commission of, the defendant's illegal activities or the illegal activities of any conspirators.

III. THE GOVERNMENT'S OBLIGATIONS

A. Dismissals and Other Charges.

The government agrees not to bring any other charges against the defendant arising from the conduct outlined in the Factual Basis for Plea attached hereto as Exhibit A except if this Plea Agreement is voided as set forth herein, or as provided in Paragraphs II.E (Violation of Plea Agreement by Defendant and Withdrawal of Plea), III.B.3 (Reduction of Sentence for Cooperation), VI.B (Stipulated USSG Calculations), and VII.C (Waiver of Appeal and Collateral Attack) of this Plea Agreement.

В. Recommendations.

1. Incarceration Range.

The government will recommend that the defendant be sentenced to no greater than the middle of the applicable guideline range as determined by the Court.

2. Acceptance of Responsibility.

The government will recommend a two-level reduction (if the offense level is less than 16) or a three-level reduction (if the offense level reaches 16) in the computation of his offense level if the defendant clearly demonstrates acceptance of responsibility for his conduct as defined in USSG § 3E1.1. This includes the defendant meeting with and assisting the probation officer in the preparation of the pre-sentence report, being truthful and candid with the probation officer, and not otherwise engaging in conduct that constitutes obstruction of justice within the meaning of USSG § 3C1.1, either in the preparation of the pre-sentence report or during the sentencing proceeding.

Reduction of Sentence for Cooperation.

The government agrees to recommend at the time of sentencing that the defendant's sentence of imprisonment or confinement of any type be reduced by up to 50 percent of the applicable USSG sentence if he provides substantial assistance to the government pursuant to USSG § 5K1.1. The

defendant understands he must comply with Paragraph II.F and not violate this Plea Agreement as set forth in Paragraph II.E. The defendant understands it is within the sole and exclusive discretion of the government to determine whether the defendant has provided substantial assistance.

The defendant understands that the government may recommend a reduction in his sentence of less than 50 percent or no reduction at all depending on the level of assistance the government determines the defendant has provided.

The defendant understands that a motion pursuant to USSG § 5K1.1 is only a recommendation and is not binding on the Court, that this Plea Agreement confers no right upon the defendant to require that the government make a USSG § 5K1.1 motion, and that this Plea Agreement confers no remedy upon the defendant in the event that the government declines to make a USSG § 5K1.1 motion. In particular, the defendant agrees not to try to file a motion to withdraw his guilty plea based on the fact that the government decides not to recommend a sentence reduction or recommends a sentence reduction less than the defendant thinks is appropriate.

If the government determines that the defendant has provided further cooperation within one year following sentencing, the government may move for a further reduction of his sentence pursuant to Fed. R. Crim. Proc. 35.

C. <u>Use of Information for Sentencing.</u>

The government is free to provide full and accurate information to the Court and Probation, including answering any inquiries made by the Court or Probation and rebutting any inaccurate statements or arguments by the defendant, his attorney, Probation, or the Court. The defendant also understands and agrees that nothing in this Plea Agreement bars the government from defending on appeal or collateral review any sentence that the Court may impose.

IV. ELEMENTS OF THE OFFENSE

At a trial, the government would have to prove beyond a reasonable doubt the following elements to convict a defendant of mail fraud in violation of 18 U.S.C. § 1341:

 Defendant knowingly participated in, devised, or intended to devise a scheme or plan to defraud, or a scheme or plan for obtaining money or property, by means of false or fraudulent pretenses, representations, or promises,

- Statements made as part of the scheme were material, that is, they had a natural tendency to influence, or were capable of influencing, a person to part with money or property,
- Defendant acted with the intent to defraud, that is, with intent to deceive and cheat, and
- Defendant used, or caused to be used, the mails to carry out or attempt to carry out an
 essential part of the scheme.

See 18 U.S.C. § 1341; Model Crim. Jury Instr. 9th Cir. 8.121 (2021).

