

1 UNITED STATES DISTRICT COURT  
2 EASTERN DISTRICT OF NEW YORK  
3 CENTRAL ISLIP

4 -----X  
5 UNITED STATES OF AMERICA,

6 - against -

7 MARK PARENTE,

8 Defendant.  
9 -----X

PLEA AGREEMENT

Case No. 2:15-cr-00278-JFB

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11 Pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, the  
12 Environmental Crimes Section of the Environment and Natural Resources Division of the United  
13 States Department of Justice (the "Government") and MARK PARENTE ("PARENTE") agree  
14 to the following:  
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16 **1. Counts of Conviction.** The defendant PARENTE will waive indictment and plead  
17 guilty to Counts One, Two, Three, and Four in the Information filed in the above-captioned  
18 matter, charging violations of 18 U.S.C. § 1343 (Wire Fraud), 18 U.S.C. § 1341 (Mail Fraud),  
19 and 18 U.S.C. § 1519 (Falsification of Federal Records).  
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21 Counts One through Four each carry the same statutory penalties per count:

- 22 a. Maximum Term of Imprisonment: 20 years.  
23 (18 U.S.C. § 1341);
- 24 b. Minimum Term of Imprisonment: 0 years.  
25 (18 U.S.C. § 1341);
- 26 c. Maximum Supervised Released Term: 3 years; if a condition of  
27 release is violated, the defendant may be sentenced to up to 2 years  
28 without credit for pre-release imprisonment or time previously  
served on post-release supervision; pursuant to numbered paragraph 10  
*infra*, the defendant agrees to be subject to four Special Conditions.

- 1 d. Maximum Fine: \$250,000 or twice the gross pecuniary gain/loss,  
2 whichever is greater. The parties have agreed to a fine of \$50,000 at numbered  
3 paragraph 7 *infra*.  
(18 U.S.C. § 3571(b)(3) and (d));
- 4 e. Restitution: An amount to be determined by the Court. Parties have made  
5 certain joint recommendations set forth in numbered paragraph 9 *infra*.  
(18 U.S.C. §§ 3663, 3663A & 3664); and
- 6 f. Special Assessment: \$100.  
7 (18 U.S.C. § 3013).

8 **2. Elements of Wire Fraud.** Counts One and Three charge Wire Fraud, 18 U.S.C. §  
9 1343. The elements of that offense are that:

- 10 (a) Within the Eastern District of New York;
- 11 (b) The defendant did knowingly and intentionally devise a scheme  
12 and artifice to defraud, or to obtain money or property;
- 13 (c) By means of materially false and fraudulent pretenses or  
14 representations; and
- 15 (d) For the purpose of executing such scheme and artifice, transmit and  
16 cause to be transmitted writings, signs, and signals by means of a wire  
17 communication in interstate commerce.

18 **3. Elements of Mail Fraud.** Count Two charges Mail Fraud, 18 U.S.C. § 1341. The  
19 elements of that offense are that:

- 20 (a) Within the Eastern District of New York;
- 21 (b) The defendant did knowingly and intentionally devise a scheme  
22 and artifice to defraud, or to obtain money or property;
- 23 (c) By means of materially false and fraudulent pretenses or  
24 representations; and
- 25 (d) For the purpose of executing such scheme and artifice, place in any post  
26 office or authorized depository for mail matter, any matter or thing whatever  
27 to be sent or delivered by the Postal Service.
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1           **4. Elements of 18 U.S.C. § 1519.** Count Four charges Falsification of Federal Records  
2 (Sarbanes-Oxley). The elements of that offense are that:

- 3                   (a) Within the Eastern District of New York;
- 4                   (b) The defendant did knowingly falsify or make false entries  
5                   into records or documents;
- 6                   (c) With the intent to impede, obstruct, or influence the proper  
7                   administration of any matter; or
- 8                   (d) In relation to and in contemplation of such matter;
- 9                   (e) Within the jurisdiction of any department and agency of the United States.

