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10 Attorneys for Plaintiff
 11 UNITED STATES OF AMERICA

12 UNITED STATES DISTRICT COURT
 13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14
 15 UNITED STATES OF AMERICA,) CR No. 08-746(A)-FMC
)
 16 Plaintiff,) PLEA AGREEMENT FOR DEFENDANT
) TERRAL TOOLE
 17 v.)
)
 18 TERRAL TOOLE,)
)
 19 aka Alex Noralez,)
)
 20 Defendant.)

21 1. This constitutes the plea agreement between TERRAL
 22 TOOLE, also known as Alex Noralez ("defendant"), and the United
 23 States Attorney's Office for the Central District of California
 24 ("the USAO") in the above-captioned case. This agreement is
 25 limited to the USAO and cannot bind any other federal, state or
 26 local prosecuting, administrative or regulatory authorities.

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1 PLEA

2 2. Defendant agrees to plead guilty to counts one through
3 four and eight through eleven of the Second Superseding
4 Indictment in United States v. Terral Toole, CR No.
5 08-746(C)-FMC.

6 NATURE OF THE OFFENSES

7 3. In order for defendant to be guilty of counts one
8 through four, which charge violations of Title 18, United States
9 Code, Section 1343, the following must be true:

10 (1) The defendant made up a scheme or plan for
11 obtaining money or property by making false promises or
12 statements;

13 (2) The defendant knew that the promises or statements
14 were false;

15 (3) The promises or statements were material, that is
16 they would reasonably influence a person to part with money or
17 property;

18 (4) The defendant acted with the intent to defraud; and

19 (5) The defendant used, or caused to be used, wires in
20 interstate commerce to carry out or attempt to carry out an
21 essential part of the scheme.

22 A defendant may be found guilty of wire fraud, even if the
23 defendant personally did not commit the act or acts constituting
24 the crime but aided and abetted in its commission. To prove a
25 defendant guilty of aiding and abetting, the government must
26 prove beyond a reasonable doubt:

27 (1) Wire fraud was committed by someone;

28 (2) The defendant knowingly and intentionally aided,

1 counseled, commanded, induced or procured that person to commit
2 wire fraud; and

3 (3) The defendant acted before the crime was completed.

4 In order for defendant to be guilty of counts eight through
5 eleven, which charge violations of Title 18, United States Code,
6 Section 1957, the following must be true:

7 (1) The defendant knowingly engaged or attempted to
8 engage in a monetary transaction;

9 (2) The defendant knew the transaction involved
10 criminally derived property;

11 (3) The property had a value of greater than \$10,000;

12 (4) The property was, in fact, derived from wire fraud,
13 in violation of Title 18, United States Code, Section 1343; and

14 (5) The transaction occurred in the United States.

15 Defendant admits that defendant is, in fact, guilty of these
16 offenses as described in counts one through four and eight
17 through eleven of the Second Superseding Indictment.

18 PENALTIES AND RESTITUTION

19 4. The statutory maximum sentence that the Court can impose
20 for each violation of Title 18, United States Code, Section 1343,
21 is: 20 years imprisonment; a five-year period of supervised
22 release; a fine of \$250,000 or twice the gross gain or gross loss
23 resulting from the offense, whichever is greatest; and a
24 mandatory special assessment of \$100.

25 The statutory maximum sentence that the Court can impose for
26 each violation of Title 18, United States Code, Section 1957, is:
27 10 years imprisonment; a three-year period of supervised release;
28 a fine of \$250,000 or twice the gross gain or gross loss

1 resulting from the offense, whichever is greatest; and a
2 mandatory special assessment of \$100.

3 5. Therefore, the total maximum sentence for all offenses
4 to which defendant is pleading guilty is: 120 years imprisonment;
5 a five-year period of supervised release; a fine of \$2,000,000 or
6 twice the gross gain or gross loss resulting from the offenses,
7 whichever is greatest; and a mandatory special assessment of
8 \$800.

9 6. Defendant understands that defendant will be required to
10 pay full restitution to the victims of the offenses. Defendant
11 agrees that, in return for the USAO's compliance with its
12 obligations under this agreement, the amount of restitution is
13 not restricted to the amounts alleged in the counts to which
14 defendant is pleading guilty and may include losses arising from
15 counts dismissed and charges not prosecuted pursuant to this
16 agreement as well as all relevant conduct in connection with
17 those counts and charges. The government currently believe that
18 the applicable amount of restitution is at least \$940,443.
19 Defendant further agrees that defendant will not seek the
20 discharge of any restitution obligation, in whole or in part, in
21 any present or future bankruptcy proceeding.

