

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

v.

SATHISH NARAYANAPPA BABU

No. 14 CR 84

Judge John J. Tharp, Jr.

PLEA AGREEMENT

1. This Plea Agreement between the United States Attorney for the Northern District of Illinois, ZACHARY T. FARDON, and defendant SATHISH NARAYANAPPA BABU, and his attorney, MICHAEL MONICO, is made pursuant to Rule 11 of the Federal Rules of Criminal Procedure. The parties to this Agreement have agreed upon the following:

Charges in This Case

2. The information in this case charges defendant with health care fraud, in violation of Title 18, United State Code, Section 1347 (Count One), and acquiring oxycodone, a Schedule II Controlled Substance, by fraud and misrepresentation, in violation of Title 21, United States Code, Section 843(a)(3) (Count Two).

3. Defendant has read the charges against him contained in the information, and those charges have been fully explained to him by his attorney.

4. Defendant fully understands the nature and elements of the crimes with which he has been charged.

Charges to Which Defendant Is Pleading Guilty

5. By this Plea Agreement, defendant agrees to enter a voluntary plea of guilty to the following counts of the information: Count One, which charges defendant with knowingly and willfully participating in a scheme to defraud a health care benefit program, namely, Medicare, and to obtain money owned by and under the custody and control of Medicare by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits, items, and services, in violation of Title 18, United States Code, Section 1347; and Count Two, which charges defendant with knowingly and intentionally acquiring and obtaining possession of a controlled substance, namely, a quantity of a mixture and substance containing oxycodone, a Schedule II Controlled Substance, by misrepresentation, fraud, and deception, in violation of Title 21, United States Code, Section 843(a)(3). In addition, as further provided below, defendant agrees to the entry of a forfeiture judgment.

Factual Basis

6. Defendant will plead guilty because he is in fact guilty of the charges contained in Counts One and Two of the information. In pleading guilty, defendant admits the following facts and that those facts establish his guilt beyond a reasonable doubt and constitute relevant conduct pursuant to Guideline § 1B1.3, and establish a basis for forfeiture of the property described elsewhere in this Plea Agreement:

As charged in Count One, beginning in approximately November 2011, and continuing through in or about February 2014, in the Northern District of Illinois, Eastern Division, and elsewhere, defendant SATHISTH NARAYANAPPA BABU did knowingly and willfully participate in a scheme to defraud a health care benefit program, namely, Medicare, and to obtain money owned by and under the custody and control of Medicare by means of materially false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits and services, in violation of Title 18, United States Code, Section 1347. For the purposes of executing this scheme, on or about December 7, 2012, BABU knowingly and willfully submitted and caused to be submitted to Medicare a materially false and fraudulent claim, namely a claim seeking payment for a physician home visit to Patient KJ on or about November 20, 2012, using CPT code 99345.

As charged in Count Two, on or about July 2, 2013, in the Northern District of Illinois, Eastern Division, and elsewhere, BABU did knowingly and intentionally acquire and obtain possession of a controlled substance, namely, a quantity of a mixture and substance containing oxycodone, a Schedule II Controlled Substance, by misrepresentation, fraud, and deception, in that BABU issued a prescription for Oxycontin 80mg to Patient KJ without regard to whether the prescription was medically necessary and knowing that neither he nor any licensed medical professional had met with or examined Patient KJ, in violation of Title 21, United States Code, Section 843(a)(3).

BABU was a physician licensed in Illinois and held DEA controlled substances registration number FBXXXX816, under which he was authorized to prescribe medically necessary controlled substances. BABU was enrolled as a physician provider with the Medicare program and was assigned a provider number, under which BABU submitted claims to Medicare.

Anik Life Sciences Medical Corporation was a home-visiting physician's office. BABU was the owner, chairman, and manager of Anik Life Sciences, and the only licensed physician working at Anik Life Sciences. BABU certified patients of Anik Life Sciences for home health services under Medicare and submitted and caused to be submitted to Medicare claims for services he purportedly provided to patients, including home visits, diagnostic testing and review, and certifying and recertifying patients for home health services. All of the funds that Medicare paid as a result of these claims were deposited into account XXXXX7326 held at JPMorgan Chase Bank under the name of Anik Life Sciences. BABU was the sole signatory on this account.

