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U.S. DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION
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OUTER OFFICE
LABOR & SERVICES
CLERK

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

DANNY RAY WILLIAMS,)

Defendant.)

CAUSE NO.

1:19-cr-138 **JPH** **DML**

PETITION TO ENTER PLEA OF GUILTY AND PLEA AGREEMENT

The United States of America, through its undersigned counsel, Josh J. Minkler, United States Attorney for the Southern District of Indiana; Steven DeBrotta, Deputy Chief, General Crimes Unit; Nicholas J. Linder, Assistant United States Attorney; Robert Zink, Acting Section Chief, Criminal Division, Fraud Section; Kyle W. Maurer and L. Rush Atkinson, Trial Attorneys; and the Defendant, DANNY RAY WILLIAMS, in person and by counsel, Bernard L. Pylitt, hereby inform the Court that a Plea Agreement has been reached in this case pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B). The following are its terms and conditions:

GUILTY PLEA AND CHARGE(S)

1. **Plea of Guilty:** The Defendant, having waived the right to indictment by a grand jury, petitions the Court for leave to enter, and agrees to enter, a plea of guilty to Count 1 of the Information, which charges the Defendant with Conspiracy to Commit Securities Fraud, to Make False Statements to a Public Company's Accountants, and to Falsify Books, Records, and Accounts of a Public Company, in violation of 18 U.S.C. § 371.

2. **Potential Maximum Penalties:** The Defendant understands that the offense to which the Defendant is pleading guilty carries the following maximum penalties: A violation of 18 U.S.C. § 371, as charged in the Information, is punishable by a maximum sentence of 5 years' imprisonment; a \$250,000 fine or twice the gross gain or loss from the offense, whichever is greater; and three (3) years' supervised release following the term of imprisonment.

3. **Elements of the Offense:** To sustain a conviction for the offense to which the Defendant is pleading guilty, as charged in the Information, the government would need to prove each of the following elements beyond a reasonable doubt:

FIRST: That the conspiracy as charged in the Information existed;

SECOND: That the Defendant knowingly became a member of the conspiracy with an intent to advance the conspiracy; and

THIRD: One of the conspirators committed an overt act in an effort to advance the goals of the conspiracy.

GENERAL PROVISIONS

4. **Rights Under Rule 11(b), Fed. R. Crim. P.:** The Defendant understands that the Government has the right, in a prosecution for perjury or false statement, to use against the Defendant any statement that the Defendant gives under oath during the guilty plea colloquy. The Defendant also understands that the Defendant has the right: (A) to plead not guilty, or having already so pleaded, the right to persist in that plea; (B) to a jury trial; (C) to be represented by counsel – and if necessary have the court appoint counsel – at trial and at every other stage of the proceedings, including appeal; and (D) to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses. The Defendant also understands that the Constitution guarantees the right

to be considered for release until trial¹; and if found guilty of the charge(s), the right to appeal the conviction on such charge(s) to a higher court. The Defendant understands that if the Court accepts this plea of guilty, the Defendant waives all of these rights.

5. **Sentencing Court's Discretion Within Statutory Range:** The Defendant agrees and understands that: (A) the Court will use its discretion to fashion a sentence within the statutory range(s) set forth above; (B) the Court will consider the factors set forth in 18 U.S.C. § 3553(a) in determining the appropriate sentence within the statutory range(s); (C) the Court will also consult and take into account the United States Sentencing Guidelines ("Sentencing Guidelines" or "U.S.S.G.") in determining the appropriate sentence within the statutory range(s); (D) the Sentencing Guidelines are not mandatory or binding on the Court, but are advisory in nature; (E) restitution may be imposed; (F) by pleading "Guilty" to more than one offense (Count), the Court may order the sentences to be served consecutively one after another; (G) the final determination concerning the applicable advisory guideline calculation, criminal history category, and advisory sentencing guideline range will be made by the Court; and (H) by pleading "Guilty," the Court may impose the same punishment as if the Defendant had plead "Not Guilty," had stood trial and been convicted by a jury.