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

3 8. Defendant also understands that, by pleading guilty,
4 defendant may be giving up valuable government benefits and
5 valuable civic rights, such as the right to vote, the right to
6 possess a firearm, the right to hold office, and the right to
7 serve on a jury.

8 9. Defendant further understands that the conviction in
9 this case may subject defendant to various collateral
10 consequences, including but not limited to deportation,
11 revocation of probation, parole, or supervised release in another
12 case, and suspension or revocation of a professional license.
13 Defendant understands that unanticipated collateral consequences
14 will not serve as grounds to withdraw defendant's guilty plea.

15 FACTUAL BASIS

16 10. Defendant and the USAO agree and stipulate to the
17 statement of facts provided below. This statement of facts is
18 sufficient to support pleas of guilty to the charges described in
19 this agreement and to establish the sentencing guideline factors
20 set forth in paragraph 13 below. It is not meant to be a
21 complete recitation of all facts relevant to the underlying
22 criminal conduct or all facts known to either party that relate
23 to that conduct.

24 a. From in or about July 2006, continuing through no
25 later than in or about May 2008, defendant set up and carried out
26 a scheme to defraud financial lending institutions.

27 b. Defendant located residential properties for sale.
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1 c. Defendant then submitted or caused to be submitted
2 loan applications for the purchase of those properties in the
3 names of straw buyers, including but not limited to S.V., J.Q.,
4 and D.H. The term "straw buyer" refers to a person who purports
5 to be a bona-fide purchaser of real property, but who does not
6 provide the down payment for the property, does not occupy the
7 property, and holds only nominal title to the property.

8 d. Defendant paid some straw buyers for the use of
9 their personal identification information in the loan
10 applications.

11 e. Each of the loan applications in the names of
12 straw buyers contained one or more of the following material
13 misrepresentations:

14 (i) The straw buyer worked for a specified
15 employer associated with defendant, specifically, Corzal, Inc. or
16 Montajz Magazine. In truth and in fact, as defendant TOOLE then
17 well knew, the straw buyer did not work for the employer
18 specified.

19 (ii) The straw buyer worked for a specified
20 employer for a particular period of time. In truth and in fact,
21 as defendant TOOLE then well knew, the straw buyer did not work
22 for the specified employer for the length of time stated.

23 (iii) The straw buyer earned income in a specified
24 amount. In truth and in fact, as defendant TOOLE then well knew,
25 the straw buyer's income was significantly less than the amount
26 stated.

27 (iv) The straw buyer intended to live in the
28 property purchased. In truth and in fact, as defendant TOOLE

1 then well knew, the straw buyer had no intention of living in the
2 property purchased.

3 f. Financial lending institutions relied on the above
4 misrepresentations in making the decision to fund the loans.

5 g. On August 25, 2006, in furtherance of the above-
6 described scheme to defraud, defendant caused a wire in the
7 amount of approximately \$257,996 (the proceeds of a loan in the
8 name of S.V.) to be sent from JP Morgan Chase Bank in Florida,
9 through New Jersey, to Washington Mutual Bank.

10 h. On August 29, 2006, defendant deposited a
11 cashier's check in the amount of approximately \$83,387 into a
12 Union Bank of California account held in his name, knowing the
13 funds were proceeds of wire fraud.

14 i. On September 12, 2006, in furtherance of the
15 above-described scheme to defraud, defendant caused a wire in the
16 amount of approximately \$465,554 (the proceeds of a loan in the
17 name of S.V.) to be sent from Indymac Federal Savings Bank in
18 California, through New Jersey, to Washington Mutual Bank.

19 j. On September 19, 2006, defendant caused a wire in
20 the amount of approximately \$28,415 to be sent to a Union Bank of
21 California account held in his name, knowing the funds were
22 proceeds of wire fraud.

23 k. On January 4, 2007, in furtherance of the above-
24 described scheme to defraud, defendant caused a wire in the
25 amount of approximately \$272,481 (the proceeds of a loan in the
26 name of J.Q.) to be sent from Bank of New York in New York,
27 through New Jersey, to Comerica Bank in Michigan.

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1 1. On January 5, 2007, defendant caused a wire in the
2 amount of approximately \$12,052 to be sent to a Union Bank of
3 California account held in the name of Corzal, knowing the funds
4 were proceeds of wire fraud.

