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11 Attorneys for Plaintiff  
 12 UNITED STATES OF AMERICA

13 UNITED STATES DISTRICT COURT

14 FOR THE CENTRAL DISTRICT OF CALIFORNIA

15 UNITED STATES OF AMERICA,

16 Plaintiff,

17 v.

18 TERESA MCGRATH,

19 Defendant.

No. CR 20-136-AB

PLEA AGREEMENT FOR DEFENDANT  
TERESA MCGRATH

20  
 21 1. This constitutes the plea agreement between TERESA MCGRATH  
 22 ("defendant") and the United States Attorney's Office for the Central  
 23 District of California (the "USAO") in the above-captioned case.  
 24 This agreement is limited to the USAO and cannot bind any other  
 25 federal, state, local, or foreign prosecuting, enforcement,  
 26 administrative, or regulatory authority.

27 DEFENDANT'S OBLIGATIONS

28 2. Defendant agrees to:

1           a. Give up the right to indictment by a grand jury and,  
2 at the earliest opportunity requested by the USAO and provided by the  
3 Court, appear and plead guilty to a three-count superseding  
4 information in the form attached to this agreement as Exhibit A or a  
5 substantially similar form, which charges defendant with Conspiracy  
6 to Distribute and Possess With Intent to Distribute Methamphetamine  
7 in violation of 21 U.S.C. §§ 846, 841(a)(1), (b)(1)(A)(viii) and 3,4-  
8 methylenedioxymethamphetamine ("MDMA"), in violation of Title 21,  
9 United States Code, Sections 841(a)(1), (b)(1)(C); Conspiracy to  
10 Engage in Money Laundering, in violation of 18 U.S.C. § 1956(h); and  
11 Possession of Firearms in Furtherance of a Drug Trafficking Crime in  
12 violation of 18 U.S.C. § 924(c)(1)(A)(i).

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

14           c. Abide by all agreements regarding sentencing contained  
15 in this agreement.

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

19           e. Not commit any crime; however, offenses that would be  
20 excluded for sentencing purposes under United States Sentencing  
21 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not  
22 within the scope of this agreement.

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

25           g. Pay the applicable special assessments at or before  
26 the time of sentencing unless defendant has demonstrated a lack of  
27 ability to pay such assessments.

28



1 e. Not to assist any other individual in any effort  
2 falsely to contest the forfeiture of the Forfeitable Assets.

3 f. Not to claim that reasonable cause to seize the  
4 Forfeitable Assets was lacking.

5 g. To prevent the transfer, sale, destruction, or loss of  
6 the Forfeitable Assets to the extent defendant has the ability to do  
7 so.

8 h. To fill out and deliver to the USAO a completed  
9 financial statement listing defendant's assets on a form provided by  
10 the USAO.

11 i. To the entry as part of defendant's guilty plea of a  
12 personal money judgment of forfeiture in the amount of \$161,916.03,  
13 which sum defendant admits was involved in the violations described  
14 in the factual basis of the plea agreement and for which she is  
15 jointly and severally liable with RANE MELKOM.

16 j. That forfeiture of Forfeitable Assets and the Money  
17 Judgment shall not be counted toward satisfaction of any special  
18 assessment, fine, restitution, costs, or other penalty the Court may  
19 impose.

20 k. With respect to any criminal forfeiture and money  
21 judgment ordered as a result of this plea agreement, defendant  
22 waives: (1) the requirements of Federal Rules of Criminal Procedure  
23 32.2 and 43(a) regarding notice of the forfeiture and money judgment  
24 in the charging instrument, announcements of the forfeiture and money  
25 judgment at sentencing, and incorporation of the forfeiture and money  
26 judgment in the judgment; (2) all constitutional and statutory  
27 challenges to the forfeiture and money judgment (including by direct  
28 appeal, habeas corpus or any other means); and (3) all

1 constitutional, legal, and equitable defenses to the forfeiture of  
2 the Forfeitable Assets and imposition of money judgment in any  
3 proceeding on any grounds including, without limitation, that the  
4 forfeiture and/or money judgment constitute an excessive fine or  
5 punishment. Defendant acknowledges that the forfeiture of the  
6 Forfeitable Assets and money judgment are part of the sentence that  
7 may be imposed in this case and waives any failure by the Court to  
8 advise defendant of this, pursuant to Federal Rule of Criminal  
9 Procedure 11(b)(1)(J), at the time the Court accepts defendant's  
10 guilty plea.

11 THE USAO'S OBLIGATIONS

12 4. The USAO agrees to:

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

14 b. Abide by all agreements regarding sentencing contained  
15 in this agreement.

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

22 d. Except for criminal tax violations (including  
23 conspiracy to commit such violations chargeable under 18 U.S.C.  
24 § 371), not further criminally prosecute defendant for violations of  
25 18 U.S.C. § 1028A(a)(1) arising out of defendant's conduct described  
26 in the agreed-to factual basis set forth in paragraph 19 below.

