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10 Attorneys for Plaintiff  
11 UNITED STATES OF AMERICA

12 UNITED STATES DISTRICT COURT

13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 UNITED STATES OF AMERICA,

No. CR 2:21-cr-00540-SB

15 Plaintiff,

PLEA AGREEMENT FOR DEFENDANT  
PAUL O. PARADIS

16 v.

17 PAUL O. PARADIS,

18 Defendant.

19  
20 1. This constitutes the plea agreement between defendant PAUL  
21 O. PARADIS ("defendant") and the United States Attorney's Office for  
22 the Central District of California ("the USAO") in the above-  
23 captioned case. This agreement is limited to the USAO and cannot  
24 bind any other federal, state, local, or foreign prosecuting,  
25 enforcement, administrative, regulatory, or licensing authorities.

26 DEFENDANT'S OBLIGATIONS

27 2. Defendant agrees to:  
28

1           a. At the earliest opportunity requested by the USAO and  
2 provided by the Court, appear and plead guilty to count one of the  
3 information in the form attached to this agreement as Exhibit A or a  
4 substantially similar form, which charges defendant with bribery  
5 concerning programs receiving federal funds, in violation of 18  
6 U.S.C. § 666(a)(1)(B).

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

8           c. Abide by all agreements regarding sentencing contained  
9 in this agreement.

10           d. Appear for all court appearances, surrender if ordered  
11 for service of sentence, obey all conditions of any bond, and obey  
12 any other ongoing court order in this matter.

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

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

19           g. Pay the applicable special assessment at or before the  
20 time of sentencing unless defendant has demonstrated a lack of  
21 ability to pay such assessments.

22           h. Give up the right to indictment by a grand jury.

23           3. Defendant further agrees to cooperate fully with the USAO,  
24 the Federal Bureau of Investigation, and, as directed by the USAO,  
25 any other federal, state, local, or foreign prosecuting, enforcement,  
26 administrative, regulatory, or licensing authority, including the Bar  
27 of any state. This cooperation requires defendant to:



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

6 d. At the time of sentencing, provided that defendant  
7 demonstrates an acceptance of responsibility for the offense conduct,  
8 including the relevant conduct described in the agreed-upon factual  
9 basis, up to and including the time of sentencing, recommend a two-  
10 level reduction in the applicable Sentencing Guidelines offense  
11 level, pursuant to U.S.S.G. § 3E1.1, and recommend and, if  
12 appropriate, move for an additional one-level reduction if available  
13 under that section.

14 6. The USAO further agrees:

15 a. Not to offer as evidence in its case-in-chief in the  
16 above-captioned case or any other criminal prosecution that may be  
17 brought against defendant by the USAO, any Cooperation Information.  
18 Defendant agrees, however, that the USAO may use both Cooperation  
19 Information and Plea Information: (1) to obtain and pursue leads to  
20 other evidence, which evidence may be used for any purpose, including  
21 any criminal prosecution of defendant; (2) to cross-examine defendant  
22 should defendant testify, or to rebut any evidence offered, or  
23 argument or representation made, by defendant, defendant's counsel,  
24 or a witness called by defendant in any trial, sentencing hearing, or  
25 other court proceeding; (3) in any criminal prosecution of defendant  
26 for false statement, obstruction of justice, or perjury; and (4) at  
27 defendant's sentencing. Defendant understands that Cooperation  
28

1 Information will be disclosed to the United States Probation and  
2 Pretrial Services Office and the Court.

3           b. In connection with defendant's sentencing, to bring to  
4 the Court's attention the nature and extent of defendant's  
5 cooperation.

6           c. If the USAO determines, in its exclusive judgment,  
7 that defendant has both complied with defendant's obligations under  
8 paragraphs 2 and 3 above and provided substantial assistance to law  
9 enforcement in the prosecution or investigation of another  
10 ("substantial assistance"), to move the Court pursuant to U.S.S.G.  
11 § 5K1.1 to fix an offense level and corresponding guideline range  
12 below that otherwise dictated by the sentencing guidelines, and to  
13 recommend a sentence at the low end of or below this reduced range.