BABU knowingly submitted and caused to be submitted to Medicare under his provider number claims for patient services that he did not provide and without regard to whether such services were medically necessary. More specifically, BABU hired unlicensed individuals, including approximately three foreign medical school graduates who were not licensed to practice medicine in the United States, to conduct patient home visits on behalf of Anik Life Sciences. On the Anik Life Sciences website and to patients, BABU advertised these individuals as "MDs" or

doctors. BABU later submitted and caused to be submitted claims to Medicare seeking reimbursement for these home visits using procedure codes (referred to as “CPT codes”) indicating that BABU conducted the patient visit himself and the visit involved a comprehensive medical evaluation, when BABU knew that the visits were conducted by an unlicensed individual without BABU being present and any treatment provided was not comprehensive as reflected in the CPT code BABU used to bill Medicare.

BABU hired at least approximately three individuals to work as office staff at Anik Life Sciences who were tasked with, among other things, scheduling home visits with patients each month, handling the patient files, performing certain diagnostic testing, and preparing billing-related materials and submitting those materials to BABU’s Medicare billing service. BABU instructed his staff at Anik Life Sciences to order certain diagnostic testing for every patient, including ultrasound and autonomic nervous system testing, without regard to whether the testing was medically necessary. BABU caused to be submitted claims to Medicare under BABU’s provider number requesting payment for these diagnostic tests and his review of the diagnostic tests without regard to medical necessity and, on certain occasions when BABU knew he had not provided the diagnostic testing and had not reviewed the results of the diagnostic testing. In addition, BABU instructed his employees to place his signature on patient records and billing materials maintained by Anik Life Sciences to make it falsely appear as if BABU

had personally provided the patient care and to conceal the fact that unlicensed individuals had actually performed the patient care.

BABU signed and caused to be signed Form 485s in which BABU falsely certified and recertified that patients of Anik Life Sciences were under his care, confined to their homes, and required home health services from a home health agency, when BABU had never met with the patients and had insufficient information about the patients' health to determine whether they were actually confined to the home. BABU then caused to be submitted under his provider number claims to Medicare seeking payment for BABU's purported certification and recertification of patients for home health services.

BABU knowingly prescribed controlled substances to patients of Anik Life Sciences who he had never seen or examined, and who he knew had never been examined by a licensed medical professional. At times, BABU pre-signed blank prescriptions and permitted unlicensed individual workings at Anik Life Sciences to fill out the prescriptions and order prescription refills for patients who BABU knew were not seen by a licensed medical professional. BABU understood that Medicare covered a significant portion of the costs associated with these prescription medications that he ordered for patients of Anik Life Sciences.

As a result of BABU's scheme to defraud Medicare, BABU submitted and caused to be submitted to Medicare under his provider number false and fraudulent claims seeking payments from Medicare totaling at least approximately \$500,000.

As a result of these false and fraudulent claims, BABU fraudulently obtained at least approximately \$216,000 from Medicare.

Patient KJ was a patient of BABU and Anik Life Sciences from November 2012 through approximately December 2013. Unbeknownst to BABU and the staff at Anik Life Sciences, Patient KJ was an undercover law enforcement agent. BABU never saw or examined Patient KJ. Instead, BABU caused unlicensed individuals employed by Anik Life Sciences to conduct home visits to Patient KJ on approximately ten occasions without regard to whether such visits were medically necessary. BABU then knowingly submitted and caused to be submitted to Medicare under BABU's provider number claims for physician home visits to Patient KJ under CPT codes 99345 and 99349, understanding that any care provided to Patient KJ was not consistent with the requirements of these procedure codes. For example, on or about December 7, 2012, BABU submitted and caused to be submitted to Medicare a false claim seeking payment for the first home visit to Patient KJ, which was actually performed by an unlicensed employee of Anik Life Sciences and not BABU, using CPT code 99345. The CPT code indicated that the visit was comprehensive, when it was actually routine and superficial.