27 Defendant understands that the USAO is free to criminally prosecute  
28 defendant for any other unlawful past conduct or any unlawful conduct

1 that occurs after the date of this agreement. Defendant agrees that  
2 at the time of sentencing the Court may consider the uncharged  
3 conduct in determining the applicable Sentencing Guidelines range,  
4 the propriety and extent of any departure from that range, and the  
5 sentence to be imposed after consideration of the Sentencing  
6 Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

7 NATURE OF THE OFFENSES

8 5. Defendant understands that for defendant to be guilty of  
9 the crime charged in count one of the superseding information, that  
10 is, Conspiracy to Distribute and Possess With Intent to Distribute  
11 Methamphetamine, in violation of Title 21, United States Code,  
12 Sections 846, 841(a)(1), 841(b)(1)(A)(viii) and MDMA, in violation of  
13 Title 21, United States Code, Sections 841(a)(1), (b)(1)(C), the  
14 following must be true: (1) there was an agreement between two or  
15 more persons to distribute and possess with intent to distribute  
16 methamphetamine and MDMA; and (2) the defendant joined in the  
17 agreement knowing of its purpose and intending to help accomplish  
18 those purposes.

19 6. Defendant understands that for defendant to be guilty of  
20 the crime charged in count two of the superseding information, that  
21 is, conspiracy to engage in money laundering, in violation of Title  
22 18, United States Code, Section 1956(h), the following must be true:  
23 (1) there was an agreement between two or more persons to commit the  
24 crime of money laundering, in violation of 18 U.S.C.  
25 § 1956(a)(1)(B)(i), that is, to (a) conduct or attempt to conduct a  
26 financial transaction, (b) knowing that the property involved in such  
27 a financial transaction represents the proceeds of some form of  
28 unlawful activity, (c) which in fact involves the proceeds of

1 specified unlawful activity, and (d) knowing that the transaction is  
2 designed in whole or in part to conceal or disguise the nature, the  
3 location, the source, the ownership, or the control of the proceeds  
4 of specified unlawful activity; and (2) defendant willfully joined in  
5 the agreement knowing of its unlawful purpose.

6 7. Defendant understands that for defendant to be guilty of  
7 the crime charged in count three of the superseding information, that  
8 is, Possession of a Firearm in Furtherance of a Drug Trafficking  
9 Crime, in violation of Title 18, United States Code, Section  
10 924(c)(1)(A)(i), the following must be true: (1) defendant committed  
11 a drug trafficking crime, that is the crime of Conspiracy to  
12 Distribute and Possess with Intent to Distribute Methamphetamine and  
13 MDMA as charged in count one of the superseding information;  
14 (2) defendant knowingly possessed a firearm; and (3) defendant  
15 possessed the firearm in furtherance of the crime of Conspiracy to  
16 Distribute and Possess with Intent to Distribute Methamphetamine and  
17 MDMA as charged in count one of the superseding information.

18 8. Defendant understands that for defendant to be subject to  
19 the statutory maximum and statutory minimum sentences set forth  
20 below, the government must prove beyond a reasonable doubt that the  
21 conspiracy involved at least 50 grams of methamphetamine. Defendant  
22 admits that defendant, in fact, possessed at least 50 grams of  
23 methamphetamine in furtherance of the conspiracy.

24 PENALTIES

25 9. Defendant understands that the statutory maximum sentence  
26 that the Court can impose for a violation of Title 21, United States  
27 Code, Section 846, 841(a), (b)(1)(A)(viii) is: life imprisonment; a  
28 lifetime period of supervised release; a fine of \$10,000,000 or twice

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

3 10. Defendant understands that the statutory maximum sentence  
4 that the Court can impose for a violation of Title 18, United States  
5 Code, Section 1956(h), is: 20 years' imprisonment; a three-year  
6 period of supervised release; a fine of \$500,000 or twice the gross  
7 gain or gross loss resulting from the offense, whichever is greatest;  
8 and a mandatory special assessment of \$100.

9 11. Defendant understands that the statutory maximum sentence  
10 that the Court can impose for a violation of Title 18, United States  
11 Code, Section 924(c)(1)(A)(i) is: five years' imprisonment; a five-  
12 year period of supervised release; a fine of \$250,000 or twice the  
13 gross gain or gross loss resulting from the offense, whichever is  
14 greatest; and a mandatory special assessment of \$100.

15 12. Defendant understands, therefore, that the total maximum  
16 sentence for all offenses to which defendant is pleading guilty is:  
17 life imprisonment; a lifetime period of supervised release; a fine of  
18 \$10,750,000 or twice the gross gain or gross loss resulting from the  
19 offense, whichever is greatest; and a mandatory special assessment of  
20 \$300.

21 13. Defendant understands that the statutory mandatory minimum  
22 sentence that the Court must impose for a violation of Title 21,  
23 United States Code, Section 846, 841(a), (b)(1)(A)(viii) is: 10  
24 years' imprisonment, followed by a five-year period of supervised  
25 release, and a mandatory special assessment of \$100.

26 14. Defendant understands that the statutory mandatory minimum  
27 sentence that the Court must impose for a violation of Title 18,  
28 United States Code, Section 924(c), as charged in count three of the



1 superseding information, is a five-year term of imprisonment, which  
2 must run consecutive to any other sentence of imprisonment, and a  
3 mandatory special assessment of \$100.

4 15. Defendant understands that supervised release is a period  
5 of time following imprisonment during which defendant will be subject  
6 to various restrictions and requirements. Defendant understands that  
7 if defendant violates one or more of the conditions of any supervised  
8 release imposed, defendant may be returned to prison for all or part  
9 of the term of supervised release authorized by statute for the  
10 offense that resulted in the term of supervised release.