5 m. On February 1, 2007, in furtherance of the above-
6 described scheme to defraud, defendant caused a wire in the
7 amount of approximately \$181,659 (the proceeds of a loan in the
8 name of D.H.) to be sent from Comerica Bank in Michigan, through
9 New Jersey, to Bank of America in Nevada.

10 n. On February 2, 2007, defendant caused a wire in
11 the amount of approximately \$70,500 to be sent to a Wells Fargo
12 Bank account held in the name of B.G., knowing the funds were
13 proceeds of wire fraud.

14 o. Defendant made mortgage payments on the
15 fraudulently obtained loans to prevent the financial lending
16 institutions from discovering the fraud.

17 p. In carrying out the above-described scheme,
18 defendant acted with the intent to defraud financial lending
19 institutions into lending money that should not have been lent.

20 WAIVER OF CONSTITUTIONAL RIGHTS

21 11. By pleading guilty, defendant gives up the following
22 rights:

- 23 a) The right to persist in a plea of not guilty.
24 b) The right to a speedy and public trial by jury.
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1 c) The right to the assistance of legal counsel at
2 trial, including the right to have the Court appoint counsel for
3 defendant for the purpose of representation at trial. (In this
4 regard, defendant understands that, despite his pleas of guilty,
5 he retains the right to be represented by counsel -- and, if
6 necessary, to have the court appoint counsel if defendant cannot
7 afford counsel -- at every other stage of the proceeding.)

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

11 e) The right to confront and cross-examine witnesses
12 against defendant.

13 f) The right, if defendant wished, to testify on
14 defendant's own behalf and present evidence in opposition to the
15 charges, including the right to call witnesses and to subpoena
16 those witnesses to testify.

17 g) The right not to be compelled to testify, and, if
18 defendant chose not to testify or present evidence, to have that
19 choice not be used against defendant.

20 By pleading guilty, defendant also gives up any and all
21 rights to pursue any affirmative defenses, Fourth Amendment or
22 Fifth Amendment claims, and other pretrial motions that have been
23 filed or could be filed.

24 SENTENCING FACTORS

25 12. Defendant understands that the Court is required to
26 consider the factors set forth in 18 U.S.C. § 3553(a)(1)-(7),
27 including the kinds of sentence and sentencing range established
28 under the United States Sentencing Guidelines ("U.S.S.G." or

1 "Sentencing Guidelines"), in determining defendant's sentence.
 2 Defendant further understands that the Sentencing Guidelines are
 3 advisory only, and that after considering the Sentencing
 4 Guidelines and the other § 3553(a) factors, the Court may be free
 5 to exercise its discretion to impose any reasonable sentence up
 6 to the maximum set by statute for the crimes of conviction.

7 13. Defendant and the USAO agree and stipulate to the
 8 following applicable Sentencing Guidelines factors:

9	Base Offense Level	:	7	U.S.S.G. § 2B1.1(a)(1)
10	Specific Offense			
11	Characteristics	:	1	U.S.S.G. § 2S1.1(b)(2)(A)
12				Monetary Transaction in
				violation of 18 U.S.C.
				§ 1957
13	Acceptance of			
	Responsibility	:	-2	U.S.S.G. §3E1.1

14
 15 The USAO will agree to a downward departure for acceptance of
 16 responsibility (and, if applicable, move for an additional level
 17 under § 3E1.1(b)) only if the conditions set forth in paragraph
 18 17 are met. The government reserves the right to argue that the
 19 loss in this case, including relevant conduct, is between \$2.5
 20 and \$7 million, justifying an 18-point increase, and defendant
 21 reserves the right to argue that the loss was zero. The
 22 government also reserves the right to argue that the offense
 23 involved sophisticated means, justifying a two-point increase,
 24 and for an upward adjustment based on defendant's role in the
 25 offense. Otherwise, subject to paragraph 16, defendant and the
 26 USAO agree not to seek, argue, or suggest in any way, either
 27 orally or in writing, that any other specific offense
 28 characteristics, adjustments, or departures relating to either

1 the applicable Offense Level or the Criminal History Category be
2 imposed. If, however, after signing this agreement but prior to
3 sentencing, defendant were to commit an act, or the USAO were to
4 discover a previously undiscovered act committed by defendant
5 prior to signing this agreement, which act, in the judgment of
6 the USAO, constituted obstruction of justice within the meaning
7 of U.S.S.G. § 3C1.1, the USAO would be free to seek the
8 enhancement set forth in that section. Defendant also
9 understands that defendant's base offense level could be
10 increased if defendant is a career offender under U.S.S.G.
11 §§ 4B1.1 and 4B1.2. In the event that defendant's offense level
12 is so altered, the parties are not bound by the base offense
13 level stipulated to above.