14           DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

15           7. Defendant understands the following:

16           a. Any knowingly false or misleading statement by  
17 defendant will subject defendant to prosecution for false statement,  
18 obstruction of justice, and perjury and will constitute a breach by  
19 defendant of this agreement.

20           b. Nothing in this agreement requires the USAO or any  
21 other prosecuting, enforcement, administrative, regulatory, or  
22 licensing authority to accept any cooperation or assistance that  
23 defendant may offer, or to use it in any particular way.

24           c. Defendant cannot withdraw defendant's guilty plea if  
25 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a  
26 reduced guideline range or if the USAO makes such a motion and the  
27 Court does not grant it or if the Court grants such a USAO motion but  
28 elects to sentence above the reduced range.



1 2017, annual benefits in excess of \$10,000 under a Federal program  
2 involving a grant, contract, subsidy, loan, guarantee, insurance, or  
3 any other form of Federal assistance.

4 PENALTIES

5 9. Defendant understands that the statutory maximum sentence  
6 that the Court can impose for a violation of Title 18, United States  
7 Code, Section 666(a)(1)(B), is: 10 years' imprisonment; a three-year  
8 period of supervised release; a fine of \$250,000 or twice the gross  
9 gain or gross loss resulting from the offense, whichever is greatest;  
10 and a mandatory special assessment of \$100.

11 10. Defendant understands that supervised release is a period  
12 of time following imprisonment during which defendant will be subject  
13 to various restrictions and requirements. Defendant understands that  
14 if defendant violates one or more of the conditions of any supervised  
15 release imposed, defendant may be returned to prison for all or part  
16 of the term of supervised release authorized by statute for the  
17 offense that resulted in the term of supervised release, which could  
18 result in defendant serving a total term of imprisonment greater than  
19 the statutory maximum stated above.

20 11. Defendant understands that, by pleading guilty, defendant  
21 may be giving up valuable government benefits and valuable civic  
22 rights, such as the right to vote, the right to possess a firearm,  
23 the right to hold office, and the right to serve on a jury.  
24 Defendant understands that he is pleading guilty to a felony and that  
25 it is a federal crime for a convicted felon to possess a firearm or  
26 ammunition. Defendant understands that the conviction in this case  
27 may also subject defendant to various other collateral consequences,  
28 including but not limited to revocation of probation, parole, or

1 supervised release in another case and suspension or revocation of a  
2 professional license. Defendant understands that unanticipated  
3 collateral consequences will not serve as grounds to withdraw  
4 defendant's guilty plea.

5 12. Defendant understands that, if defendant is not a United  
6 States citizen, the felony conviction in this case may subject  
7 defendant to: removal, also known as deportation, which may, under  
8 some circumstances, be mandatory; denial of citizenship; and denial  
9 of admission to the United States in the future. The Court cannot,  
10 and defendant's attorney also may not be able to, advise defendant  
11 fully regarding the immigration consequences of the felony conviction  
12 in this case. Defendant understands that unexpected immigration  
13 consequences will not serve as grounds to withdraw defendant's guilty  
14 plea.

15 FACTUAL BASIS

16 13. Defendant admits that defendant is, in fact, guilty of the  
17 offense to which defendant is agreeing to plead guilty. Defendant  
18 and the USAO agree to the statement of facts provided in Attachment A  
19 hereto and agree that this statement of facts is sufficient to  
20 support a plea of guilty to the charge described in this agreement  
21 and to establish the Sentencing Guidelines factors set forth in  
22 paragraph 15 below but is not meant to be a complete recitation of  
23 all facts relevant to the underlying criminal conduct or all facts  
24 known to either party that relate to that conduct.

25 SENTENCING FACTORS

26 14. Defendant understands that in determining defendant's  
27 sentence the Court is required to calculate the applicable Sentencing  
28 Guidelines range and to consider that range, possible departures



1 under the Sentencing Guidelines, and the other sentencing factors set  
2 forth in 18 U.S.C. § 3553(a). Defendant understands that the  
3 Sentencing Guidelines are advisory only, that defendant cannot have  
4 any expectation of receiving a sentence within the calculated  
5 Sentencing Guidelines range, and that after considering the  
6 Sentencing Guidelines and the other § 3553(a) factors, the Court will  
7 be free to exercise its discretion to impose any sentence it finds  
8 appropriate up to the maximum set by statute for the crime of  
9 conviction.