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

24 17. Defendant understands that under 21 U.S.C. § 862a,  
25 defendant will not be eligible for assistance under state programs  
26 funded under the Social Security Act or Federal Food Stamp Act or for  
27 federal food stamp program benefits, and that any such benefits or  
28

1 assistance received by defendant's family members will be reduced to  
2 reflect defendant's ineligibility.

3 18. Defendant and her counsel have discussed the fact that, and  
4 defendant understands that, if defendant is not a United States  
5 citizen, the convictions in this case makes it practically inevitable  
6 and a virtual certainty that defendant will be removed or deported  
7 from the United States. Defendant may also be denied United States  
8 citizenship and admission to the United States in the future.  
9 Defendant understands that while there may be arguments that  
10 defendant can raise in immigration proceedings to avoid or delay  
11 removal, removal is presumptively mandatory and a virtual certainty  
12 in this case. Defendant further understands that removal and  
13 immigration consequences are the subject of a separate proceeding and  
14 that no one, including her attorney or the Court, can predict to an  
15 absolute certainty the effect of her convictions on her immigration  
16 status. Defendant nevertheless affirms that she wants to plead  
17 guilty regardless of any immigration consequences that her pleas may  
18 entail, even if the consequence is automatic removal from the United  
19 States.

20 FACTUAL BASIS

21 19. Defendant admits that defendant is, in fact, guilty of the  
22 offenses to which defendant is agreeing to plead guilty. Defendant  
23 and the USAO agree to the statement of facts provided below and agree  
24 that this statement of facts is sufficient to support pleas of guilty  
25 to the charges described in this agreement and to establish the  
26 Sentencing Guidelines factors set forth in paragraph 21 below but is  
27 not meant to be a complete recitation of all facts relevant to the  
28

1 underlying criminal conduct or all facts known to either party that  
2 relate to that conduct.

3  
4 Conspiracy to Distribute and Possess With Intent to Distribute  
5 Controlled Substances

6 Beginning on or about an unknown date and continuing until  
7 February 11, 2020, in Los Angeles County, within the Central District  
8 of California, and elsewhere, defendant conspired with others,  
9 including RANE MELKOM, MARK CHAVEZ, THOMAS OLAYVAR, and MATTHEW ICK  
10 (collectively, the "co-conspirators"), to knowingly and intentionally  
11 possess with the intent to distribute and to distribute  
12 methamphetamine, MDMA, and other controlled substances, including  
13 through darknet marketplaces. The darknet is a part of the internet  
14 that uses custom software and hidden networks superimposed on the  
15 architecture of the internet to provide greater anonymity to users  
16 and to obfuscate users and content. Darknet marketplaces are  
17 commercial websites selling goods and services that operate on the  
18 darknet. Darknet marketplace vendors often only accept digital  
19 currency, such as Bitcoin, in exchange for goods and services, due to  
20 the anonymity provided by such currencies. Because of this  
21 anonymity, darknet marketplaces are commonly used to facilitate  
22 illegal transactions involving, amongst other things, drugs.

23 The conspiracy of which defendant was a part was responsible for  
24 (1) obtaining drugs, including methamphetamine and MDMA, from various  
25 sources of supply, (2) selling those drugs on the darknet in exchange  
26 for cryptocurrency, and (3) sending the drugs to customers around the  
27 world using the United States Postal Service. To facilitate the  
28 receipt of drugs, defendant and her co-conspirators used the names of

1 individuals unrelated to the conspiracy to operate post office boxes  
2 where drugs that were ordered wholesale via the darknet, including  
3 MDMA, were shipped. Members of the conspiracy would then repackage  
4 and resell those drugs on the darknet.

5 In connection with her role in the conspiracy, on or about  
6 February 28, 2019, defendant dropped off several parcels for mailing  
7 at the Griffith Post Office located at 3370 Glendale Blvd., Los  
8 Angeles, California 90039. The parcels contained drugs and were  
9 intended for shipping to customers who had ordered those drugs on the  
10 darknet. One of the parcels was later discovered to contain  
11 approximately 17.2 grams of suspected methamphetamine. Similarly, on  
12 or about July 8, 2019, defendant dropped off approximately 60 parcels  
13 for mailing at the Sunland Post Office located at 8587 Fenwick St.,  
14 Sunland-Tujunga, California 91040. The parcels contained drugs and  
15 were intended for shipping to customers who had ordered those drugs  
16 on the darknet. One of the parcels was later discovered to contain  
17 approximately 219 grams of actual methamphetamine. Moreover, on or  
18 about August 1, 2019, McGrath went to the Sun Valley Post Office  
19 located at 10946 Ratner St, Sun Valley, California 91352 and  
20 purchased \$1,542.95 worth of stamps and money orders, which furthered  
21 the drug enterprise, using a BBVA debit card ending with 7372 in the  
22 name of F.G. Defendant knew that F.G. was a real person and used  
23 F.G.'s debit card without legal authority.

24 In the course of the conspiracy, defendant assisted MELKOM, who  
25 was her romantic partner, with the receipt, packaging, and  
26 distribution of drugs that were ordered on the darknet. MELKOM was  
27 on federal supervision at the time.