14 14. There is no agreement as to defendant's criminal
15 history or criminal history category.

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

20 16. The stipulations in this agreement do not bind either
21 the United States Probation Office or the Court. Both defendant
22 and the USAO are free to: (a) supplement the facts by supplying
23 relevant information to the United States Probation Office and
24 the Court, (b) correct any and all factual misstatements relating
25 to the calculation of the sentence, and (c) argue on appeal and
26 collateral review that the Court's Sentencing Guidelines
27 calculations are not error, although each party agrees to
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1 maintain its view that the calculations in paragraph 13 are
2 consistent with the facts of this case.

3 DEFENDANT'S OBLIGATIONS

4 17. Defendant agrees that he will:

5 a) Plead guilty as set forth in this agreement.

6 b) Not knowingly and willfully fail to abide by all
7 sentencing stipulations contained in this agreement.

8 c) Not knowingly and willfully fail to: (i) appear for
9 all court appearances, (ii) surrender as ordered for service of
10 sentence, (iii) obey all conditions of any bond, and (iv) obey
11 any other ongoing court order in this matter.

12 d) Not commit any crime; however, offenses which would
13 be excluded for sentencing purposes under U.S.S.G. § 4A1.2(c) are
14 not within the scope of this agreement.

15 e) Not knowingly and willfully fail to be truthful at
16 all times with Pretrial Services, the U.S. Probation Office, and
17 the Court.

18 f) Pay the applicable special assessments at or before
19 the time of sentencing unless defendant lacks the ability to pay
20 and submits a completed financial statement (form OBD-500) to the
21 USAO prior to sentencing.

22 THE USAO'S OBLIGATIONS

23 18. If defendant complies fully with all defendant's
24 obligations under this agreement, the USAO agrees:

25 a) To abide by all sentencing stipulations contained in
26 this agreement.

27 b) At the time of sentencing to move to dismiss the
28 remaining counts of the indictment as against defendant.

1 Defendant agrees, however, that at the time of sentencing the
2 Court may consider underlying indictment in determining the
3 applicable Sentencing Guidelines range, where the sentence should
4 fall within that range, the propriety and extent of any departure
5 from that range, and the determination of the sentence to be
6 imposed after consideration of the Sentencing Guidelines and all
7 other relevant factors under 18 U.S.C. § 3553(a).

8 c) At the time of sentencing, provided that defendant
9 demonstrates an acceptance of responsibility for the offenses up
10 to and including the time of sentencing, to recommend a two-level
11 reduction in the applicable sentencing guideline offense level,
12 pursuant to U.S.S.G. § 3E1.1, and to recommend and, if necessary,
13 move for an additional one-level reduction if available under
14 that section.

15 BREACH OF AGREEMENT

16 19. If defendant, at any time after the execution of this
17 agreement, knowingly violates or fails to perform any of
18 defendant's agreements or obligations under this agreement ("a
19 breach"), the USAO may declare this agreement breached. If the
20 USAO declares this agreement breached at any time following its
21 execution, and the Court finds such a breach to have occurred,
22 then: (a) if defendant has previously entered guilty pleas,
23 defendant will not be able to withdraw the guilty pleas, and
24 (b) the USAO will be relieved of all of its obligations under
25 this agreement.

26 20. Following the Court's finding of a knowing and willful
27 breach of this agreement by defendant, should the USAO elect to
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1 pursue any charge that was either dismissed or not filed as a
2 result of this agreement, then:

3 a) Defendant agrees that any applicable statute of
4 limitations is tolled between the date of defendant's signing of
5 this agreement and the commencement of any such prosecution or
6 action.

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

12 c) Defendant agrees that: (i) any statements made by
13 defendant, under oath, at the guilty plea hearing (if such a
14 hearing occurred prior to the breach); (ii) the stipulated
15 factual basis statement in this agreement; and (iii) any evidence
16 derived from such statements, are admissible against defendant in
17 any such prosecution of defendant, and defendant shall assert no
18 claim under the United States Constitution, any statute, Rule 410
19 of the Federal Rules of Evidence, Rule 11(f) of the Federal Rules
20 of Criminal Procedure, or any other federal rule, that the
21 statements or any evidence derived from any statements should be
22 suppressed or are inadmissible.