In addition, BABU falsely and without regard to medical necessity certified and twice recertified Patient KJ as confined to the home and in need of home health services by signing Form 485s and a face-to-face encounter form related to Patient KJ, when BABU had never met or examined Patient KJ. BABU then caused to be

submitted to Medicare false and fraudulent claims for the time BABU purportedly spent certifying and recertifying Patient KJ.

Furthermore, knowing that he had never examined Patient KJ, and without regard to medical necessity, BABU prescribed Schedule II, Schedule III, and Schedule IV controlled substances to Patient KJ. Specifically, from approximately November 2012 through approximately December 2013, BABU issued multiple prescriptions to Patient KJ for the following controlled substances:

Approximately 300 pills of OxyContin 80mg strength, a mixture and substance containing oxycodone, a Schedule II Controlled Substance;

Approximately 180 pills of Hydrocodone/APAP 5-325mg strength, a mixture and substance containing hydrocodone, a Schedule III Controlled Substance; and

Approximately 120 pills of Alprazolam 1mg strength, a mixture and substance containing alprazolam, a Schedule IV Controlled Substance.

BABU understood that Medicare and its contractor covered the cost of these prescriptions, which totaled approximately \$4,000.

Maximum Statutory Penalties

7. Defendant understands that the charges to which he is pleading guilty carry the following statutory penalties:

a. Count One carries a maximum sentence of 10 years' imprisonment. Count One also carries a maximum fine of \$250,000, or twice the gross gain or gross loss resulting from that offense, whichever is greater. Defendant

further understands that with respect to Count One the judge also may impose a term of supervised release of not more than three years.

b. Count Two carries a maximum sentence of 4 years' imprisonment. Count Two also carries a maximum fine of \$250,000, or twice the gross gain or gross loss resulting from that offense, whichever is greater. Defendant further understands that with respect to Count Two, the judge also may impose a term of supervised release of not more than one year.

c. Defendant further understands that the Court must order restitution to the victims of the offense in an amount determined by the Court.

d. In accord with Title 18, United States Code, Section 3013, defendant will be assessed \$100 on each count to which he has pled guilty, in addition to any other penalty or restitution imposed.

e. Therefore, under the counts to which defendant is pleading guilty, the total maximum sentence is 14 years' imprisonment. In addition, defendant is subject to a total maximum fine of \$500,000, or twice the gross gain or gross loss resulting from the offenses of conviction, whichever is greater, a period of supervised release, and special assessments totaling \$200, in addition to any restitution ordered by the Court.

Sentencing Guidelines Calculations

8. Defendant understands that in imposing sentence the Court will be guided by the United States Sentencing Guidelines. Defendant understands that

the Sentencing Guidelines are advisory, not mandatory, but that the Court must consider the Guidelines in determining a reasonable sentence.

9. For purposes of calculating the Sentencing Guidelines, the parties agree on the following points, except as otherwise noted:

a. **Applicable Guidelines.** The Sentencing Guidelines to be considered in this case are those in effect at the time of sentencing. The following statements regarding the calculation of the Sentencing Guidelines are based on the Guidelines Manual currently in effect, namely the November 2013 Guidelines Manual.

b. **Offense Level Calculations.**

Count One

i. With respect to Count One, the base offense level is six, pursuant to Guideline § 2B1.1(a)(2).

ii. Pursuant to Guideline § 2B1.1(b)(1)(H), the offense level is increased by 14 levels because the amount of intended loss resulting from the offense conduct is at least approximately \$500,000, which is greater than \$400,000 but less than \$1,000,000.

iii. It is the government's position that, pursuant to Guideline § 2B1.1(b)(10)(C), the offense level is increased by two levels because the offense involved sophisticated means. It is the defendant's position that the enhancement pursuant to Guideline § 2B1.1(b)(10)(C) does not apply. Each party is free to present evidence and argument to the Court on this issue.

