



U.S. Department of Justice

Criminal Division
Fraud Section

RECEIVED

MAY 28 2014

1400 New York Avenue NW
Washington, D.C. 20530

AT 8:30 ~~AM~~ M
WILLIAM T. WALSH
CLERK

April 10, 2014

David S. Rudenstein
9411 Evans Street
Philadelphia, PA 19115

Re: Plea Agreement with Samuel Hawk

14-128 (JAP)-01

Dear Mr. Schafer:

This letter sets forth the Plea Agreement between your client, Samuel Hawk ("defendant"), and the Fraud Section of the United States Department of Justice (the "Government").

Charge

Conditioned on the understandings specified below, the Government will accept a guilty plea from the defendant to Count 1 of the indictment, Criminal No. 14-128 (JAP). Count 1 charges the defendant with conspiracy to commit wire fraud and mail fraud, in violation of Title 18, United States Code, Section 1349.

If the defendant enters a guilty plea to Count 1 of the indictment and is sentenced on this charge, and otherwise fully complies with all of the terms of this agreement, the Government will not bring any additional criminal charges against the defendant for the criminal activity described in the Factual Basis set forth below. In addition, if the defendant fully complies with all of the terms of this agreement, at the time of sentencing in this matter, the Government will move to dismiss Counts 2, 3, and 4 of the indictment. However, in the event that a guilty plea in this matter is not entered for any reason or the judgment of conviction entered as a result of this guilty plea does not remain in full force and effect, the defendant agrees that any dismissed charges and any other charges that are not time-barred by the applicable statute of limitations on the date this agreement is signed by the defendant may be commenced against the defendant, notwithstanding the expiration of the limitations period after the defendant signs the agreement.

Sentencing

The violation of Title 18, United States Code, Section 1349 to which the defendant agrees to plead guilty carries a statutory maximum prison sentence of 20 years. The statutory maximum fine for the offense is equal to the greatest of: (1) \$250,000; (2) twice the gross amount of any pecuniary gain that any persons derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense. Fines imposed by the sentencing judge may be subject to the payment of interest.

The sentence to be imposed upon the defendant is within the sole discretion of the sentencing judge, subject to the provisions of the Sentencing Reform Act, Title 18, United States Code, Sections 3551-3742, and the sentencing judge's consideration of the United States Sentencing Guidelines. The United States Sentencing Guidelines are advisory, not mandatory. The sentencing judge must impose a sentence that is sufficient but not greater than necessary to comply with the purposes set forth in 18 U.S.C. § 3553(a)(2), and which does not exceed the statutory maximum term of imprisonment and the maximum statutory fine. The Government cannot and does not make any representation or promise as to what guideline range may be found by the sentencing judge, or as to what sentence the defendant ultimately will receive.

Further, in addition to imposing any other penalty on the defendant, the sentencing judge: (1) will order the defendant to pay an assessment of \$100 pursuant to Title 18, United States Code, Section 3013, which assessment must be paid by the date of sentencing; (2) must, if appropriate, order the defendant to pay restitution pursuant to Title 18, United States Code, Section 3663A; (3) may order the defendant to give notice to any victims of the offense, pursuant to Title 18, United States Code, Section 3555; (4) may order the defendant to pay the costs of prosecution; (5) must, if appropriate, order forfeiture, pursuant to Title 18, United States Code, Section 981 and Title 28, United States Code 2641; and (6) may require the defendant to serve a term of supervised release of not more than three years, which will begin at the expiration of any term of imprisonment imposed, pursuant to Title 18, United States Code, Section 3583. Should the defendant be placed on a term of supervised release and subsequently violate any of the conditions of supervised release before the expiration of its term, the defendant may be sentenced to not more than two years' imprisonment in addition to any prison term previously imposed,

regardless of the statutory maximum term of imprisonment set forth above and without credit for time previously served on post-release supervision, and may be sentenced to an additional term of supervised release.

Forfeiture

The defendant agrees that the defendant shall assist the Government in all proceedings, whether administrative or judicial, involving the forfeiture to the United States of all rights, title, and interest, regardless of their nature or form, in the assets which the defendant has agreed to forfeit, and any other assets, including real and personal property, cash and other monetary instruments, wherever located, which the defendant or others to the defendant's knowledge have accumulated as a result of illegal activities. Such assistance will involve an agreement on the defendant's part to the entry of an order enjoining the transfer or encumbrance of assets which may be identified as being subject to forfeiture, including but not limited to those specific real and personal properties set forth in the forfeiture counts of the indictment. Additionally, the defendant agrees to identify as being subject to forfeiture all such assets, and to assist in the transfer of such property to the United States by delivery to the Government upon the Government's request, all necessary and appropriate documentation with respect to said assets, including consents to forfeiture, quit claim deeds and any and all other documents necessary to deliver good and marketable title to said property. To the extent the assets are no longer within the possession and control or name of the defendant, the defendant agrees that the Government may seek substitute assets within the meaning of Title 21, United States Code, Section 853.

The defendant knowingly and voluntarily agrees to waive any claim or defense the defendant may have under the Eighth Amendment to the United States Constitution, including any claim of excessive fine or penalty with respect to the forfeited assets. The defendant further knowingly and voluntarily waives the defendant's right to a jury trial on the forfeiture of said assets, waives any statute of limitations with respect to the forfeiture of said assets, and waives any notice of forfeiture proceedings, whether administrative or judicial, against the forfeited assets.