6. **Sentencing Court Not Bound by Guidelines or Recommendations:** The Defendant acknowledges that this Plea Agreement is governed by Federal Rule of Criminal Procedure 11(c)(1)(B) and that the determination of the Defendant's sentence is within the discretion of the Court. The Defendant understands that if the Court decides to impose a sentence higher or lower than any recommendation of either party, or determines a different advisory sentencing guideline range applies in this case, or decides to impose a sentence outside of the

¹ Title 18, U.S.C. §§ 3141-3156, Release and Detention Pending Judicial Proceedings.

advisory sentencing guideline range for any reason, then the Defendant will not be permitted to withdraw this plea of guilty for that reason and will be bound by this plea of guilty.

7. **No Limitation on Background Information:** The Defendant acknowledges and understands that no limitation shall be placed upon the Court's consideration of information concerning the background, character, and conduct of the Defendant for the purpose of imposing an appropriate sentence. The Defendant acknowledges and understands that the Government is not prohibited from providing information concerning background, character, and conduct of the Defendant for the purpose of recommending or advocating an appropriate guideline calculation and sentence.

8. **Plea Agreement Based on Information Presently Known:** The Defendant recognizes and understands that this Plea Agreement is based upon the information presently known to the Government. The Government agrees not to bring other federal charges against the Defendant based on information currently known to the United States Attorney for the Southern District of Indiana and the U.S. Department of Justice, Criminal Division, Fraud Section (together, "the Offices"). The Government will inform the Court and the Defendant at the time of taking the Defendant's plea whether the Offices have obtained any information after the Plea Agreement was signed that may warrant bringing other federal charges against the Defendant.

9. **No Protection From Prosecution for Unknown or Subsequent Offenses:** The Defendant acknowledges and agrees that nothing in this agreement shall protect the Defendant in any way from prosecution for any offense not specifically covered by this agreement, or not known to the Offices at this time. The Defendant further acknowledges and agrees that nothing in this agreement shall protect the Defendant in any way from prosecution for any offense committed after the date of this agreement.

10. **Good Behavior Requirement:** The Defendant understands that the obligations of the Government in this Plea Agreement are expressly contingent upon the Defendant abiding by federal and state laws. Additionally, the Defendant agrees to fully comply with all conditions of release during any and all stages of this case, should such conditions be imposed by the Court. If the Defendant violates any state or federal law, or fails to fully comply with conditions of release, then the Government may at its sole discretion withdraw from this Plea Agreement.

SENTENCE OF IMPRISONMENT

11. **Sentencing Recommendation Pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B):** The parties have **not** agreed upon a specific sentence. The parties reserve the right to present evidence and arguments concerning what they believe to be the appropriate sentence in this matter.

a. **Government's Recommendation:** The Government has agreed to recommend a term of imprisonment within the advisory Guidelines range, as determined by the Court, *provided that* the Defendant (a) continues to fully accept responsibility for the offense and does not falsely deny or frivolously contest relevant conduct that the Court determines to be true, (b) does not commit a new criminal offense before the date of sentencing, and (c) does not otherwise violate the terms of any pre-trial release before the date of sentencing.

b. **Defendant's Recommendation:** The Defendant is free to ask for any sentence, including one below the advisory Guidelines range.

12. **Supervised Release:** Both parties reserve the right to present evidence and arguments concerning whether the Court should impose a term of supervised release to follow any

term of imprisonment in this case, the duration of any term of supervised release, and the terms and conditions of the release.

MONETARY PROVISIONS AND FORFEITURE

13. **Mandatory Special Assessment:** The Defendant will pay a total of \$100 on the date of sentencing or as ordered by the Court to the Clerk, United States District Court, which amount represents the mandatory special assessment fee imposed pursuant to 18 U.S.C. § 3013.

14. **Fine:** The United States agrees not to request the imposition of a fine in light of the circumstances of the case, including the possibility of restitution being ordered. Notwithstanding the government's position, the Defendant understands that whether a fine is to be imposed, and the amount and payment terms of any such fine, shall be determined by the Court.

15. **Restitution**

a. The Defendant acknowledges restitution may be ordered as part of the sentence in this case, and the Defendant agrees the Court may order restitution to all victims, not just those pertaining to the count of conviction.

b. The Defendant agrees that, while the District Court sets the payment schedule, this schedule may be exceeded if and when the Defendant's financial circumstances change. In that event, and consistent with its statutory obligations, the Government may take any and all actions necessary to collect the maximum amount of restitution in the most expeditious manner available.