A defendant may be found guilty of the crime of mail fraud even if the defendant did not commit the act or acts constituting the crime but aided and abetted the commission of the crime. To aid and abet means to intentionally help someone else commit the crime. At trial, the government would have to prove beyond a reasonable doubt the following elements of the offense to which the defendant is pleading guilty – aiding and abetting mail fraud in violation of 18 U.S.C. §§ 1341 and 2:

- Someone else committed the crime of mail fraud in violation of 18 U.S.C. § 1341;
- Defendant aided, counseled, commanded, induced, or procured that person with respect to at least one element of the crime of mail fraud;
- Defendant acted with the intent to facilitate the crime of mail fraud; and
- Defendant acted before the crime of mail fraud was completed.

See 18 U.S.C. § 2; Model Crim. Jury Instr. 9th Cir. 5.1 (2021). The defendant fully understands the nature and elements of the crime charged in the Information to which he is pleading guilty, together with the possible defenses thereto, and has discussed them with his attorney.

V. MAXIMUM SENTENCE

A. Maximum Penalty.

The maximum sentence that the Court can impose is 20 years of incarceration, a fine of \$250,000, a three-year period of supervised release, and a special assessment of \$100. By signing this Plea Agreement, the defendant agrees that the Court can order the payment of restitution for the full loss caused by the defendant's wrongful conduct. The defendant agrees that the restitution order is not restricted to the amounts alleged in the specific count to which he is pleading guilty. The defendant further agrees, as noted above, that he will not attempt to discharge in any present or future bankruptcy proceeding any restitution imposed by the Court.

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B. <u>Violations of Supervised Release.</u>

The defendant understands that if he violates a condition of supervised release at any time during the term of supervised release, the Court may revoke the term of supervised release and require the defendant to serve up to two additional years imprisonment.

VI. <u>SENTENCING DETERMINATION</u>

A. Statutory Authority.

The defendant understands that the Court must consult the USSG and must take them into account when determining a final sentence. The defendant understands that the Court will determine a non-binding and advisory guideline sentencing range for this case pursuant to the USSG and must take them into account when determining a final sentence. The defendant further understands that the Court will consider whether there is a basis for departure from the guideline sentencing range (either above or below the guideline sentencing range) because there exists an aggravating or mitigating circumstance of a kind, or to a degree, not adequately taken into consideration by the Sentencing Commission in formulating the USSG. The defendant further understands that the Court, after consultation and consideration of the USSG, must impose a sentence that is reasonable in light of the factors set forth in 18 U.S.C. § 3553(a).

B. Stipulated USSG Calculations.

The government and the defendant agree that there is no material dispute as to the following sentencing guidelines variables and therefore stipulate to the following:

- 1. Base Offense Level: 7
- 2. Loss Amount: +14 (loss over \$550,000)
- 3. Role in the Offense Adjustment:
 - a. +2 for aggravating role pursuant to USSG § 3B1.1(c), and
 - b. +2 for abuse of position of trust pursuant to USSG § 3B1.3
- 4. Adjusted Offense Level: 25, before any potential reductions as provided herein
- 5. Acceptance of Responsibility: See paragraph III.B.2
- 6. Criminal History Category: I
- 7. Departures or Other Enhancements or Reductions:

 The parties agree that they will not seek or argue in support of any other specific offense characteristics, Chapter Three adjustments (other than the decrease for "Acceptance of Responsibility"), or cross-references except that the government may move for a departure or an adjustment based on the defendant's cooperation pursuant to USSG § 5K1.1 or post-plea obstruction of justice pursuant to USSG § 3C1.1). Both parties agree not to move for, or argue in support of, any departures from the USSG.

The government will recommend that the defendant be sentenced to no greater than the middle of the applicable guideline range as determined by the Court. The defendant is free to recommend to the Court whatever sentence he believes is appropriate under 18 U.S.C. § 3553(a). The defendant is also free to recommend all sentencing options under USSG §§ 5F1.1 through 5F1.8.