10           **5. Factual Basis.** The defendant admits all of the charges and allegations contained in  
11 the Information. The defendant affirms that he is pleading guilty because he is in fact guilty of  
12 Counts One through Four. Defendant PARENTE agrees that the following facts are true, and if  
13 brought to trial, that the Government could prove the following facts beyond a reasonable doubt,  
14 and that the following facts do not represent the entirety of the Government's evidence, and that  
15 these stipulated facts are sufficient to support a conviction of Counts One through Four of the  
16 Information:  
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18                   **(a)** PARENTE is the president and majority shareholder of Co-defendant Lou's Fish  
19 Market, Inc. ("LFM"). LFM is a New York corporation that is located in the Bronx.  
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21                   **(b)** From May 1, 2011, through December 31, 2011, LFM was a fish dealer federally-  
22 licensed by the National Oceanic and Atmospheric Administration ("NOAA"), an agency of the  
23 U.S. Department of Commerce. During this time period, under the direction and supervision of  
24 PARENTE, LFM frequently purchased seafood - principally fluke (summer flounder) - from  
25 Fisherman X; that fluke was caught on Vessel X. Vessel X was a commercial trawler/dragger  
26 that docked and offloaded at a facility in southern Nassau County, New York. By on or about  
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1 May 1, 2011, PARENTE knew that Fisherman X was cheating the New York daily trip limits  
2 and the federal Research Set-Aside (“RSA”) Program by overharvesting and failing to report  
3 overages of fluke that were caught on Vessel X. PARENTE knew that in order to hide the illegal  
4 catch, Fisherman X had to falsify Fishing Vessel Trip Reports (“FVTRs”), NOAA-approved  
5 fishing logs, which were submitted to NOAA for each fishing trip. The FVTR required  
6 information such as date, vessel name, permit number, Coast Guard document number, gear  
7 used, species caught, species weight, number of hauls, port of landing, and if available, identity  
8 of the fish purchaser(s) (dealers).  
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11 (c) Under federal regulations, Vessel X could only sell its catch to a federally-  
12 licensed fish dealer. When LFM purchased Vessel X’s catch, NOAA regulations required LFM,  
13 as a fish dealer, to report each purchase to NOAA through an electronic submission known as a  
14 “dealer report.” Dealer reports included information such as date of landing, port of landing,  
15 catch vessel, corresponding FVTR numbers, commercial grade, species, price, and weight.  
16 PARENTE understood that NOAA used the dealer reports to collect fisheries data utilized in  
17 formulating fisheries policy and as a check on information provided on FVTRs. Under the  
18 direction and supervision of PARENTE, LFM transmitted its dealer reports to NOAA over the  
19 Internet.  
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22 (d) Because dealer reports referenced the selling vessel’s FVTR number for each  
23 purchase, if the weights, species, and prices did not match the FVTR, then there was an  
24 automatic red flag to NOAA. PARENTE knew that mismatched FVTRs and dealer reports either  
25 indicated a serious error or fraud. PARENTE knew that federal regulations required FVTRs to be  
26 mailed to NOAA on regular intervals. As such, PARENTE had to make sure that for each false  
27 FVTR that Fisherman X mailed to NOAA, there had to be a correspondingly false dealer report.  
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1 Otherwise, PARENTE knew that NOAA would be in a position to readily investigate each  
2 discrepancy between the FVTRs and the dealer reports. NOAA personnel in Gloucester,  
3 Massachusetts, Silver Spring, Maryland, Bellport, New York, and East Hampton, New York,  
4 would have had access to the dealer reports and would have utilized the dealer reports to resolve  
5 discrepancies or set management measures.  
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7 (e) In order to conceal and cover up the illegal harvest of fluke and its subsequent  
8 purchase and to prevent NOAA and New York State from seizing the illegal catch, PARENTE  
9 knowingly schemed and planned to coordinate LFM's false dealer reports with the false FVTRs  
10 of Fisherman X. During or near in time to offloading at the southern Nassau County, New York  
11 waterfront, Fisherman X and PARENTE would inform each other as to how to falsely complete  
12 the FVTRs through packing slips, notations, and oral statements. Then, knowing how to falsify  
13 the dealer report so as not to arouse the suspicion of NOAA, PARENTE would direct unwitting  
14 subordinates to prepare and file false federal dealer reports that represented that the fish  
15 purchased from Vessel X matched what was reported by Fisherman X as caught on his vessel.  
16 However, the catch weights, fish species, and price paid that LFM submitted to NOAA on these  
17 dealer reports were false. From May 1, 2011, through December 31, 2011, PARENTE caused to  
18 be transmitted at least 45 separate dealer reports to NOAA that contained false catch and  
19 purchase information from Vessel X. The dealer reports were submitted over the Internet to  
20 Gloucester, Massachusetts, via a contractor's server in Virginia, from a portable computer that at  
21 various times was located in New York, New Jersey, and Florida. The FTVTRs were submitted  
22 through the U.S. mail by Fisherman X in Suffolk County, New York, to NOAA in Gloucester,  
23 Massachusetts.  
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1 (f) From on or about May 1, 2011, through August 1, 2011, LFM, under the direction and  
2 supervision of PARENTE, purchased fluke, scup, and black sea bass from an as of yet uncharged  
3 fisherman, "Fisherman Y." Fisherman Y operated Vessel Y, a trawler/dragger docked in  
4 northern Suffolk County, New York. Fisherman Y exceeded state quotas for scup, black sea  
5 bass, and fluke. PARENTE knew that it was purchasing illegal fish from Fisherman Y. In similar  
6 fashion to what PARENTE did with Fisherman X, PARENTE directed unwitting subordinates to  
7 falsify federal dealer reports to match the false submissions made on FVTRs by Fisherman Y.  
8 The scheme included the communication of catch information between PARENTE and  
9 Fisherman Y via packing slips, notations, shipping tags, and oral statements. This catch  
10 information was passed on during or near in time to offloading operations in Suffolk County,  
11 New York. Accordingly, under the direction and supervision of PARENTE, LFM filed false  
12 federal dealer reports that represented that the fish purchased from Vessel Y matched what was  
13 reported by Fisherman Y as caught on the vessel. However, the fish species, species weight,  
14 quota designation, and price paid that LFM submitted to NOAA on these dealer reports were  
15 false. During the course of the scheme, from May 1, 2011, through August 1, 2011, PARENTE  
16 caused to be transmitted at least 33 separate, false dealer reports. The dealer reports were also  
17 submitted over the Internet from New York, New Jersey, and Florida to a NOAA office in  
18 Gloucester, Massachusetts.