16. **Obligation to Pay Financial Component of Sentence:** If the Defendant is unable to pay any financial component of the Defendant's sentence on the date of sentencing, then the Defendant agrees that the payment of the financial component should be a condition of supervised release. The Defendant has a continuing obligation to pay the financial component of the sentence.

The Defendant further agrees that as of the date of filing this Plea Agreement the Defendant will provide all requested financial information, including privacy waivers, consents, and releases requested by the Government to access records to verify the Defendant's financial disclosures, to the Government for use in the collection of any fines, restitution, and money judgments imposed by the Court and authorizes the Government to obtain credit reports relating to the Defendant for use in the collection of any fines and restitution, and money judgments imposed by the Court. The Defendant also authorizes the Government to inspect and copy all financial documents and information held by the United States Probation Office. If the Defendant is ever incarcerated in connection with this case, the Defendant may participate in the Bureau of Prisons Inmate Financial Responsibility Program.

FACTUAL BASIS FOR GUILTY PLEA

17. **Stipulated Factual Basis:** The parties stipulate and agree that the following facts are true and that United States could prove the following facts to a jury beyond a reasonable doubt if the case went to trial. The parties further stipulate and agree that such facts establish a sufficient factual basis for the Defendant's plea of guilty to the offense set forth in Paragraph One, above. The parties acknowledge that such facts are only a summary of the Government's evidence. The parties reserve the right to present additional evidence at the time of sentencing, if they so choose, and this paragraph is not intended to foreclose the presentation of such additional evidence.

a. The Celadon Group, Inc. ("Celadon") was a truckload shipping company headquartered in Indianapolis, Indiana. Starting in or around November 2009, Celadon's stock was traded publicly on the New York Stock Exchange ("NYSE"), a national securities exchange, and was registered with the United States Securities and Exchange Commission ("SEC"), an agency of the United States, pursuant to Section 12(b) of the Securities Exchange Act of 1934.

b. The Defendant was President of Quality Companies, LLC (“Quality”), a subsidiary of Celadon that was also headquartered in Indianapolis, Indiana. Quality owned trucks, which it leased to truck drivers who contracted directly with Quality or through other companies. By June 2016, Quality had thousands of trucks under management.

c. Because it was Celadon’s subsidiary, Quality’s financial information was included in Celadon’s books and records and in Celadon’s disclosures to the investing public.

d. Beginning in or around 2013, a known public accounting firm (“Accounting Firm A”) with offices in Indianapolis, Indiana, and elsewhere, acted as the independent auditor of Celadon’s financial statements. Accounting Firm A relied on the Defendant and other Celadon employees to provide truthful and accurate information about Celadon’s finances and transactions, including those involving Quality, in order for Accounting Firm A to perform the services that are required by the SEC.

e. From in or around at least June 2016, through in or around at least April 2017, the Defendant and others at Celadon agreed to (a) defraud Celadon’s shareholders and the investing public, (b) falsify Celadon’s books and records in order to hide losses incurred by the company; and (c) mislead Celadon’s independent auditors and regulators, including individuals at Accounting Firm A, by making and causing others to make false and misleading statements about Celadon’s financial condition and business practices.

f. By in or around 2016, Quality owned hundreds of trucks that collectively were overvalued on its books by tens of millions of dollars. For certain trucks, Quality was unable to find drivers interested in leasing them, in part due to prior defects in the truck model that had affected performance. The depressed demand for these trucks had caused

a significant fall in their value. The Defendant met with executives of Celadon and informed them of the declining fair market values of Quality's trucks.

g. The Defendant and others at Celadon were aware that Celadon had failed to properly disclose millions of dollars of losses due to the diminished fair market values of its assets (Quality's trucks). For example, in or around June 2016, the Defendant was told by a high-ranking Celadon Executive ("Executive A") that Celadon "really need[ed] to sell the \$70M or so of excess," referring to unleased and unused trucks that Celadon had listed on its own books as being worth \$70 million. The Defendant responded by telling Executive A, "We aren't in the money on hardly any of the \$70M," meaning they had overvalued the Quality trucks and would suffer losses if the trucks were sold for their fair market value.