28

1 On February 11, 2020, law enforcement officers searched  
2 defendant's residence (where co-conspirator MELKOM also resided) and  
3 found approximately 22.183 kilograms of actual methamphetamine,  
4 approximately 6,701 grams of MDMA, and two loaded Glock pistols,  
5 bearing serial numbers NRU539 and GMZ799, respectively, in a storage  
6 room attached to defendant's residence. In addition, law enforcement  
7 officers found a loaded FNH pistol, bearing serial number GKU0127246,  
8 under defendant's bed. Defendant jointly possessed the  
9 methamphetamine, MDMA, and firearms in furtherance of the conspiracy,  
10 along with MELKOM, which was used to further the distribution of  
11 methamphetamine and MDMA. Additionally, during the search of  
12 defendant's wallet, which was found in the residence, law enforcement  
13 found a debit card in the name of F.G.

14  
15 Conspiracy to Launder Money

16 In connection with the drug trafficking activities described  
17 above, beginning on or about an unknown date and continuing until  
18 February 11, 2020, defendant conspired with others, including RANE  
19 MELKOM, to knowingly launder criminal proceeds, which defendant knew  
20 were the proceeds of unlawful criminal activity, namely, proceeds of  
21 the unlawful drug trafficking. The purpose of laundering the money  
22 was to conceal the source and origin of the money, and defendant  
23 knowingly joined in that purpose. The conspiracy proceeded as  
24 follows: (1) defendant, RANE MELKOM, and other co-conspirators would  
25 funnel money (namely, Bitcoin), including proceeds from narcotics-  
26 related activities, into a digital currency account held in  
27 defendant's name (the "MCGRATH Bitcoin Account"); (2) defendant and  
28 RANE MELKOM would exchange digital currency into fiat currency then

1 transfer those funds into another bank account held in defendant's  
2 name (the "MCGRATH Bank of America Account"); (3) defendant would  
3 withdraw funds from the MCGRATH Bank of America Account.

4 In furtherance of the conspiracy and to accomplish the object of  
5 the conspiracy, defendant committed the following overt acts: (1) on  
6 December 21, 2018, defendant opened the MCGRATH Bitcoin Account;  
7 (2) on March 27, 2019, defendant received \$9,945.49 in Bitcoin in the  
8 MCGRATH Bitcoin Account; (3) on March 27, 2019, defendant exchanged  
9 \$9,954.18 in Bitcoin to U.S. dollars; (4) on March 27, 2019,  
10 defendant transferred \$9,999 from the MCGRATH Bitcoin Account to the  
11 MCGRATH Bank of America Account; (5) on April 2, 2019, defendant  
12 withdrew \$9,300 from the MCGRATH Bank of America Account; and (6) on  
13 May 23, 2019, defendant MCGRATH withdrew \$8,888 from the MCGRATH Bank  
14 of America Account. The withdrawals furthered the drug enterprise,  
15 and defendant conducted these transactions in this manner to conceal  
16 the nature, source, and ownership of the funds. Defendant and RANE  
17 MELKOM would discuss how to conduct financial transactions and would  
18 agree to conduct certain transactions in amounts less than \$10,000 to  
19 avoid scrutiny from banks or less than \$3,000 to avoid scrutiny from  
20 the United States Postal Service. Between January 19, 2019, and June  
21 26, 2019, in total, defendant received approximately \$161,916.03 in  
22 Bitcoin into the MCGRATH Bitcoin Account.

23 SENTENCING FACTORS

24 20. Defendant understands that in determining defendant's  
25 sentence the Court is required to calculate the applicable Sentencing  
26 Guidelines range and to consider that range, possible departures  
27 under the Sentencing Guidelines, and the other sentencing factors set  
28 forth in 18 U.S.C. § 3553(a). Defendant understands that the

1 Sentencing Guidelines are advisory only, that defendant cannot have  
 2 any expectation of receiving a sentence within the calculated  
 3 Sentencing Guidelines range, and that after considering the  
 4 Sentencing Guidelines and the other § 3553(a) factors, the Court will  
 5 be free to exercise its discretion to impose any sentence it finds  
 6 appropriate between the mandatory minimum and the maximum set by  
 7 statute for the crimes of conviction.

8 21. Defendant and the USAO agree to the following applicable  
 9 Sentencing Guidelines factors<sup>1</sup>:

10	Base Offense Level:	38	U.S.S.G. § 2D1.1(a)(5), (c)(1)
11	Mass-Marketing by Means of an		U.S.S.G. § 2D1.1(b)(7)
12	Interactive Computer Service	+2	

13  
 14 Defendant and the USAO reserve the right to argue that additional  
 15 specific offense characteristics, adjustments, and departures under  
 16 the Sentencing Guidelines are appropriate. Defendant understands  
 17 that defendant's offense level could be increased if defendant is a  
 18 career offender under U.S.S.G. §§ 4B1.1 and 4B1.2. If defendant's  
 19 offense level is so altered, defendant and the USAO will not be bound  
 20 by the agreement to Sentencing Guideline factors set forth above.  
 21 Defendant understands that the Court must sentence defendant to a  
 22 term of five years' imprisonment on count three, which must run  
 23 consecutive to any term of imprisonment imposed for count one.

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24  
 25  
 26  
 27 <sup>1</sup> The parties agree that, pursuant to U.S.S.G. §§ 3D1.1 through  
 28 3D1.4, the conduct charged in counts one and two involves  
 substantially the same harm and should be grouped together, and that  
 the controlling guidelines are the drug-trafficking guidelines set  
 forth above.





1 h. Any and all rights to pursue any affirmative defenses,  
2 Fourth Amendment or Fifth Amendment claims, and other pretrial  
3 motions that have been filed or could be filed.