19 (g) PARENTE knew that fish that was overharvested, unreported, or was otherwise  
20 caught or retained in connection with false FVTRs or false dealer reports could be seized by  
21 NOAA or the State of New York and subsequently sold for the benefit of those governmental  
22 entities. The defendant knew that his fraud scheme prevented NOAA and the State of New York  
23 from effectuating such seizures and sales. PARENTE admits that the total amount of fish that  
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1 was caught, yet knowingly unreported on the mailed FVTRs and dealer reports was 203,044  
2 pounds of fluke, 12,258 pounds of black sea bass, and 50,670 pounds of scup, with a total  
3 wholesale value of \$481,000. PARENTE admits that the total net pecuniary loss to NOAA and  
4 the State of New York, also equal to the total net pecuniary gain, was \$481,000.  
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6 **6. U.S. Sentencing Guidelines.** The defendant understands that although imposition of  
7 a sentence in accordance with the United States Sentencing Guidelines (“Guidelines”) is not  
8 mandatory, the Guidelines are advisory and the Court is required to consider any applicable  
9 Guidelines provisions as well as other factors enumerated in 18 U.S.C. §§ 3553(a), 3572 to  
10 arrive at an appropriate sentence in this case. The defendant acknowledges that although the  
11 parties have agreed on terms such as the Guidelines offense level, restitution, community service,  
12 and Special Conditions of Release, the sentencing Court is free to sentence the defendant up to  
13 and including the statutory maximums set forth in numbered paragraph 1 *supra*. The parties  
14 agree that the defendant is at a Criminal History Category I, though recognize that this could  
15 change if contrary information becomes available. The Government and PARENTE stipulate that  
16 the Guidelines calculation is as follows:  
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19	Base Offense Level (USSG §2B1.1(a)(1))	7
20	Plus: Loss of \$481,000.	
21	(USSG §2B1.1(b)(1)(H))	+14
22	Less: If the defendant meets requirements of	
23	USSG §3E1.1(a), he may be entitled to a two-level	
24	reduction for acceptance of responsibility.	-2
25	Less: If the defendant pleads guilty on or before <del>June 25,</del> July 10, 2014,	
26	2015, and if he otherwise meets the requirements of USSG	
27	§3E1.1(a), the Government will move for a one-level reduction.	
28	(USSG §3E1.1(b))	<u>-1</u>
	Adjusted Offense Level:	18