iv. Pursuant to Guideline § 3B1.1(a), the offense level is increased by four levels because defendant was the organizer and leader of the scheme to defraud Medicare which involved five or more participants and was otherwise extensive, in that defendant was the owner and manager of Anik Life Sciences and directed his employees to carry out tasks associated with the offense, such as visiting patients and submitting Medicare claims information.

v. Pursuant to Guideline § 3B1.3, the offense level is increased by two levels because the offense involved an abuse of position of public and private trust, namely, defendant's position as a licensed physician and Medicare provider, which significantly facilitated the commission and concealment of the offense.

Count Two

vi. With respect to Count Two, the base offense level is eight, pursuant to Guideline § 2D2.2.

vii. Pursuant to Guideline § 3B1.1(a), the offense level is increased by four levels because defendant was the organizer and leader of the scheme to acquire controlled substances by fraud and misrepresentation, which involved five or more participants and was otherwise extensive, in that defendant was the owner and manager of Anik Life Sciences and directed his employees to carry out tasks associated with the offense and relevant conduct, including visiting and issuing prescriptions to patients.

Combined Offense Level

viii. Pursuant to Guideline § 3D1.2, Count One (Group One) and Count Two (Group Two) are not grouped because they do not involve substantially the same harm.

ix. Pursuant to Guideline § 3D1.4(a), one unit is assigned to Group One because it is the group with the highest offense level. Pursuant to Guideline § 3D1.4(c), no units are assigned to Group Two because it is more than nine levels less serious than Group One. Consequently, pursuant to Guideline § 3D1.4, there is no increase in offense level.

x. Thus, it is the government's position that the combined offense level is 28.

xi. Defendant has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for his criminal conduct. If the government does not receive additional evidence in conflict with this provision, and if defendant continues to accept responsibility for his actions within the meaning of Guideline § 3E1.1(a), including by furnishing the United States Attorney's Office and the Probation Office with all requested financial information relevant to his ability to satisfy any fine or restitution that may be imposed in this case, a two-level reduction in the offense level is appropriate.

xii. In accord with Guideline § 3E1.1(b), defendant has timely notified the government of his intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the Court to allocate its

resources efficiently. Therefore, as provided by Guideline § 3E1.1(b), if the Court determines the offense level to be 16 or greater prior to determining that defendant is entitled to a two-level reduction for acceptance of responsibility, the government will move for an additional one-level reduction in the offense level.

c. **Criminal History Category.** With regard to determining defendant's criminal history points and criminal history category, based on the facts now known to the government, defendant's criminal history points equal zero and defendant's criminal history category is I.

d. **Anticipated Advisory Sentencing Guidelines Range.** Therefore, it is the government's position that, based on the facts now known to the government, the anticipated offense level is 25, which, when combined with the anticipated criminal history category of I, results in an anticipated advisory sentencing guidelines range of 57 to 71 months' imprisonment, in addition to any supervised release, fine, and restitution the Court may impose.

e. Defendant and his attorney and the government acknowledge that the above guidelines calculations are preliminary in nature, and are non-binding predictions upon which neither party is entitled to rely. Defendant understands that further review of the facts or applicable legal principles may lead the government to conclude that different or additional guidelines provisions apply in this case. Defendant understands that the Probation Office will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and that the Court's determinations govern the final guideline

calculation. Accordingly, the validity of this Agreement is not contingent upon the probation officer's or the Court's concurrence with the above calculations, and defendant shall not have a right to withdraw his plea on the basis of the Court's rejection of these calculations.

10. Both parties expressly acknowledge that this Agreement is not governed by Fed. R. Crim. P. 11(c)(1)(B), and that errors in applying or interpreting any of the sentencing guidelines may be corrected by either party prior to sentencing. The parties may correct these errors either by stipulation or by a statement to the Probation Office or the Court, setting forth the disagreement regarding the applicable provisions of the guidelines. The validity of this Agreement will not be affected by such corrections, and defendant shall not have a right to withdraw his plea, nor the government the right to vacate this Agreement, on the basis of such corrections.