10 15. Defendant and the USAO agree to the following applicable  
11 Sentencing Guidelines factors:

12 Base Offense Level:	14	[U.S.S.G. § 2C1.1(a)(1)]
13 Value of bribe between 14 \$1,500,001-\$3,500,000	+16	[U.S.S.G. § 2B1.1(b)(1)(I)]
15 Involved more than one bribe	+2	[U.S.S.G. § 2C1.1(b)(1)]
16 Involved high-level/sensitive 17 position	+4	[U.S.S.G. § 2C1.1(b)(3)]

18 Defendant and the USAO reserve the right to argue that additional  
19 specific offense characteristics, adjustments, and departures under  
20 the Sentencing Guidelines are appropriate. In particular, defendant  
21 may argue for downward departures under U.S.S.G. § 5H1.4 (physical  
22 condition) and U.S.S.G. § 5K2.16 (voluntary disclosure).

23 16. Defendant understands that there is no agreement as to  
24 defendant's criminal history or criminal history category.

25 17. Defendant and the USAO reserve the right to argue for a  
26 sentence outside the sentencing range established by the Sentencing  
27 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),  
28 (a)(2), (a)(3), (a)(6), and (a)(7).



1 appeal defendant's conviction on the offense to which defendant is  
2 pleading guilty. Defendant understands that this waiver includes,  
3 but is not limited to, arguments that the statute to which defendant  
4 is pleading guilty is unconstitutional, and any and all claims that  
5 the statement of facts provided herein is insufficient to support  
6 defendant's plea of guilty.

7 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE AND COLLATERAL ATTACK

8 20. Defendant agrees that, provided the Court imposes a total  
9 term of imprisonment on the count of conviction of no more than the  
10 statutory maximum of ten years, defendant gives up the right to  
11 appeal all of the following: (a) the procedures and calculations used  
12 to determine and impose any portion of the sentence; (b) the term of  
13 imprisonment imposed by the Court; (c) the fine imposed by the Court,  
14 provided it is within the statutory maximum; (d) to the extent  
15 permitted by law, the constitutionality or legality of defendant's  
16 sentence, provided it is within the statutory maximum; (e) the term  
17 of probation or supervised release imposed by the Court, provided it  
18 is within the statutory maximum; and (f) any of the following  
19 conditions of probation or supervised release imposed by the Court:  
20 the conditions set forth in Second Amended General Order 20-04 of  
21 this Court; the drug testing conditions mandated by 18 U.S.C.  
22 §§ 3563(a)(5) and 3583(d); and the alcohol and drug use conditions  
23 authorized by 18 U.S.C. § 3563(b)(7).

24 21. The USAO agrees that, provided all portions of the sentence  
25 are at or below the statutory maximum specified above, the USAO gives  
26 up its right to appeal any portion of the sentence.

27 22. Defendant also gives up any right to bring a post-  
28 conviction collateral attack on the conviction or sentence, except a

1 post-conviction collateral attack based on a claim of ineffective  
2 assistance of counsel, a claim of newly discovered evidence, or an  
3 explicitly retroactive change in the applicable Sentencing  
4 Guidelines, sentencing statutes, or statutes of conviction.  
5 Defendant understands that this waiver includes, but is not limited  
6 to, arguments that the statute to which defendant is pleading guilty  
7 is unconstitutional, and any and all claims that the statement of  
8 facts provided herein is insufficient to support defendant's plea of  
9 guilty.