1           This offense level (18) is within Zone D and carries a range of imprisonment of 27 to 33  
2 months. The defendant stipulates that no other adjustments, departures, enhancements, or  
3 variances apply to the stipulated offense level, nor will the defendant argue for any such  
4 adjustments, departures, enhancements, or variances. Despite the “no other ...departures  
5 ...apply” language in the previous sentence, if the Government, in its sole and exclusive  
6 discretion, files a letter, motion, or notice pursuant to USSG §5K1.1 (Substantial Assistance),  
7 both parties are free to independently argue for a sentence outside the stipulated Guidelines range  
8 based on said filing. The parties also agree that the defendant reserves the right and shall be  
9 permitted, if he chooses, to argue for a sentence outside the stipulated Guidelines range by  
10 arguing the non-Guidelines factors set forth in 18 U.S.C. § 3553(a). The defendant acknowledges  
11 that the Government will advocate for a sentence of imprisonment within the applicable Zone D  
12 range: assuming the full application of USSG §3E1.1, 27 to 33 months. The defendant  
13 recognizes that the Government has the right to argue for such a sentence even if the  
14 Government makes a USSG §5K1.1 filing.

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16           The defendant further recognizes that the stipulated offense level is not binding on the  
17 Probation Office or the Court. If the Guidelines offense level determined by the Probation Office  
18 or the Court is for any reason, including error in calculation, different from the stipulated offense  
19 level, PARENTE will not be entitled to withdraw his guilty plea and the Government will not be  
20 deemed to have breached the Plea Agreement. The Government commits that, apart from its  
21 judgment as to the application of USSG §3E1.1 (whether it applies, and whether it is a 2 or 3-  
22 level reduction), it will not advocate for a prison sentence above of the stipulated Guidelines  
23 offense level.

24           Notwithstanding the stipulated facts in numbered paragraph 5, the Government may  
25 advise the Court and the Probation Office of additional information relevant to sentencing and  
26 such information may be used by the Court in determining the defendant’s sentence. A sentence  
27 in excess of the stipulated Guidelines offense level or other penalty amounts shall not be a basis  
28 for the defendant to withdraw his guilty plea.



1           **7. Fine.** Defendant PARENTE agrees to pay a criminal fine of \$50,000. The fine is  
2 payable at sentencing.