Agreements Relating to Sentencing

11. Each party is free to recommend whatever sentence it deems appropriate.

12. It is understood by the parties that the sentencing judge is neither a party to nor bound by this Agreement and may impose a sentence up to the maximum penalties as set forth above. Defendant further acknowledges that if the Court does not accept the sentencing recommendation of the parties, defendant will have no right to withdraw his guilty plea.

13. Regarding restitution, defendant acknowledges that restitution is owed to Medicare in an exact amount to be determined by the Court at sentencing, minus any credit for funds repaid prior to sentencing, and that pursuant to Title 18, United States Code, Section 3663A, the Court must order defendant to make full restitution in the amount outstanding at the time of sentencing.

14. Restitution shall be due immediately, and paid pursuant to a schedule to be set by the Court at sentencing. Defendant acknowledges that pursuant to Title 18, United States Code, Section 3664(k), he is required to notify the Court and the United States Attorney's Office of any material change in economic circumstances that might affect his ability to pay restitution.

15. Defendant agrees to pay the special assessment of \$200 at the time of sentencing with a cashier's check or money order payable to the Clerk of the U.S. District Court.

16. Defendant agrees that the United States may enforce collection of any fine or restitution imposed in this case pursuant to Title 18, United States Code, Sections 3572, 3613, and 3664(m), notwithstanding any payment schedule set by the Court.

17. Defendant agrees to relinquish his DEA controlled substances license (registration number FBXXXX816) at the time of sentencing.

Forfeiture

18. The information charges that defendant has subjected real and personal property to forfeiture, namely funds in the amount of \$126,200 seized from

JPMorgan Chase bank accounts, because those funds represent proceeds of the fraud charged in Count One, and the 2013 BMW sedan, model 535XI, VIN #WBAFU7C53DDU66323, registered to defendant, which constitutes and is derived from proceeds traceable to the offense charged in Count One. By entry of a guilty plea to Count One of the information, defendant acknowledges that the property identified above is subject to forfeiture.

19. Defendant agrees to the entry of a forfeiture judgment against the funds and property identified above, in that these funds and property are subject to forfeiture. Prior to sentencing, defendant agrees to the entry of a preliminary order of forfeiture relinquishing any right of ownership he has in the above-described funds and property and further agrees to the seizure of these funds and property so that these funds and property may be disposed of according to law.

20. Defendant understands that forfeiture of this property typically shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon defendant in addition to the forfeiture judgment. In this case, however, the United States Attorney's Office will recommend to the Attorney General that any net proceeds derived from the forfeited assets be remitted or restored to eligible victims of the offense and credited to any outstanding restitution obligation pursuant to Title 18, United States Code, Section 981(e), Title 28, Code of Federal Regulations, Part 9, and other applicable law.

21. In addition, defendant agrees to DEA administratively seizing and proceeding with administrative forfeiture against the following property: (a) the 2010 Lexus sedan, model HS250H, VIN #JTHBB1BA7A2022712, registered to defendant; and (2) the 2001 BMW Z3, VIN # WBACN53401LL47223, registered to defendant. Defendant acknowledges that he will receive notice of the administrative forfeiture proceedings and agrees that he will not file a claim in the administrative forfeiture proceedings. Defendant understands that declarations of forfeiture will be entered, extinguishing any claims he may have had in the seized property. Furthermore, defendant affirmatively relinquishes all right, title, and interest he may have had in the seized property. Defendant understands that administrative forfeiture of this property shall not be treated as satisfaction of any restitution, fine, cost of imprisonment, or any other penalty the Court may impose upon defendant. Defendant will cooperate with the United States during the ancillary stages of any forfeiture proceedings to defeat the claim of a third party in the event the third party files a claim with regard to this property.

Acknowledgments and Waivers Regarding Plea of Guilty

Nature of Agreement

22. This Agreement is entirely voluntary and represents the entire agreement between the United States Attorney and defendant regarding defendant's criminal liability in case 14 CR 84.