VII. <u>WAIVERS</u>

A. Waiver of Statute of Limitations.

The defendant understands that he has a right under 18 U.S.C. § 3282 to have the criminal charges resolved by this Plea Agreement brought within five years of the commission of the underlying offenses. The defendant acknowledges that he previously requested the opportunity to confer with the government, and conduct investigation and legal research, prior to any charges being filed and in furtherance of a potential pre-indictment resolution of any charges. The defendant agrees to waive any and all rights that he may have to move to dismiss, or otherwise challenge, the single count charged in the Information filed against him, which alleges that he aided and abetted SIHOTA's commission of mail fraud in connection with her fraudulent crop insurance claim for table grapes for the crop year 2013 in violation of 18 U.S.C. §§ 1341 and 2, on the basis of the running of the statute of limitations through the date of his sentencing. The defendant also agrees to waive any and all rights that he may have to move to dismiss, or otherwise challenge, any other criminal charges arising from the conduct outlined in the Factual Basis for Plea attached hereto as Exhibit A that could have been filed against him on the basis of the running of the statute of limitations, that have not run as of February 12, 2021, from February 12, 2021, through the date of his sentencing.

B. Waiver of Constitutional Rights.

The defendant understands that by pleading guilty he is waiving the following constitutional rights: (1) to plead not guilty and to persist in that plea if already made; (2) to be tried by a jury; (3) to

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be assisted at trial by an attorney, who would be appointed if necessary; (4) to pursue any affirmative defenses, Fourth Amendment or Fifth Amendment claims, constitutional challenges to the statutes of conviction, and other pretrial motions that have been filed or could be filed; (5) to subpoena witnesses to testify on his behalf; (6) to confront and cross-examine witnesses against him; and (7) not to be compelled to incriminate himself.

C. Waiver of Appeal and Collateral Attack.

The defendant understands that the law gives the defendant a right to appeal his guilty plea, conviction, and sentence. The defendant agrees as part of his plea, however, to give up the right to appeal the guilty plea, conviction, and the sentence imposed in this case as long as the sentence does not exceed the statutory maximum for the offense to which he is pleading guilty. The defendant understands that this waiver includes, but is not limited to, any and all constitutional or legal challenges to the defendant's conviction and guilty plea, including arguments that the statutes to which defendant is pleading guilty are unconstitutional, and any and all claims that the statement of facts attached to this Plea Agreement is insufficient to support the defendant's plea of guilty. The defendant specifically gives up the right to appeal any order of restitution the Court may impose.

Notwithstanding the defendant's waiver of appeal, the defendant will retain the right to appeal if one of the following circumstances occurs: (1) the sentence imposed by the District Court exceeds the statutory maximum; or (2) the government appeals the sentence in the case. The defendant understands that these circumstances occur infrequently and that in almost all cases this Plea Agreement constitutes a complete waiver of all appellate rights.

In addition, regardless of the sentence the defendant receives, the defendant also gives up any right to bring a collateral attack, including a motion under 28 U.S.C. §§ 2255 or 2241, challenging any aspect of the guilty plea, conviction, or sentence, except for non-waivable claims.

Notwithstanding the government's agreements in Paragraph III.A above, if the defendant ever attempts to vacate his plea, dismiss the underlying charge, or modify or set aside his sentence on the count to which he is pleading guilty, the government shall have the rights set forth in Paragraph II.E of this Plea Agreement.

D. Waiver of Attorneys' Fees and Costs.

The defendant agrees to waive all rights under the "Hyde Amendment," Section 617, P.L. 105-119 (Nov. 26, 1997), to recover attorneys' fees or other litigation expenses in connection with the investigation and prosecution of all charges in the above-captioned matter and of any related allegations.

E. Impact of Plea on Defendant's Immigration Status.

Defendant recognizes that pleading guilty may have consequences with respect to his immigration status if he is not a citizen of the United States. Under federal law, a broad range of crimes are removable offenses, including the offense to which the defendant is pleading guilty. Removal and other immigration consequences are the subject of a separate proceeding, however, and defendant understands that no one, including his attorney or the district court, can predict to a certainty the effect of his conviction on his immigration status. Defendant nevertheless affirms that he wants to plead guilty regardless of any immigration consequences that his plea may entail, even if the consequence is his automatic removal from the United States.

VIII. ENTIRE PLEA AGREEMENT

Other than this Plea Agreement, no agreement, understanding, promise, or condition between the government and the defendant exists, nor will such agreement, understanding, promise, or condition exist unless it is committed to writing and signed by the defendant, counsel for the defendant, and counsel for the United States.

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IX. APPROVALS AND SIGNATURES

A. <u>Defense Counsel.</u>

I have read this Plea Agreement and have discussed it fully with my client. The Plea Agreement accurately and completely sets forth the entirety of the agreement. I concur in my client's decision to plead guilty as set forth in this Plea Agreement.