10 RESULT OF WITHDRAWAL OF GUILTY PLEA

11 23. Defendant agrees that if, after entering a guilty plea  
12 pursuant to this agreement, defendant seeks to withdraw and succeeds  
13 in withdrawing defendant's guilty plea on any basis other than a  
14 claim and finding that entry into this plea agreement was  
15 involuntary, then (a) the USAO will be relieved of all of its  
16 obligations under this agreement, including in particular its  
17 obligations regarding the use of Cooperation Information; (b) in any  
18 investigation, criminal prosecution, or civil, administrative, or  
19 regulatory action, defendant agrees that any Cooperation Information  
20 and any evidence derived from any Cooperation Information shall be  
21 admissible against defendant, and defendant will not assert, and  
22 hereby waives and gives up, any claim under the United States  
23 Constitution, any statute, or any federal rule, that any Cooperation  
24 Information or any evidence derived from any Cooperation Information  
25 should be suppressed or is inadmissible, and (c) should the USAO  
26 choose to pursue any charge that was either dismissed or not filed as  
27 a result of this agreement, then (i) any applicable statute of  
28 limitations will be tolled between the date of defendant's signing of

1 this agreement and the filing commencing any such action; and  
2 (ii) defendant waives and gives up all defenses based on the statute  
3 of limitations, any claim of pre-indictment delay, or any speedy  
4 trial claim with respect to any such action, except to the extent  
5 that such defenses existed as of the date of defendant's signing this  
6 agreement.

7 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

8 24. Defendant agrees that if the count of conviction is  
9 vacated, reversed, or set aside, both the USAO and defendant will be  
10 released from all their obligations under this agreement.

11 EFFECTIVE DATE OF AGREEMENT

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

15 BREACH OF AGREEMENT

16 26. Defendant agrees that if defendant, at any time after the  
17 signature of this agreement and execution of all required  
18 certifications by defendant, defendant's counsel, and an Assistant  
19 United States Attorney, knowingly violates or fails to perform any of  
20 defendant's obligations under this agreement ("a breach"), the USAO  
21 may declare this agreement breached. For example, if defendant  
22 knowingly, in an interview, before a grand jury, or at trial, falsely  
23 accuses another person of criminal conduct or falsely minimizes  
24 defendant's own role, or the role of another, in criminal conduct,  
25 defendant will have breached this agreement. All of defendant's  
26 obligations are material, a single breach of this agreement is  
27 sufficient for the USAO to declare a breach, and defendant shall not  
28 be deemed to have cured a breach without the express agreement of the

1 USAO in writing. If the USAO declares this agreement breached, and  
2 the Court finds such a breach to have occurred, then:

3 a. If defendant has previously entered a guilty plea  
4 pursuant to this agreement, defendant will not be able to withdraw  
5 the guilty plea.

6 b. The USAO will be relieved of all its obligations under  
7 this agreement; in particular, the USAO: (i) will no longer be bound  
8 by any agreements concerning sentencing and will be free to seek any  
9 sentence up to the statutory maximum for the crime to which defendant  
10 has pleaded guilty; (ii) will no longer be bound by any agreements  
11 regarding criminal prosecution, and will be free to criminally  
12 prosecute defendant for any crime, including charges that the USAO  
13 would otherwise have been obligated not to criminally prosecute]  
14 pursuant to this agreement; and (iii) will no longer be bound by any  
15 agreement regarding the use of Cooperation Information and will be  
16 free to use any Cooperation Information in any way in any  
17 investigation, criminal prosecution, or civil, administrative,  
18 regulatory, or licensing action.

19 c. The USAO will be free to criminally prosecute  
20 defendant for false statement, obstruction of justice, and perjury  
21 based on any knowingly false or misleading statement by defendant.

22 d. In any investigation, criminal prosecution, or civil,  
23 administrative, or regulatory action: (i) defendant will not assert,  
24 and hereby waives and gives up, any claim that any Cooperation  
25 Information was obtained in violation of the Fifth Amendment  
26 privilege against compelled self-incrimination; and (ii) defendant  
27 agrees that any Cooperation Information and any Plea Information, as  
28 well as any evidence derived from any Cooperation Information or any

1 Plea Information, shall be admissible against defendant, and  
2 defendant will not assert, and hereby waives and gives up, any claim  
3 under the United States Constitution, any statute, Rule 410 of the  
4 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of  
5 Criminal Procedure, or any other federal rule, that any Cooperation  
6 Information, any Plea Information, or any evidence derived from any  
7 Cooperation Information or any Plea Information should be suppressed  
8 or is inadmissible.