4 WAIVER OF APPEAL OF CONVICTION

5 25. Defendant understands that, with the exception of an appeal  
6 based on a claim that defendant's guilty pleas were involuntary, by  
7 pleading guilty defendant is waiving and giving up any right to  
8 appeal defendant's convictions on the offenses to which defendant is  
9 pleading guilty. Defendant understands that this waiver includes,  
10 but is not limited to, arguments that the statutes to which defendant  
11 is pleading guilty are unconstitutional, and any and all claims that  
12 the statement of facts provided herein is insufficient to support  
13 defendant's pleas of guilty.

14 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

15 26. Defendant agrees that, provided the Court, before  
16 imposition of the mandatory consecutive sentence of five years'  
17 imprisonment on count three, imposes a term of imprisonment within or  
18 below the range corresponding to an offense level of 37 and the  
19 criminal history category calculated by the Court, defendant gives up  
20 the right to appeal all of the following: (a) the procedures and  
21 calculations used to determine and impose any portion of the  
22 sentence; (b) the term of imprisonment imposed by the Court; (c) the  
23 fine imposed by the Court, provided it is within the statutory  
24 maximum; (d) to the extent permitted by law, the constitutionality or  
25 legality of defendant's sentence, provided it is within the statutory  
26 maximum; (e) the term of probation or supervised release imposed by  
27 the Court, provided it is within the statutory maximum; and (f) any  
28 of the following conditions of probation or supervised release

1 imposed by the Court: the conditions set forth in General Order 18-10  
2 of this Court; the drug testing conditions mandated by 18 U.S.C.  
3 §§ 3563(a)(5) and 3583(d); and the alcohol and drug use conditions  
4 authorized by 18 U.S.C. § 3563(b)(7).

5 27. The USAO agrees that, provided (a) all portions of the  
6 sentence are at or above the statutory minimum and at or below the  
7 statutory maximum specified above and, (b) before imposition of the  
8 mandatory consecutive sentence of five years' imprisonment on count  
9 three, the Court imposes a term of imprisonment within or above the  
10 range corresponding to an offense level of 37 and the criminal  
11 history category calculated by the Court, the USAO gives up its right  
12 to appeal any portion of the sentence.

13 RESULT OF WITHDRAWAL OF GUILTY PLEA

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

1                                    RESULT OF VACATUR, REVERSAL OR SET-ASIDE

2            29. Defendant agrees that if any count of conviction is  
3 vacated, reversed, or set aside, the USAO may: (a) ask the Court to  
4 resentence defendant on any remaining count of conviction, with both  
5 the USAO and defendant being released from any stipulations regarding  
6 sentencing contained in this agreement, (b) ask the Court to void the  
7 entire plea agreement and vacate defendant's guilty plea on any  
8 remaining count of conviction, with both the USAO and defendant being  
9 released from all their obligations under this agreement, or  
10 (c) leave defendant's remaining conviction, sentence, and plea  
11 agreement intact. Defendant agrees that the choice among these three  
12 options rests in the exclusive discretion of the USAO.

13                                    EFFECTIVE DATE OF AGREEMENT

14            30. This agreement is effective upon signature and execution of  
15 all required certifications by defendant, defendant's counsel, and an  
16 Assistant United States Attorney.

17                                    BREACH OF AGREEMENT

18            31. Defendant agrees that if defendant, at any time after the  
19 signature of this agreement and execution of all required  
20 certifications by defendant, defendant's counsel, and an Assistant  
21 United States Attorney, knowingly violates or fails to perform any of  
22 defendant's obligations under this agreement ("a breach"), the USAO  
23 may declare this agreement breached. All of defendant's obligations  
24 are material, a single breach of this agreement is sufficient for the  
25 USAO to declare a breach, and defendant shall not be deemed to have  
26 cured a breach without the express agreement of the USAO in writing.  
27 If the USAO declares this agreement breached, and the Court finds  
28 such a breach to have occurred, then: (a) if defendant has previously

1 entered guilty pleas pursuant to this agreement, defendant will not  
2 be able to withdraw the guilty pleas, and (b) the USAO will be  
3 relieved of all its obligations under this agreement.

4 32. Following the Court's finding of a knowing breach of this  
5 agreement by defendant, should the USAO choose to pursue any charge  
6 that was either dismissed or not filed as a result of this agreement,  
7 then:

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

11 b. Defendant waives and gives up all defenses based on  
12 the statute of limitations, any claim of pre-indictment delay, or any  
13 speedy trial claim with respect to any such action, except to the  
14 extent that such defenses existed as of the date of defendant's  
15 signing this agreement.

16 c. Defendant agrees that: (i) any statements made by  
17 defendant, under oath, at the guilty plea hearing (if such a hearing  
18 occurred prior to the breach); (ii) the agreed to factual basis  
19 statement in this agreement; and (iii) any evidence derived from such  
20 statements, shall be admissible against defendant in any such action  
21 against defendant, and defendant waives and gives up any claim under  
22 the United States Constitution, any statute, Rule 410 of the Federal  
23 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal  
24 Procedure, or any other federal rule, that the statements or any  
25 evidence derived from the statements should be suppressed or are  
26 inadmissible.

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1                    COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

2                                    OFFICE NOT PARTIES

3            33. Defendant understands that the Court and the United States  
4 Probation and Pretrial Services Office are not parties to this  
5 agreement and need not accept any of the USAO's sentencing  
6 recommendations or the parties' agreements to facts or sentencing  
7 factors.