h. Rather than properly recognizing these losses, writing down these trucks to fair market value, and reporting the losses on its books, the Defendant and others, including high-ranking executives at Celadon, agreed to pursue a series of transactions designed to dispose of its problematic trucks without publicly reporting the losses. The Defendant was directed by Celadon executives, and agreed to, take steps to dispose of these troubled assets (the trucks) in a way that continued to hide the fact that significant losses had been incurred by Celadon.

i. Starting in at least June 2016, the Defendant and others at Celadon developed a scheme to trade away Quality's impaired trucks to a truck dealer located in Indianapolis, Indiana ("Truck Dealer A"), while continuing to hide the losses incurred by the fall in the values of the trucks Quality was trading away. The scheme involved Quality trading hundreds of its older and less desirable trucks to Truck Dealer A in exchange for Truck Dealer A's newer and more desirable trucks. To conceal the fact that Quality and

Celadon's trucks were worth significantly less than they previously reported to investors, however, the Defendant and others at Celadon arranged for Quality to engage in simultaneous "sales" and "purchases" of trucks with Truck Dealer A at inflated prices rather than at the trucks' market value, which avoided disclosing the fact that these trucks were worth significantly less than Celadon had listed on its books.

i. The Defendant was an active participant in this scheme, which generally operated as follows. First, the Defendant provided Truck Dealer A with a list of trucks Quality wanted to sell along with Quality's overinflated book value for each truck. Truck Dealer A would then calculate how much the trucks were overvalued by (i.e., the difference between Quality's book value for the trucks and the trucks' true fair market value), a number Truck Dealer A referred to as an "over allowance" (or "O/A" for short). Truck Dealer A then inflated its invoices to Quality by the same total "over allowance" that Quality had included in its prices to Truck Dealer A. The net effect was to create trades with values on both sides inflated by millions of dollars.

ii. The use of inflated values in the paperwork accompanying these trades allowed the Defendant and others at Celadon to continue to hide tens of millions of dollars of losses in book values of Quality's trucks. By trading trucks to Truck Dealer A at inflated prices, the Defendant and others at Celadon disposed of certain overpriced trucks without revealing that the trucks were actually worth significantly less than Celadon had disclosed. However, because Truck Dealer A also inflated the prices of the trucks it traded to Quality, the Defendant and others at Celadon recorded the value of the trucks it received from Truck Dealer A at the deliberately inflated prices, thereby perpetuating the undisclosed losses on

Quality's (and Celadon's) books. Had the Defendant and others at Celadon booked the trucks acquired from Truck Dealer A at their true fair market values, Celadon would have disclosed that its financial condition was substantially worse than it had falsely represented to its shareholders and the investing public.

j. Between in or around June 2016 and September 2016, Quality engaged in a series of four transactions through which it traded, in total, approximately 900 overvalued trucks to Truck Dealer A for approximately 650 newer used trucks. As described above, Quality hid losses by using inflated prices for its trucks so it would appear Quality had disposed of these trucks without incurring a loss. In actuality, Quality hid its losses by "buying" Truck Dealer A's newer trucks at likewise inflated prices. The inflated prices for the sale and purchase were designed to offset each other.

k. In the process, Quality paid more money to Truck Dealer A than it received from Truck Dealer A and traded away more trucks than it received, in order to make up the difference in the value of the trucks the two companies were trading.

l. While arranging the trades, the Defendant received documents from Truck Dealer A explicitly calculating how much each side had inflated the prices of the trucks to be traded.

i. On or about August 24, 2016, the Defendant received an email from Truck Dealer A analyzing the value of approximately 343 trucks that Quality wanted to sell. Truck Dealer A calculated that Quality had inflated the value of the trucks by approximately \$13 million. Truck Dealer A indicated to the Defendant that, in order to complete the trade, Truck Dealer A would need to inflate the value of its trucks by a similar and offsetting amount.