9 27. Following the Court's finding of a knowing breach of this  
10 agreement by defendant, should the USAO choose to pursue any charge  
11 that was either dismissed or not filed as a result of this agreement,  
12 then:

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

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

21 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

22 OFFICE NOT PARTIES

23 28. Defendant understands that the Court and the United States  
24 Probation and Pretrial Services Office are not parties to this  
25 agreement and need not accept any of the USAO's sentencing  
26 recommendations or the parties' agreements to facts or sentencing  
27 factors.





1 and defendant or defendant's attorney, and that no additional  
2 promise, understanding, or agreement may be entered into unless in a  
3 writing signed by all parties or on the record in court.

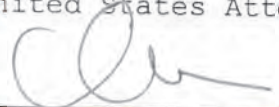
4 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

8 AGREED AND ACCEPTED

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

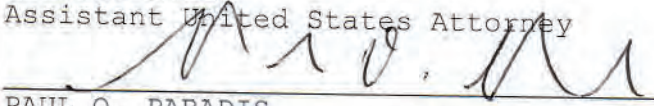
11 TRACY L. WILKISON  
12 United States Attorney



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14 MELISSA MILLS  
Assistant United States Attorney

11/24/2021

\_\_\_\_\_  
Date



15 \_\_\_\_\_  
16 PAUL O. PARADIS  
Defendant

11/19/2021

\_\_\_\_\_  
Date



17 \_\_\_\_\_  
18 DAVID SCHEPER  
Attorney for Defendant PAUL O.  
19 PARADIS

11/19/2021

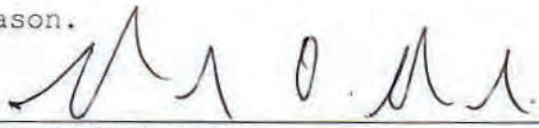
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CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my 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. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

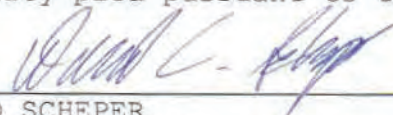
  
\_\_\_\_\_  
PAUL O. PARADIS  
Defendant

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Date 11/19/2021

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CERTIFICATION OF DEFENDANT'S ATTORNEY

I am PAUL O. PARADIS's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his 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; 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 an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.



\_\_\_\_\_  
DAVID SCHEPER  
Attorney for Defendant PAUL O.  
PARADIS

11/19/2021

\_\_\_\_\_  
Date

1 ATTACHMENT A

2 FACTUAL BASIS

3 **I. THE COLLUSIVE LITIGATION AND KICKBACK SCHEME**

4 **A. BACKGROUND ON COLLUSIVE LITIGATION**

5 1. At all relevant times, defendant PAUL O. PARADIS was an  
6 attorney licensed in New York and the sole owner and operator of  
7 Paradis Law Group, PLLC. In fall of 2014, through a website service  
8 to which he subscribed, defendant PARADIS received inquiries from Los  
9 Angeles Department of Water and Power ("LADWP") ratepayers interested  
10 in commencing litigation related to LADWP's billing system, which had  
11 erroneously billed hundreds of thousands of LADWP ratepayers and  
12 spawned multiple class action lawsuits against LADWP and the City of  
13 Los Angeles (the "City"). In early December 2014, defendant PARADIS  
14 was retained by ratepayer Antwon Jones.

15 2. On December 16, 2014, defendant PARADIS and Paul Kiesel, a  
16 California attorney with whom defendant PARADIS was acquainted, met  
17 with two top Los Angeles City Attorney's Office ("City Attorney's  
18 Office") officials to request the City's help with a potential  
19 lawsuit on behalf of Mr. Jones against PricewaterhouseCoopers  
20 ("PwC"), the vendor of LADWP's billing system. At this meeting,  
21 defendant PARADIS and Kiesel were asked to represent the City in an  
22 affirmative lawsuit against PwC, and they agreed. During this  
23 meeting, PARADIS informed the City Attorney's Office officials that  
24 defendant PARADIS also then represented Mr. Jones, the LADWP  
25 ratepayer, for purposes of litigation related to the LADWP billing  
26 system.