8            34. Defendant understands that both defendant and the USAO are  
9 free to: (a) supplement the facts by supplying relevant information  
10 to the United States Probation and Pretrial Services Office and the  
11 Court, (b) correct any and all factual misstatements relating to the  
12 Court's Sentencing Guidelines calculations and determination of  
13 sentence, and (c) argue on appeal and collateral review that the  
14 Court's Sentencing Guidelines calculations and the sentence it  
15 chooses to impose are not error, although each party agrees to  
16 maintain its view that the calculations in paragraph 21 are  
17 consistent with the facts of this case. While this paragraph permits  
18 both the USAO and defendant to submit full and complete factual  
19 information to the United States Probation and Pretrial Services  
20 Office and the Court, even if that factual information may be viewed  
21 as inconsistent with the facts agreed to in this agreement, this  
22 paragraph does not affect defendant's and the USAO's obligations not  
23 to contest the facts agreed to in this agreement.

24            35. Defendant understands that even if the Court ignores any  
25 sentencing recommendation, finds facts or reaches conclusions  
26 different from those agreed to, and/or imposes any sentence up to the  
27 maximum established by statute, defendant cannot, for that reason,  
28 withdraw defendant's guilty pleas, and defendant will remain bound to

1 fulfill all defendant's obligations under this agreement. Defendant  
2 understands that no one -- not the prosecutor, defendant's attorney,  
3 or the Court -- can make a binding prediction or promise regarding  
4 the sentence defendant will receive, except that it will be between  
5 the statutory mandatory minimum and the statutory maximum.

6 NO ADDITIONAL AGREEMENTS

7 36. Defendant understands that, except as set forth herein and  
8 in any contemporaneous agreement or addendum signed by all parties,  
9 there are no promises, understandings, or agreements between the USAO  
10 and defendant or defendant's attorney, and that no additional  
11 promise, understanding, or agreement may be entered into unless in a  
12 writing signed by all parties or on the record in court.

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PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

AGREED AND ACCEPTED

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

NICOLA T. HANNA  
United States Attorney



PUNEET V. KARKAR  
KEITH D. ELLISON  
Assistant United States Attorneys

June 11, 2020

Date



TERESA MCGRATH  
Defendant

5/19/2020

Date



TODD L. MELNIK  
Attorney for Defendant  
TERESA MCGRATH

5/15/2020

Date

CERTIFICATION OF DEFENDANT

1

2 I have read this agreement in its entirety. I have had enough

3 time to review and consider this agreement, and I have carefully and

4 thoroughly discussed every part of it with my attorney. I understand

5 the terms of this agreement, and I voluntarily agree to those terms.

6 I have discussed the evidence with my attorney, and my attorney has

7 advised me of my rights, of possible pretrial motions that might be

8 filed, of possible defenses that might be asserted either prior to or

9 at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a),

10 of relevant Sentencing Guidelines provisions, and of the consequences

11 of entering into this agreement. No promises, inducements, or

12 representations of any kind have been made to me other than those

13 contained in this agreement or in an agreement signed by all parties

14 or on the record in court. No one has threatened or forced me in any

15 way to enter into this agreement. I am satisfied with the

16 representation of my attorney in this matter, and I am pleading

17 guilty because I am guilty of the charges and wish to take advantage

18 of the promises set forth in this agreement, and not for any other

19 reason.

20 *TERESA MCGRATH*

21 TERESA MCGRATH  
Defendant

5/19/2020

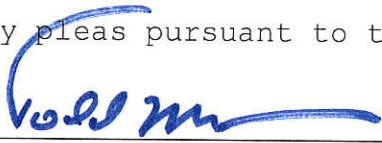
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CERTIFICATION OF DEFENDANT'S ATTORNEY

I am TERESA MCGRATH's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of her rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement or in an agreement signed by all parties or on the record in court; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is informed and voluntary; and the factual basis set forth in this agreement is sufficient to support my client's entry of guilty pleas pursuant to this agreement.



\_\_\_\_\_  
TODD L. MELNIK  
Attorney for Defendant  
TERESA MCGRATH

6-1-2020

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# EXHIBIT A

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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
TERESA MCGRATH,  
  
Defendant.

CR No. 20-136(A)-AB

F I R S T  
S U P E R S E D I N G  
I N F O R M A T I O N

[21 U.S.C. § 846: Conspiracy to Distribute and Possess With Intent to Distribute Methamphetamine and MDMA; 18 U.S.C. § 1956(h): Conspiracy to Launder Monetary Instruments; 18 U.S.C. § 924(c)(1)(A)(i): Possession of Firearms in Furtherance of a Drug Trafficking Crime; 21 U.S.C. § 853, 18 U.S.C. §§ 924 and 982, 28 U.S.C. § 2461(c): Criminal Forfeiture]

The United States Attorney charges:

COUNT ONE

[21 U.S.C. § 846]

A. OBJECTS OF THE CONSPIRACY

Beginning on a date unknown and continuing until on or about February 11, 2020, in Los Angeles County, within the Central District of California, defendant TERESA MCGRATH, and others known and unknown to the United States Attorney, conspired with each other to knowingly

1 and intentionally distribute and possess with intent to distribute  
2 the following:

3 1. at least 50 grams of methamphetamine, a Schedule II  
4 controlled substance, in violation of Title 21, United States Code,  
5 Sections 841(a)(1), (b)(1)(A)(viii); and

6 2. 3,4-methylenedioxymethamphetamine ("MDMA"), in violation of  
7 Title 21, United States Code, Sections 841(a)(1), (b)(1)(C).