ii. On or about September 5, 2016, the Defendant received an email from Truck Dealer A analyzing the values of approximately 519 trucks that Quality wanted to trade away. Truck Dealer A calculated that Quality had inflated the value of the trucks by approximately \$20.76 million. Truck Dealer A indicated to the Defendant that, in order to complete the trade, Truck Dealer A would need to inflate the value of its trucks by a similar and offsetting amount. Truck Dealer A further sent the Defendant extensive calculations showing how much each truck would have to be inflated in order to achieve \$20.76 million “over allowance.” These calculations showed that the price of each truck sold by Truck Dealer A would need to be inflated by tens of thousands of dollars, and each truck would need to be inflated by up to approximately \$75,000 (depending on the number of trucks Quality took in return from Truck Dealer A).

m. In total, the hundreds of trucks traded away by the Defendant and others at Quality and Celadon were worth tens of millions of dollars less than Celadon had originally reported. Nevertheless, Celadon did not report losses on the transactions on its financial statements, but instead falsely reported that the trucks had a value of at least \$30 million more than they were actually worth.

n. After the trades with Truck Dealer A were completed, Accounting Firm A questioned officers and employees of Celadon, including the Defendant, about these transactions. In response, the Defendant and others at Celadon made false and intentionally misleading statements to members of Accounting Firm A about the nature of these transactions. For example, the Defendant and others at Celadon falsely denied that Quality had engaged in trades with Truck Dealer A, instead falsely claiming that the sale of trucks to Truck Dealer A had been negotiated independently from the purchase of trucks from

Truck Dealer A. In fact, the transactions involving Truck Dealer A were, and the Defendant and others at Celadon knew to be, linked trades in which Quality and Truck Dealer A agreed to exchange money and trucks at the same time, in both directions. Such linked trade transactions would have resulted in different accounting treatment, which would have affected Celadon's books and records.

i. While negotiating, the Defendant and Truck Dealer A explicitly referred to the transactions as "trades." For example, on June 27, 2016, the Defendant received an email from Truck Dealer A that "confirm[ed] our conversation today concerning the sale of our (149) trucks and our taking your (149) trucks in trade" (emphasis added). On or about September 14, 2016, the Defendant received an email from Truck Dealer A describing what outstanding "information on trades" was needed to complete the fourth transaction.

ii. Prior to falsely claiming the Truck Dealer A transactions were not trades, the Defendant and others at Celadon referred to the transactions explicitly as trades. For example, on or about July 30, 2016, the Defendant received an email from another Celadon executive ("Executive B") directing him to put together materials summarizing the "trade transactions" that the Defendant had negotiated with Truck Dealer A.

o. After Accounting Firm A began to further scrutinize the transactions involving Truck Dealer A, the Defendant and others at Celadon agreed to delete certain emails in order to avoid Accounting Firm A locating those emails. In or around the first half of 2017, another Celadon executive ("Executive C") instructed the Defendant to delete certain emails involving Truck Dealer A. The Defendant also discussed with one other Quality employee the fact that the Defendant had been instructed to delete the emails.

During the conversation, the Quality employee told the Defendant how to make sure emails were more permanently deleted from Celadon's computer system.

p. The actions of the Defendant and others at Celadon caused significant harm to shareholders of Celadon stock. In or around April 2017, Accounting Firm A informed Celadon that it was withdrawing its certification of Celadon's financial statements. On the day Celadon disclosed to investors that its financial statements could no longer be relied upon, Celadon's stock lost approximately \$60 million in total value.

q. In furtherance of the conspiracy and to achieve its unlawful purpose, at least one of the conspirators committed and caused to be committed, in the Southern District of Indiana, and elsewhere, the following overt acts, among others:

i. On or about June 27, 2016, the Defendant wrote to Executive A, "We aren't in the money on hardly any of the \$70M," meaning Celadon had overvalued the Quality trucks and would suffer losses if they were sold.

ii. On or about August 26, 2016, the Defendant and others at Celadon caused an invoice to be sent to Trucking Dealer A for approximately \$12,432,675.06 for trucks Quality intended to trade to Truck Dealer A. The invoice included truck prices that had been deliberately inflated to conceal the true fair market value of Celadon's assets (the trucks).