3           **8. Community Service Payment.** In addition to the fine, on the date of sentencing,  
4 PARENTE shall make a one-time community service payment of \$10,000 in the form of a check  
5 made out to the “Cornell Cooperative Extension of Suffolk County (Marine Program).” The  
6 payment shall be made directly to the recipient through hand delivery or certified courier service.  
7 The payee address is Cornell Cooperative Extension of Suffolk County (Marine Program),  
8 ATTN: Development Office, 423 Griffing Avenue, Suite 100, Riverhead, New York 11901-  
9 3071. The payee shall provide a receipt for the payment, and PARENTE shall ensure that the  
10 receipt is promptly provided to the Court and the Probation Office. This payment shall be used  
11 exclusively for the Marine Meadows Program on Long Island, New York, and if that program  
12 has expired by the time of sentencing, for the exclusive purpose of enhancing the seagrass,  
13 nearshore, estuarine, and/or salt marsh habitat of the waters in and around Long Island, New  
14 York. PARENTE shall not be permitted to take any tax offset or deduction for the community  
15 service payment.  
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19           **9. Restitution.** Pursuant to 16 U.S.C. § 1860(a) and 18 U.S.C. §§ 3663, 3663A & 3664,  
20 the parties jointly recommend and stipulate to a total restitution figure of \$481,000, which is  
21 based on the value of the fluke, scup, and black sea bass that NOAA and New York State were  
22 unable to seize and sell due to Defendant’s fraudulent schemes. The defendant shall pay  
23 \$100,000 of the restitution obligation at sentencing. For purposes of this Plea Agreement only,  
24 NOAA waives restitution in this case. In accordance with 18 U.S.C. § 3663A(a)(1)(3), the  
25 parties agree that the restitution shall be directed to an entity other than the victim NOAA. That  
26 entity is the State of New York, embodied by the Marine Resources Account of the New York  
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1 State Conservation Fund. Restitution payments shall be directed to the "Marine Resources  
2 Account", c/o Robert Schwank, Management & Budget Services, NYS Department of  
3 Environmental Conservation, 625 Broadway, Albany, New York 12233-5012. The defendant is  
4 aware that an order of restitution is made absent an analysis of his ability to pay. The defendant  
5 also acknowledges that the Court could impose a multitude of requirements (such as, a lump-sum  
6 payment, sale of current or future assets, garnishment of wages, seizing of financial assets and  
7 accounts, as well as formulating a payment schedule) in order to ensure compliance with the  
8 defendant's restitution obligation. Both parties recognize that there may be other individuals and  
9 entities that have some shared liability for restitution owing from the two charged fraud schemes.  
10 The Government agrees that if the entire restitution balance is satisfied from another source that  
11 it shall consider in good faith and consent to appropriate filings that seek to terminate the  
12 defendant's ongoing restitution obligation.

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15 **10. Special Conditions of Release.** Defendant agrees to be sentenced to a term of  
16 supervised release of three years. PARENTE agrees to be bound by the following four Special  
17 Conditions of Release, in addition to whatever conditions are imposed by the Court:  
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20 **Special Condition No. 1.** The defendant is immediately banned from being in a position  
21 where he has a legal or employment duty to complete or direct others to complete federal  
22 or New York State dealer reports. The defendant shall not access or make entries in the  
23 SAFIS computer system.

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25 **Special Condition No. 2.** The defendant is immediately banned from holding a federal  
26 dealer license and a New York State Marine and Coastal District Food Fish and  
27 Crustacea Dealers and Shippers License.

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29 **Special Condition No. 3.** The defendant is immediately banned from participating in  
30 any federal or New York State Research Set-Aside (RSA) Program; this includes  
31 purchasing fish that was caught under an RSA Program.

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33 **Special Condition No. 4.** The defendant shall make timely payments of fines,  
34 restitution, and community service under his Plea Agreement. The defendant shall ensure

1 that Lou's Fish Market, Inc. (and successor business entities as set forth in LFM's Special  
2 Condition No. 8) makes timely payments under its plea agreement and remains in  
3 compliance with LFM's special conditions of probation.

4 **11. Special Assessment.** The defendant shall pay a special assessment of \$400, which is  
5 due in full at sentencing.