8 B. MEANS BY WHICH THE OBJECTS OF THE CONSPIRACY WERE TO BE  
9 ACCOMPLISHED

10 The objects of the conspiracy were to be accomplished, in  
11 substance, as follows:

12 1. Co-conspirators would obtain methamphetamine and MDMA from  
13 sources of supply.

14 2. Defendant MCGRATH would assist with the packaging of  
15 methamphetamine and MDMA for distribution by U.S. mail to customers  
16 who ordered that methamphetamine and MDMA on the dark web.

17 3. Defendant MCGRATH would mail parcels containing  
18 methamphetamine and MDMA by U.S. mail to customers who ordered that  
19 methamphetamine and MDMA on the dark web.

20 C. OVERT ACTS

21 In furtherance of the conspiracy and to accomplish the objects  
22 of the conspiracy, on or about the following date, defendant MCGRATH,  
23 and others known and unknown to the United States Attorney, committed  
24 various overt acts in Los Angeles County, within the Central District  
25 of California, and elsewhere, including, but not limited to, the  
26 following:

1           1.    On February 28, 2019, defendant MCGRATH dropped off several  
2 packages containing methamphetamine for shipment by U.S. mail to  
3 customers who ordered those drugs on the dark web.

4           2.    On July 8, 2019, defendant MCGRATH dropped off  
5 approximately 60 packages containing drugs, including  
6 methamphetamine, for shipment by U.S. mail to customers who ordered  
7 those drugs on the dark web.

8           3.    On February 11, 2020, defendant MCGRATH possessed, with  
9 intent to distribute, approximately 22.183 kilograms of  
10 methamphetamine and 6.701 kilograms of MDMA.

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COUNT TWO

[18 U.S.C. § 1956(h)]

A. OBJECT OF THE CONSPIRACY

Beginning on a date unknown and continuing until on or about February 11, 2020, in Los Angeles County, within the Central District of California, defendant TERESA MCGRATH, and others known and unknown to the United States Attorney, conspired with each other to knowingly conduct financial transactions knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, which, in fact, involved the proceeds of specific unlawful activity, namely, conspiracy to distribute and possess with intent to distribute controlled substances, in violation of Title 21, United States Code, Section 846, and knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

B. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE ACCOMPLISHED

The object of the conspiracy was to be accomplished, in substance, as follows:

1. Defendant MCGRATH and other co-conspirators would funnel money, including proceeds from narcotics-related activities, into a digital currency account held in the name of defendant MCGRATH (the "MCGRATH Bitcoin Account").

2. Defendant MCGRATH and other co-conspirators would exchange digital currency into fiat currency then transfer those funds into another bank account held in the name of defendant MCGRATH (the "MCGRATH Bank of America Account").

1           3.     Defendant MCGRATH would withdraw funds from the MCGRATH  
2 Bank of America Account.

3     C.     OVERT ACTS

4           In furtherance of the conspiracy and to accomplish the object of  
5 the conspiracy, on or about the following dates, defendant MCGRATH,  
6 and others known and unknown to the United States Attorney, committed  
7 various overt acts in Los Angeles County, within the Central District  
8 of California, and elsewhere, including, but not limited to, the  
9 following:

10           4.     On December 21, 2018, defendant MCGRATH opened the MCGRATH  
11 Bitcoin Account.

12           5.     On March 27, 2019, defendant MCGRATH received \$9,945.49 in  
13 Bitcoin in the MCGRATH Bitcoin Account.

14           6.     On March 27, 2019, defendant MCGRATH exchanged \$9,954.18 in  
15 Bitcoin to U.S. dollars.

16           7.     On March 27, 2019, defendant MCGRATH transferred \$9,999  
17 from the MCGRATH Bitcoin Account to the MCGRATH Bank of America  
18 Account.

19           8.     On April 2, 2019, defendant MCGRATH withdrew \$9,300 from  
20 the MCGRATH Bank of America Account.

21           9.     On May 23, 2019, defendant MCGRATH withdrew \$8,888 from the  
22 MCGRATH Bank of America Account.

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COUNT THREE

[18 U.S.C. § 924(c)(1)(A)(i)]

On or about February 11, 2020, in Los Angeles County, within the Central District of California, defendant TERESA MCGRATH knowingly possessed the following firearms in furtherance of a drug trafficking crime, namely, conspiracy to distribute and possess with intent to distribute methamphetamine, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Information:

- (1) a Glock pistol, bearing serial number NRU539;
- (2) a Glock pistol, bearing serial number GMZ799; and
- (3) an FNH pistol, bearing serial number GKU0127246.



FORFEITURE ALLEGATION ONE

[21 U.S.C. § 853]

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3 1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal  
4 Procedure, notice is hereby given that the United States of America  
5 will seek forfeiture as part of any sentence, pursuant to Title 21,  
6 United States Code, Section 853 and Title 28, United States Code,  
7 Section 2461(c), in the event of the defendant's conviction of the  
8 offense set forth in Count One of this First Superseding Information.