iii. On or about September 28, 2016, Executive C wrote to the Defendant informing him to have the terms of an agreement between Quality and Trucking Dealer A changed in order to hide the fact that the purchase and sale of trucks was being done as part of a trade. The Defendant informed Truck Dealer A that the terms of the agreement would need to be altered and later proposed

language designed to hide the fact that Quality and Truck Dealer A were trading trucks via linked transactions.

iv. On or about September 29, 2016, the Defendant and others at Celadon caused two invoices to be sent to Truck Dealer A that totaled approximately \$30,467,504.38 for trucks Quality intended to trade to Truck Dealer A. The invoice included truck prices that had been deliberately inflated to conceal the true fair market value of Celadon's assets (the trucks).

v. On or about November 9, 2016, the Defendant and others at Celadon caused Celadon to submit a SEC Form 10-Q, which misrepresented Celadon's financial condition and failed to disclose millions of dollars in losses arising from the fall in value of the trucks owned by Quality.

vi. On or about January 23, 2017, the Defendant signed a representation letter and a Sarbanes-Oxley Act of 2002 sub-certification in which he falsely stated that he had no knowledge of any actions of fraud or suspected fraud that had not been properly reported. The Defendant also falsely stated that he had not been asked, instructed, or convinced to improperly record or defer revenue or expenses, or take any other initiative or action that made him believe that the financial statements and underlying accounts and records of Celadon were not maintained/presented in according with proper accounting standards.

vii. In or around March 2017, the Defendant, at the direction of Executive C, deleted emails from his company email account that pertained to Truck Dealer A, in order to avoid those emails being reviewed by Accounting Firm A.

SENTENCING GUIDELINE STIPULATIONS

18. **Guideline Computations:** Pursuant to Section 6B1.4 of the Sentencing Guidelines, the parties agree to the Stipulations below. The parties understand and agree that these Stipulations are binding on the parties but are only a recommendation to the Court and that the Court will determine the advisory sentencing guidelines applicable in this case. The parties agree that no stipulation regarding any factors in Chapter 4, Criminal History Category, of the Sentencing Guidelines has been made, and that such determination will be made by the Court. The 2016 version of the Sentencing Guidelines has been used by the parties to make the stipulations set forth below.

19. **Base Offense Level:** The parties stipulate that the base offense level is 6, pursuant to U.S.S.G. § 2B1.1(a)(2).

20. **Specific Offense Characteristic – Loss:** The parties stipulate that loss attributable to the Defendant's criminal conduct was more than \$25,000,000 but less than \$65,000,000. Accordingly, the offense level is increased by 22 levels, pursuant U.S.S.G. § 2B1.1(b)(1)(L).

21. **Specific Offense Characteristic – Ten or More Victims:** The parties stipulate that the offense level involved ten or more victims. Thus, the offense level is increased by 2 levels, pursuant U.S.S.G. § 2B1.1(b)(2)(A).

22. **Specific Offense Characteristic – Sophisticated Means:** The parties stipulate that the offense level is increased by 2 levels, pursuant U.S.S.G. § 2B1.1(b)(10)(C), for sophisticated means.

23. **Acceptance of Responsibility:**

a. To date, the Defendant has demonstrated a recognition and affirmative acceptance of personal responsibility for the Defendant's criminal conduct. Based upon the Defendant's willingness to accept a Plea Agreement and enter a plea of guilty to the

criminal conduct noted in this agreement, the Government agrees that the Defendant should receive a two (2) level reduction *provided* the Defendant satisfies the criteria set forth in Guideline § 3E1.1(a) up to and including the time of sentencing, including that the Defendant shall not falsely deny or frivolously contest relevant conduct that the Court determines to be true.

b. Further, the Defendant timely notified the Government of Defendant's intention to enter a plea of guilty, thereby permitting the Government and the Court to allocate their resources efficiently. After the Defendant enters a plea of guilty, the government intends to file a motion pursuant to U.S.S.G. § 3E1.1(b) requesting that the Court decrease the offense level by one (1) additional level. The parties reserve the right to present evidence and arguments concerning the Defendant's acceptance of responsibility at the time of sentencing.