Dated: Jy 14, 2021

WILLIAM C. HAHESY

Attorney for Defendant Ralph Hackett

B. <u>Defendant:</u>

I have read this Plea Agreement and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Further, I have consulted with my attorney and fully understand my rights with respect to the provisions of the USSG that may apply to my case. No other promises or inducements have been made to me, other than those contained in this Plea Agreement. In addition, no one has threatened or forced me in any way to enter into this Plea Agreement. Finally, I am satisfied with the representation of my attorney in this case.

Dated: 7/13/21

RALPH HACKET I

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C. Attorney for United States:

I accept and agree to this Plea Agreement on behalf of the government.

Dated: 1/20/21

PHILLIP A. TALBERT Acting United States Aftorney

JOSEPH D. BARTON Assistant United States Attorney

 EXHIBIT A

FACTUAL BASIS FOR PLEA

At all relevant times, defendant RALPH HACKETT was a member and manager at BROKER 1, which is a fruit broker with operations in the State and Eastern District of California and elsewhere. JATINDERJEET SIHOTA ("SIHOTA") was a representative of and involved with a farming operation in Fresno and Tulare Counties, in the State and Eastern District of California, that also involved her family members and others and operated under various names, including, but not limited to, B.S., B.K., B.S.F., and SSS International.

The farming operation produced table grapes, plums, and other crops, and many of those crops were sold through BROKER 1 to third-party buyers. SIHOTA was the farming operation's primary point of contact for her immediate family members with BROKER 1.

The farming operation, along with certain relatives, obtained crop insurance for at least tables grapes, plums, and other crops for crop years 2012 through 2015 through an insurance company. SIHOTA subsequently engaged in a crop insurance fraud scheme to obtain money from that insurance company. Defendant HACKETT aided and abetted SIHOTA's crop insurance fraud scheme against that insurance company.

For example, from on or about November 26, 2013, through on or about January 6, 2014, defendant HACKETT knowingly caused altered records to be provided to SIHOTA, at her request, for table grapes that her farming operation produced and sold through BROKER 1 so that she could make a fraudulent insurance claim for that crop for the crop year 2013. Defendant HACKETT instructed an employee at BROKER 1, whom he supervised, to make the alterations and send the altered records back to SIHOTA. The employee did as was instructed. The altered records underreported the amount of table grapes that were produced by the farming operation and sold through BROKER 1 for the crop year. SIHOTA then caused the altered records to be submitted to the insurance company in support of the fraudulent insurance claim.

On or about December 10, 2013, SIHOTA asked defendant HACKETT who the insurance company should contact at BROKER 1 if they need to get in touch. Thereafter, defendant HACKETT identified the same employee at BROKER 1 as mentioned above to

confirm the altered records for the insurance company. When the insurance company called the employee, the employee verified the altered records.

Defendant HACKETT and SIHOTA knew that these fraudulent misrepresentations would be material to the insurance company. That is, they knew that the fraudulent misrepresentations would cause SIHOTA's fraudulent insurance claim to be approved and insurance payments to be made to the farming operation to which it was not entitled, particularly if the true crop production numbers were provided.

The assistance that defendant HACKETT gave to SIHOTA caused the insurance company to make fraudulent insurance payments to her farming operation for at least table grapes for crop year 2013. The insurance payments were made by checks sent to Fresno County, California, in the State and Eastern District of California, through the United States mail in and around February 2014.

Defendant HACKETT now admits to the single count charged in the Information filed against him, which alleges that he aided and abetted SIHOTA's commission of mail fraud in connection with her fraudulent crop insurance claim for table grapes for the crop year 2013 in violation of 18 U.S.C. §§ 1341 and 2. Specifically, defendant HACKETT admits that he intended for his assistance to facilitate SIHOTA's crime, he gave his assistance to SIHOTA before the crime was complete, and his assistance facilitated the crime. Defendant HACKETT further acknowledges that his aiding and abetting of SIHOTA's crop insurance fraud scheme resulted in financial losses to the insurance company and others, in a loss amount of \$656,834, for crop years 2012 through 2015.

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