23. This Agreement concerns criminal liability only. Except as expressly set forth in this Agreement, nothing herein shall constitute a limitation, waiver, or

release by the United States or any of its agencies of any administrative or judicial civil claim, demand, or cause of action it may have against defendant or any other person or entity. The obligations of this Agreement are limited to the United States Attorney's Office for the Northern District of Illinois and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities, except as expressly set forth in this Agreement.

24. Defendant understands that nothing in this Agreement shall limit the Internal Revenue Service in its collection of any taxes, interest or penalties from defendant or defendant's partnership or corporations.

Waiver of Rights

25. Defendant understands that by pleading guilty he surrenders certain rights, including the following:

a. **Right to be charged by indictment.** Defendant understands that he has a right to have the charges prosecuted by an indictment returned by a concurrence of twelve or more members of a grand jury consisting of not less than sixteen and not more than twenty-three members. By signing this Agreement, defendant knowingly waives his right to be prosecuted by indictment and to assert at trial or on appeal any defects or errors arising from the information, the information process, or the fact that he has been prosecuted by way of information.

b. **Trial rights.** Defendant has the right to persist in a plea of not guilty to the charges against him, and if he does, he would have the right to a public and speedy trial.

i. The trial could be either a jury trial or a trial by the judge sitting without a jury. However, in order that the trial be conducted by the judge sitting without a jury, defendant, the government, and the judge all must agree that the trial be conducted by the judge without a jury.

ii. If the trial is a jury trial, the jury would be composed of twelve citizens from the district, selected at random. Defendant and his attorney would participate in choosing the jury by requesting that the Court remove prospective jurors for cause where actual bias or other disqualification is shown, or by removing prospective jurors without cause by exercising peremptory challenges.

iii. If the trial is a jury trial, the jury would be instructed that defendant is presumed innocent, that the government has the burden of proving defendant guilty beyond a reasonable doubt, and that the jury could not convict him unless, after hearing all the evidence, it was persuaded of his guilt beyond a reasonable doubt and that it was to consider each count of the information separately. The jury would have to agree unanimously as to each count before it could return a verdict of guilty or not guilty as to that count.

iv. If the trial is held by the judge without a jury, the judge would find the facts and determine, after hearing all the evidence, and considering each count separately, whether or not the judge was persuaded that the government had established defendant's guilt beyond a reasonable doubt.

v. At a trial, whether by a jury or a judge, the government would be required to present its witnesses and other evidence against defendant.

Defendant would be able to confront those government witnesses and his attorney would be able to cross-examine them.

vi. At a trial, defendant could present witnesses and other evidence in his own behalf. If the witnesses for defendant would not appear voluntarily, he could require their attendance through the subpoena power of the Court. A defendant is not required to present any evidence.

vii. At a trial, defendant would have a privilege against self-incrimination so that he could decline to testify, and no inference of guilt could be drawn from his refusal to testify. If defendant desired to do so, he could testify in his own behalf.

viii. With respect to forfeiture, defendant understands that if the case were tried before a jury, he would have a right to retain the jury to determine whether the government had established the requisite nexus between defendant's offense and any specific property alleged to be subject to forfeiture.

c. **Waiver of appellate and collateral rights.** Defendant further understands he is waiving all appellate issues that might have been available if he had exercised his right to trial. Defendant is aware that Title 28, United States Code, Section 1291, and Title 18, United States Code, Section 3742, afford a defendant the right to appeal his conviction and the sentence imposed. Acknowledging this, defendant knowingly waives the right to appeal his conviction, any pre-trial rulings by the Court, and any part of the sentence (or the manner in which that sentence was determined), including any term of imprisonment and fine

within the maximums provided by law, and including any order of restitution or forfeiture, in exchange for the concessions made by the United States in this Agreement. In addition, defendant also waives his right to challenge his conviction and sentence, and the manner in which the sentence was determined, and (in any case in which the term of imprisonment and fine are within the maximums provided by statute) his attorney's alleged failure or refusal to file a notice of appeal, in any collateral attack or future challenge, including but not limited to a motion brought under Title 28, United States Code, Section 2255. The waiver in this paragraph does not apply to a claim of involuntariness, or ineffective assistance of counsel, which relates directly to this agreement or to its negotiation, nor does it prohibit defendant from seeking a reduction of sentence based directly on a change in the law that is applicable to defendant and that, prior to the filing of defendant's request for relief, has been expressly made retroactive by an Act of Congress, the Supreme Court, or the United States Sentencing Commission.