WAIVER OF RIGHT TO APPEAL

24. **Direct Appeal:** The Defendant understands that the Defendant has a statutory right to appeal the conviction and sentence imposed and the manner in which the sentence was determined. Acknowledging this right, and in exchange for the concessions made by the Government in this Plea Agreement, the Defendant expressly waives the Defendant's right to appeal the *conviction* imposed in this case on any ground, including the right to appeal conferred by 18 U.S.C. § 3742. The Defendant further expressly waives any and all challenges to the statute(s) to which the defendant is pleading guilty on constitutional grounds, as well as any challenge that the defendant's admitted conduct does not fall within the scope of the applicable statute(s). The Defendant further agrees that in the event the Court sentences the Defendant to a term of imprisonment **within or below the advisory guidelines range, as determined by the Court**, regardless of how the sentence is determined by the Court, then the Defendant expressly

waives the Defendant's right to appeal the *sentence* imposed in this case on any ground, including the right to appeal conferred by 18 U.S.C. § 3742. This waiver of appeal specifically includes all provisions of the guilty plea and sentence imposed, including the length and conditions of supervised release, and the amount of any restitution or fine.

25. **Later Legal Challenges:** Additionally, the Defendant expressly agrees not to contest, or seek to modify, the Defendant's conviction or sentence or the manner in which either was determined in any later legal proceeding, including but not limited to, an action brought under 18 U.S.C. § 3582 or 28 U.S.C. § 2255. As concerns this Section 3582 waiver, should the United States Sentencing Commission and/or Congress in the future amend the Sentencing Guidelines to lower the guideline range that pertains to the Defendant's offense(s) and explicitly make such an amendment retroactive, the Government agrees that it will not argue that this waiver bars the Defendant from filing a motion with the district court pursuant to 18 U.S.C. § 3582(c)(2) based on that retroactive Guidelines amendment. However, if the Defendant files such a motion, the Government may oppose the motion on any other grounds. Furthermore, should the Defendant seek to appeal an adverse ruling of the district court on such a motion, the Government may claim that this waiver bars such an appeal. As concerns the Section 2255 waiver, the waiver does not prevent claims, either on direct or collateral review, that the Defendant received ineffective assistance of counsel.

26. **No Appeal of Supervised Release Term and Conditions:** The parties' reservation of the rights to present evidence and arguments in this Court concerning the length and conditions of supervised release is not intended to be inconsistent with the Waiver of Appeal specified above, which includes a waiver of the right to appeal to the length and conditions of the period of supervised release.

PRESENTENCE INVESTIGATION REPORT

27. The Defendant requests and consents to the commencement of a presentence investigation by probation officers of the United States District Court for purposes of preparing a Presentence Investigation Report at this time and prior to the entry of a formal plea of guilty.

28. The Defendant further requests and consents to the review of the Defendant's Presentence Investigation Report by a Judge, Defendant's counsel, the Defendant, and the government at any time, including prior to entry of a formal plea of guilty.

STATEMENT OF THE DEFENDANT

29. By signing this document, the Defendant acknowledges the following:

a. I have received a copy of the Information and have read and discussed it with my attorney. I believe and feel that I understand every accusation made against me in this case. I wish the Court to omit and consider as waived by me all readings of the Information in open Court, and all further proceedings including my arraignment.

b. I have told my attorney the facts and surrounding circumstances as known to me concerning the matters mentioned in the Information, and believe and feel that my attorney is fully informed as to all such matters. My attorney has since informed, counseled and advised me as to the nature and cause of every accusation against me and as to any possible defenses I might have in this case.

c. I have read the entire Plea Agreement and discussed it with my attorney.

d. I understand all the terms of the Plea Agreement and those terms correctly reflect the results of plea negotiations.

e. Except for the provisions of the Plea Agreement, no officer or agent of any branch of government (federal, state or local), nor any other person, has made any promise or suggestion of any kind to me, or within my knowledge to anyone else, that I would receive a lighter sentence, or probation, or any other form of leniency, if I would plead "Guilty." I hope to receive probation, but am prepared to accept any punishment permitted by law which the Court may see fit to impose. However, I respectfully request that the Court consider in mitigation of punishment at the time of sentencing the fact that by voluntarily pleading "Guilty" I have saved the Government and the Court the expense and inconvenience of a trial. I understand that before it imposes sentence, the Court will

address me personally and ask me if I wish to make a statement on my behalf and to present any information in mitigation of punishment.