23 LIMITED MUTUAL WAIVER OF APPEAL

24 21. Defendant gives up the right to appeal any sentence
25 imposed by the Court, including any order of restitution, and the
26 manner in which the sentence is determined, provided that (a) the
27 sentence is within the statutory maximum specified above and is
28 constitutional, and (b) the Court imposes a sentence within or

1 below the range corresponding to a total offense level of 15, and
2 the applicable criminal history category as determined by the
3 Court. Notwithstanding the foregoing, defendant retains any
4 ability defendant has to appeal the conditions of supervised
5 release imposed by the Court, with the exception of the
6 following: conditions set forth in General Orders 318, 01-05,
7 and/or 05-02 of this Court; the drug testing conditions mandated
8 by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug
9 use conditions authorized by 18 U.S.C. § 3563(b)(7).

10 22. The USAO gives up its right to appeal the sentence,
11 provided that (a) the sentence is within the statutory maximum
12 specified above and is constitutional, and (b) the Court imposes
13 a sentence within or above the range corresponding to a total
14 offense level of 29, and the applicable criminal history category
15 as determined by the Court.

16 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

17 23. Defendant agrees that if any count of conviction is
18 vacated, reversed, or set aside, the USAO may: (a) ask the Court
19 to resentence defendant on any remaining counts of conviction,
20 with both the USAO and defendant being released from any
21 stipulations regarding sentencing contained in this agreement,
22 (b) ask the Court to void the entire plea agreement and vacate
23 defendant's guilty pleas on any remaining counts of conviction,
24 with both the USAO and defendant being released from all of their
25 obligations under this agreement, or (c) leave defendant's
26 remaining convictions, sentence, and plea agreement intact.
27 Defendant agrees that the choice among these three options rests
28 in the exclusive discretion of the USAO.

1 COURT NOT A PARTY

2 24. The Court is not a party to this agreement and need not
3 accept any of the USAO's sentencing recommendations or the
4 parties' stipulations. Even if the Court ignores any sentencing
5 recommendation, finds facts or reaches conclusions different from
6 any stipulation, and/or imposes any sentence up to the maximum
7 established by statute, defendant cannot, for that reason,
8 withdraw defendant's guilty pleas, and defendant will remain
9 bound to fulfill all defendant's obligations under this
10 agreement. No one -- not the prosecutor, defendant's attorney,
11 or the Court -- can make a binding prediction or promise
12 regarding the sentence defendant will receive, except that it
13 will be within the statutory maximum.

14 NO ADDITIONAL AGREEMENTS

15 25. Except as set forth herein, there are no promises,
16 understandings or agreements between the USAO and defendant or
17 defendant's counsel. Nor may any additional agreement,
18 understanding or condition be entered into unless in a writing
19 signed by all parties or on the record in court.

20 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

21 26. The parties agree and stipulate that this Agreement
22 will be considered part of the record of defendant's guilty plea

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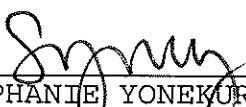
1 hearing as if the entire Agreement had been read into the record
2 of the proceeding.

3 This agreement is effective upon signature by defendant and
4 an Assistant United States Attorney.

5 AGREED AND ACCEPTED

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

8 GEORGE S. CARDONA
9 Acting United States Attorney



11/19/09
Date

10 STEPHANIE YONEKURA McCAFFREY
11 Executive Assistant United States
12 Attorney

13 I have read this agreement and carefully discussed every
14 part of it with my attorney. I understand the terms of this
15 agreement, and I voluntarily agree to those terms. My attorney
16 has advised me of my rights, of possible defenses, of the
17 sentencing factors set forth in 18 U.S.C. § 3553(a), of the
18 relevant Sentencing Guidelines provisions, and of the
19 consequences of entering into this agreement. No promises or
20 inducements have been given to me other than those contained in
21 this agreement. No one has threatened or forced me in any way to
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1 enter into this agreement. Finally, I am satisfied with the
2 representation of my attorney in this matter.

3 
4 _____

^{T.T.}
11/19/09

5 TERRAL TOOLE
6 Defendant

Date

6 I am Terral Toole's attorney. I have carefully discussed
7 every part of this agreement with my client. Further, I have
8 fully advised my client of his rights, of possible defenses, of
9 the sentencing factors set forth in 18 U.S.C. § 3553(a), of the
10 relevant Sentencing Guidelines provisions, and of the
11 consequences of entering into this agreement. To my knowledge,
12 my client's decision to enter into this agreement is an informed
13 and voluntary one.

14 
15 _____

11/19/09

16 PAUL HORGAN ESQ.
17 Counsel for Defendant
18 Terral Toole

Date

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