Rights of the Government Regarding Sentencing

Except as otherwise provided in this agreement, the Government reserves its right to take any position with respect to the appropriate sentence to be imposed on the defendant by the sentencing judge, to correct any misstatements relating to the sentencing proceedings, and to provide the sentencing judge and the United States Probation Office all law and information relevant to sentencing, favorable or otherwise. In addition, the Government may inform the sentencing judge and the United States Probation Office of: (1) this agreement; and (2) the full nature and extent of the defendant's activities and relevant conduct with respect to this case.

Waiver of Appeal and Post-Sentencing Rights

As set forth in Schedule A, the Government and the defendant waive certain rights to file an appeal, collateral attack, writ or motion after sentencing, including but not limited to an appeal under Title 18, United States Code, or a motion or appeal under Title 28, United States Code, Sections 1291 or 2255.

Other Provisions

This agreement is limited to the Criminal Division, Fraud Section, of the Department of Justice and cannot bind other federal, state, or local authorities.

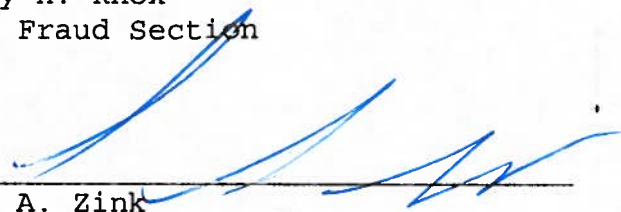
This agreement was reached without regard to any civil or administrative matters that may be pending or commenced in the future against the defendant. This agreement does not prohibit the United States, any agency thereof (including the Internal Revenue Service and Immigration and Customs Enforcement), or any third party from initiating or prosecuting any civil proceeding against the defendant.

In the event that the defendant does not plead guilty or if the defendant breaches this Plea Agreement, the defendant agrees and understands that the defendant thereby waives any protection afforded by Section 1B1.8(a) of the Sentencing Guidelines and Rule 11(f) of the Federal Rules of Criminal Procedure, and that any statements made the defendant as part of plea discussions or as part of the defendant's cooperation with the government will be admissible against the defendant without any limitation in any civil or criminal proceeding.

No Other Promises


This agreement constitutes the plea agreement between the defendant and the Government and supersedes any previous agreements between them. No additional promises, agreements, or conditions have been made or will be made unless set forth in writing and signed by the parties.

Very truly yours,
Jeffrey H. Knox
Chief, Fraud Section

By: 
Robert A. Zink
Albert B. Stieglitz
Assistant Chiefs
L. Rush Atkinson
Trial Attorney

I have received this letter from my attorney, David S. Rudenstein. I have read it, and I understand it fully. I hereby accept the terms and conditions set forth in this letter and acknowledge that it constitutes the plea agreement between the parties. I understand that no additional promises, agreements, or conditions have been made or will be made unless set forth in writing and signed by the parties.

AGREED AND ACCEPTED:


_____ Date: 5-28-14
Samuel Hawk


_____ Date: 5-28-14
David S. Rudenstein

Plea Agreement With Samuel Hawk

Schedule A

1. The Government and the defendant recognize that the United States Sentencing Guidelines are not binding upon the Court.

2. Guidelines. The United States and the defendant hereby agree that the following guidelines provisions apply to the defendant in this case:

(a) Base Offense Level (§ 2B1.1(a)(1)): 7

(b) Loss (§ 2B1.1(b)(1)(K)) (\$7MM-\$20MM): +20

(c) Sophisticated Means (§ 2B1.1(b)(10)(C)): +2

(d) Role (§ 3B1.1(a)): +4

(e) Obstruction (§ 3C1.1): +2

(f) TOTAL: 35

3. As of the date of this letter, the defendant has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for the offenses charged. Therefore, a downward adjustment of 2 levels for acceptance of responsibility is appropriate if the defendant's acceptance of responsibility continues through the date of sentencing. See U.S.S.G. § 3E1.1(a).

4. As of the date of this letter, the defendant has assisted authorities in the investigation or prosecution of the defendant's own misconduct by timely notifying authorities of the defendant's intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the government and the court to allocate their resources efficiently. If the defendant enters a plea pursuant to this agreement and qualifies for a 2-point reduction for acceptance of responsibility pursuant to U.S.S.G. § 3E1.1(a), and if in addition the defendant's offense level under the Guidelines prior to the operation of § 3E1.1(a) is 16 or greater, the defendant will be entitled to a further 1-point reduction in the defendant's offense level pursuant to U.S.S.G. § 3E1.1(b).

5. If the defendant breaches the Plea Agreement, the United States will be released from its obligations under the Plea Agreement. The defendant breaches the Plea Agreement if, among other things, the defendant: (a) fails or refuses to make a full, accurate and complete disclosure to the United States and the Probation Office of the circumstances surrounding the relevant offense conduct and the defendant's present financial condition; (b) is found to have misrepresented facts to the United States prior to entering this Plea Agreement; or (c) commits any misconduct after entering into this Plea Agreement, including but not limited to committing a state or federal offense, violating any term of release, or making false statements or misrepresentations to any governmental entity or official.
6. The defendant voluntarily waives the right to file any appeal, any collateral attack, or any other writ or motion, including but not limited to an appeal under 18 U.S.C. § 3742 or 28 U.S.C. § 1291, or a motion under 28 U.S.C. § 2255.