f. I am fully satisfied with my attorney's representation during all phases of this case. My attorney has done all that anyone could do to counsel and assist me and that I fully understand the proceedings in this case against me.

g. I make no claim of innocence, and I am freely and voluntarily pleading guilty in this case.

h. I am pleading guilty as set forth in this Plea Agreement because I am guilty of the crime(s) to which I am entering my plea.

i. I understand that if convicted, a Defendant who is not a United States Citizen may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

j. My attorney has informed me, and I understand, that I have the right to appeal any conviction and sentence that I receive, unless I have waived my right to appeal as part of this Plea Agreement. If I have not waived my right to appeal, I understand that I must file a Notice of Appeal within fourteen (14) days of the entry of the judgment in this case; I further understand that the Clerk of the Court will prepare and file a Notice of Appeal on my behalf if I ask that to be done. I also understand that the United States has the right to appeal any sentence that I receive under this Plea Agreement.

k. My attorney has informed me, and I understand, that if I provide or cause to be provided materially false information to a judge, magistrate-judge, or probation office, then Section 3C1.1 of the Sentencing Guidelines allows the Court to impose a two level increase in the offense level.

1. If this cause is currently set for trial on the Court's calendar, I request that this date be continued to permit the Court to consider this proposed guilty Plea Agreement. I further understand that any delay resulting from the Court's consideration of this proposed guilty Plea Agreement, up to and including the date on which the Court either accepts or rejects my guilty plea, will be excluded in computing the time within which trial of this cause must commence, pursuant to 18 U.S.C. § 3161(h)(1)(G).

CERTIFICATE OF COUNSEL

30. By signing this document, the Defendant's attorney and counselor certifies as follows:

a. I have read and fully explained to the Defendant all the accusations against the Defendant which are set forth in the Information in this case;

b. To the best of my knowledge and belief each statement set forth in the foregoing petition to enter plea of guilty and plea agreement is in all respects accurate and true;

c. The plea of "Guilty" as offered by the Defendant in the foregoing petition to enter plea of guilty and plea agreement accords with my understanding of the facts as related to me by the Defendant and is consistent with my advice to the Defendant;

d. In my opinion, the Defendant's waiver of all reading of the Information in open court, and in all further proceedings, including arraignment as provided in Rule 10, Fed.R.Crim.P., is voluntarily and understandingly made; and I recommend to the Court that the waiver be accepted by the Court;

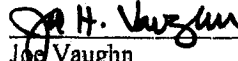
e. In my opinion, the plea of "Guilty" as offered by the Defendant in the foregoing petition to enter plea of guilty and plea agreement is voluntarily and understandingly made and I recommend to the Court that the plea of "Guilty" be now accepted and entered on behalf of the Defendant as requested in the foregoing petition to enter plea of guilty and plea agreement.

31. **Complete Agreement:** The Defendant acknowledges that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this document, to induce the Defendant to plead guilty. This document is the complete and only Plea Agreement between the Defendant and the United States Attorney for the Southern District of Indiana and is binding only on the parties to the plea agreement, supersedes all prior understandings, if any, whether written or oral, and cannot be modified except in writing, signed by all parties and filed with the Court, or on the record in open court.

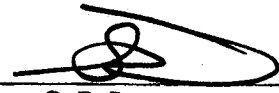
Respectfully submitted,

JOSH J. MINKLER
United States Attorney

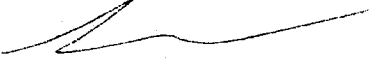
4.22.19
DATE


Joe Vaughn
Criminal Chief

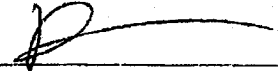
4/22/19
DATE


Steven D. DeBrot
Deputy Chief, General Crimes Unit
Nicholas J. Linder
Assistant United States Attorney


4/21/2019
DATE


Kyle W. Maurer
L. Rush Atkinson
Trial Attorneys

4-19-19
DATE


DANNY RAY WILLIAMS
Defendant

APRIL 19, 2019
DATE


Bernard L. Pylitt
Attorney for the Defendant