26. Defendant understands that by pleading guilty he is waiving all the rights set forth in the prior paragraphs. Defendant's attorney has explained those rights to him, and the consequences of his waiver of those rights.

Presentence Investigation Report/Post-Sentence Supervision

27. Defendant understands that the United States Attorney's Office in its submission to the Probation Office as part of the Pre-Sentence Report and at sentencing shall fully apprise the District Court and the Probation Office of the nature, scope, and extent of defendant's conduct regarding the charges against him,

and related matters. The government will make known all matters in aggravation and mitigation relevant to sentencing.

28. Defendant agrees to truthfully and completely execute a Financial Statement (with supporting documentation) prior to sentencing, to be provided to and shared among the Court, the Probation Office, and the United States Attorney's Office regarding all details of his financial circumstances, including his recent income tax returns as specified by the probation officer. Defendant understands that providing false or incomplete information, or refusing to provide this information, may be used as a basis for denial of a reduction for acceptance of responsibility pursuant to Guideline § 3E1.1 and enhancement of his sentence for obstruction of justice under Guideline § 3C1.1, and may be prosecuted as a violation of Title 18, United States Code, Section 1001 or as a contempt of the Court.

29. For the purpose of monitoring defendant's compliance with his obligations to pay a fine and restitution during any term of supervised release or probation to which defendant is sentenced, defendant further consents to the disclosure by the IRS to the Probation Office and the United States Attorney's Office of defendant's individual income tax returns (together with extensions, correspondence, and other tax information) filed subsequent to defendant's sentencing, to and including the final year of any period of supervised release or probation to which defendant is sentenced. Defendant also agrees that a certified copy of this Agreement shall be sufficient evidence of defendant's request to the IRS

to disclose the returns and return information, as provided for in Title 26, United States Code, Section 6103(b).

Other Terms

30. Defendant agrees to cooperate with the United States Attorney's Office in collecting any unpaid fine and restitution for which defendant is liable, including providing financial statements and supporting records as requested by the United States Attorney's Office.

31. Defendant understands 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.

Conclusion

32. Defendant understands that this Agreement will be filed with the Court, will become a matter of public record, and may be disclosed to any person.

33. Defendant understands that his compliance with each part of this Agreement extends throughout the period of his sentence, and failure to abide by any term of the Agreement is a violation of the Agreement. Defendant further understands that in the event he violates this Agreement, the government, at its option, may move to vacate the Agreement, rendering it null and void, and thereafter prosecute defendant not subject to any of the limits set forth in this Agreement, or may move to resentence defendant or require defendant's specific performance of this Agreement. Defendant understands and agrees that in the event that the Court permits defendant to withdraw from this Agreement, or

defendant breaches any of its terms and the government elects to void the Agreement and prosecute defendant, any prosecutions that are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against defendant in accordance with this paragraph, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such prosecutions.

34. Should the judge refuse to accept defendant's plea of guilty, this Agreement shall become null and void and neither party will be bound to it.

35. Defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Agreement, to cause defendant to plead guilty.

36. Defendant acknowledges that he has read this Agreement and carefully reviewed each provision with his attorney. Defendant further acknowledges that he understands and voluntarily accepts each and every term and condition of this Agreement.

AGREED THIS DATE: _____

ZACHARY T. FARDON
United States Attorney

SATHISH NARAYANAPPA BABU
Defendant

SARAH STREICKER
Assistant U.S. Attorney

MICHAEL MONICO
Attorney for Defendant