9 2. The defendant, if so convicted, shall forfeit to the United  
10 States of America the following:

11 (a) All right, title and interest in any and all property,  
12 real or personal, constituting or derived from, any proceeds which  
13 the defendant obtained, directly or indirectly, from any such  
14 offense;

15 (b) All right, title and interest in any and all property,  
16 real or personal, used, or intended to be used, in any manner or  
17 part, to commit, or to facilitate the commission of any such offense;

18 (c) All right, title, and interest in any firearm or  
19 ammunition involved in or used in any such offense, including but not  
20 limited to the following:

- 21 i. One Glock pistol, bearing serial number NRU539;  
22 ii. One Glock pistol, bearing serial number GMZ799;  
23 iii. One FNH pistol, bearing serial number GKU0127246;

24 and

25 (d) To the extent such property is not available for  
26 forfeiture, a sum of money equal to the total value of the property  
27 described in subparagraphs (a), (b), and (c).

28

1           3. Pursuant to Title 21, United States Code, Section 853(p),  
2 the defendant, if so convicted, shall forfeit substitute property if,  
3 by any act or omission of the defendant, the property described in  
4 the preceding paragraph, or any portion thereof: (a) cannot be  
5 located upon the exercise of due diligence; (b) has been transferred,  
6 sold to, or deposited with a third party; (c) has been placed beyond  
7 the jurisdiction of the court; (d) has been substantially diminished  
8 in value; or (e) has been commingled with other property that cannot  
9 be divided without difficulty.

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FORFEITURE ALLEGATION TWO

[18 U.S.C. § 982 and 28 U.S.C. § 2461(c)]

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3 1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal  
4 Procedure, notice is hereby given that the United States will seek  
5 forfeiture as part of any sentence, pursuant to Title 18, United  
6 States Code, Section 982(a)(1) and Title 28, United States Code,  
7 Section 2461(c), in the event of the defendant's conviction of the  
8 offense set forth in Count Two of this First Superseding Information.

9 2. The defendant, if so convicted, shall forfeit to the United  
10 States of America the following:

11 (a) Any property, real or personal, involved in such  
12 offense, and any property traceable to such property; and

13 (b) To the extent such property is not available for  
14 forfeiture, a sum of money equal to the total value of the property  
15 described in subparagraph (a).

16 3. Pursuant to Title 21, United States Code, Section 853(p), as  
17 incorporated by Title 18, United States Code, Section 982(b)(1), and  
18 Title 18, United States Code, Section 982(b)(2), the defendant, if so  
19 convicted, shall forfeit substitute property, if, by any act or  
20 omission of the defendant, the property described in the preceding  
21 paragraph, or any portion thereof: (a) cannot be located upon the  
22 exercise of due diligence; (b) has been transferred, sold to, or  
23 deposited with a third party; (c) has been placed beyond the  
24 jurisdiction of the court; (d) has been substantially diminished in  
25 value; or (e) has been commingled with other property that cannot be  
26 divided without difficulty. Substitution of assets shall not be  
27 ordered, however, where the convicted defendant acted merely as an  
28 intermediary who handled but did not retain the property in the

1 course of the money laundering offense unless the defendant, in  
2 committing the offense or offenses giving rise to the forfeiture,  
3 conducted three or more separate transactions involving a total of  
4 \$100,000.00 or more in any twelve-month period.

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FORFEITURE ALLEGATION THREE

[18 U.S.C. § 924(d)(1) and 28 U.S.C. § 2461(c)]

1 Pursuant to Rule 32.2 of the Federal Rules of Criminal  
2 Procedure, notice is hereby given that the United States of America  
3 will seek forfeiture as part of any sentence, pursuant to Title 18,  
4 United States Code, Section 924(d)(1), and Title 28, United States  
5 Code, Section 2461(c), in the event of the defendant's conviction of  
6 the offense set forth in Count Three of this First Superseding  
7 Information.  
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10 2. The defendant, if so convicted, shall forfeit to the United  
11 States of America the following:

12 (a) All right, title, and interest in any firearm or  
13 ammunition involved in or used in any such offense, including but not  
14 limited to the following:

- 15 i. One Glock pistol, bearing serial number NRU539;
- 16 ii. One Glock pistol, bearing serial number GMZ799;
- 17 iii. One FNH pistol, bearing serial number GKU0127246;

18 and

19 (b) To the extent such property is not available for  
20 forfeiture, a sum of money equal to the total value of the property  
21 described in subparagraph (a).

22 3. Pursuant to Title 21, United States Code, Section 853(p),  
23 as incorporated by Title 28, United States Code, Section 2461(c), the  
24 defendant, if so convicted, shall forfeit substitute property, up to  
25 the value of the property described in the preceding paragraph if, as  
26 the result of any act or omission of the defendant, the property  
27 described in the preceding paragraph or any portion thereof (a)  
28 cannot be located upon the exercise of due diligence; (b) has been

1 transferred, sold to, or deposited with a third party; (c) has been  
2 placed beyond the jurisdiction of the court; (d) has been  
3 substantially diminished in value; or (e) has been commingled with  
4 other property that cannot be divided without difficulty.

5 NICOLA T. HANNA  
6 United States Attorney

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8  
9 BRANDON D. FOX  
10 Assistant United States Attorney  
11 Chief, Criminal Division

12 CAROL A. CHEN  
13 Assistant United States Attorney  
14 Chief, International Narcotics,  
15 Money Laundering, and  
16 Racketeering Section

17 PUNEET V. KAKKAR  
18 KEITH ELLISON  
19 Assistant United States Attorneys  
20 International Narcotics, Money  
21 Laundering, and Racketeering  
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