6 **12. Appellate and Other Waivers.** PARENTE agrees to give up his right to appeal his  
7 conviction, the judgment, and orders of the Court. PARENTE also agrees to waive any right he  
8 might have to appeal any aspect of the sentence. The defendant agrees not to file any collateral  
9 attack on the conviction or sentence, including a petition under 28 U.S.C. § 2255 or 28 U.S.C. §  
10 2241, or motion under 18 U.S.C. § 3582, at any time in the future after the defendant is  
11 sentenced. Nevertheless, the defendant may bring a post-conviction claim if the defendant  
12 establishes that ineffective assistance of counsel directly affected the validity of this waiver of  
13 appeal and collateral challenge rights or the validity of the guilty plea itself. Subject to the  
14 foregoing, the defendant reserves the right to bring a direct appeal of any sentence imposed (a) in  
15 excess of the statutory maximum, or (b) with a term of incarceration greater than the greater of  
16 (i) 46 months, or (ii) the maximum number of months (high end of range) specified by the final  
17 Guidelines offense level, as that level is determined by the sentencing Court. Clause (b) in the  
18 foregoing sentence is a limited exception to the defendant's waiver of appeal and shall not  
19 constitute an independent basis to establish that a particular sentence is unjust, illegal, or  
20 otherwise contrary to law. Furthermore, if the defendant is sentenced to a term of incarceration,  
21 the pursuit of an appeal under the limited exceptions to the waivers herein shall not be used a  
22 basis to stay or otherwise delay the initiation of the term of incarceration. The foregoing waivers  
23 are binding without regard to the sentencing analysis used by the Court. The defendant  
24 understands that the Government might not preserve any evidence obtained in this case and in no

1 way shall the defendant rely on the Government preserving evidence for any purpose.  
2 PARENTE hereby waives any claim to any physical evidence, papers, or electronic media in the  
3 possession, custody, or control of the Government. The defendant waives any further disclosure  
4 or discovery from the Government. PARENTE further waives any and all rights under the  
5 Freedom of Information Act relating to the investigation and prosecution of the above-captioned  
6 matter and further agrees not to file a request for case-related documents from any agency or  
7 department of the Executive Branch. Further, the defendant waives any right to seek attorney's  
8 fees or litigation expenses under 18 U.S.C. § 3006A (the "Hyde Amendment"), and the  
9 defendant acknowledges that the Government's position in the instant prosecution was not  
10 vexatious, frivolous, or in bad faith. The defendant waives all defenses and claims with regard to  
11 statute of limitations, laches, or any other arguments that any aspect of the charges is time-  
12 barred. Finally, the defendant waives any challenge to venue.

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15 **13. Government's Obligations.** The Government agrees not to file any additional  
16 criminal charges against the defendant arising from or related to any and all conduct, such  
17 conduct known to the Government as of the date the last person signed this Plea Agreement,  
18 which concerned the (i) catch, purchase, or sale of seafood or (ii) accuracy of forms submitted to  
19 NOAA or the state of New York by or on behalf of Lou's Fish Market Co., Inc., Fisherman X,  
20 Vessel X, Fisherman Y, and/or Vessel Y that occurred from January 1, 2011, through January 1,  
21 2012. Further, the Government agrees that the reasonable and appropriate sentence in this case is  
22 set forth above, and the Government agrees not to advocate for a different sentence unless the  
23 defendant violates the terms of the Plea Agreement.  
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26 **14. Parties Bound by the Plea Agreement.** This Plea Agreement is only binding upon  
27 the defendant and the Environmental Crimes Section of the Environment and Natural Resources  
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1 Division of the U.S. Department of Justice, also known as the Government. This Plea Agreement  
2 does not bind any other federal, state, or local prosecuting authority other than the Government.  
3 The Plea Agreement does not preclude the initiation of any civil, tax, or administrative action  
4 against the defendant by any authority.  
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6 **15. Collateral Licensing Consequences.** The defendant acknowledges that pleading  
7 guilty to these charges may have consequences with regard to his ability to maintain and/or  
8 obtain governmental licenses and certifications, *e.g.*, seafood sales permits. The defendant  
9 further acknowledges that although he has agreed to comport himself pursuant to stipulated  
10 Special Conditions of Release, that state and federal agencies could legally and independently  
11 suspend, revoke, or withhold the issuance of permits or licenses based on the administrative and  
12 regulatory authority of those agencies. Nevertheless, PARENTE affirms that he desires to plead  
13 guilty regardless of any licensing and certification consequences that may result from his guilty  
14 plea.  
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25 *Plea Agreement concludes on page 15.*  
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