27 3. In January and February 2015, the City Attorney's Office,  
28 along with defendant PARADIS and Kiesel, pursued a strategy whereby

1 defendant PARADIS and Kiesel would represent both the City and Mr.  
2 Jones in parallel lawsuits against PwC (the "parallel litigation  
3 strategy"). The parallel litigation strategy entailed convincing  
4 counsel for the plaintiffs in the existing class action billing  
5 lawsuits already facing the City to dismiss their claims and join the  
6 City in coordinated litigation against PwC. In furtherance of the  
7 parallel litigation strategy, in January of 2015, defendant PARADIS  
8 drafted a complaint, styled *Antwon Jones v. PwC*, and circulated it  
9 among members of the City Attorney's Office for their review and  
10 feedback.

11 4. In late February 2015, defendant PARADIS was informed by  
12 members of the City Attorney's Office that the City would no longer  
13 proceed with the parallel litigation strategy.

14 5. In a meeting on or about February 23, 2015, defendant  
15 PARADIS, Kiesel, and defendant PARADIS's law partner ("Paradis Law  
16 Partner") met with at least one member of the City Attorney's Office  
17 to discuss how the City intended to proceed in lieu of the abandoned  
18 parallel litigation strategy. At the meeting, defendant PARADIS and  
19 Kiesel were directed and authorized to find outside counsel that  
20 would be friendly to the City and its litigation goals to supposedly  
21 represent Mr. Jones in a class action lawsuit against the City. This  
22 strategy came to be known as the "white knight" strategy, reflecting  
23 the understanding that this plaintiff would not be adverse to the  
24 City but would allow the City to save itself from the existing  
25 claims. It was the stated intent of all participants in this meeting  
26 to use this class action lawsuit by Mr. Jones against the City as a  
27 vehicle to quickly settle all existing LADWP-billing-related claims

28

Defendant's initials:    P.P.    2

1 against the City on the City's desired terms. In addition, it was  
2 agreed that defendant PARADIS and Kiesel would continue to prepare  
3 the City's intended lawsuit against PwC.

4 **B. DEFENDANT MAKES KICKBACK AGREEMENT WITH OHIO ATTORNEY**

5 6. On or about February 25, 2015, in furtherance of the  
6 agreed-upon white knight strategy, defendant PARADIS contacted an  
7 Ohio attorney ("Ohio Attorney") with whom he was acquainted and asked  
8 Ohio Attorney to play the role of the attorney representing Mr. Jones  
9 in the lawsuit against the City ("*Jones v. City*"). Defendant PARADIS  
10 informed Ohio Attorney of his understanding that the City wanted the  
11 case "pre-settled" on the City's desired terms. Defendant PARADIS  
12 told Ohio Attorney that defendant PARADIS would do all or most of the  
13 work in the case, and that in exchange, defendant PARADIS wanted  
14 twenty percent of Ohio Attorney's fees as a kickback. Ohio Attorney  
15 agreed to this arrangement. By this scheme, defendant PARADIS  
16 intended to defraud 1) Mr. Jones and LADWP ratepayers of their right  
17 to the honest services of Ohio Attorney, and 2) the citizens of the  
18 City of Los Angeles of their right to defendant PARADIS's honest  
19 services, and he did so knowing that it was illegal.

20 7. Defendant PARADIS and Ohio Attorney agreed that, because  
21 defendant PARADIS understood that the City did not intend for this  
22 lawsuit to be adversarial and wanted this lawsuit to be resolved as  
23 quickly as possible on the terms desired by the City, Ohio Attorney  
24 would refrain from demanding any discovery or filing any adversarial  
25 motions against the City.

26 8. Defendant PARADIS and Ohio Attorney, among others, agreed  
27 that Ohio Attorney would purport to represent the interests of Mr.

28

Defendant's initials:    *PM*    3

1 Jones and the class of LADWP ratepayers in filing and prosecuting a  
2 class action lawsuit. However, as defendant PARADIS knew and  
3 intended, Ohio Attorney would instead guide the lawsuit toward a  
4 rapid and preordained settlement orchestrated by the City on the  
5 terms desired by the City, with no attorney fulfilling the ethical  
6 duty to represent the best interests of Mr. Jones or the class of  
7 LADWP ratepayers through a true adversarial process.

8 9. Defendant PARADIS and Ohio Attorney agreed that to conceal  
9 defendant PARADIS's involvement in the *Jones v. City* lawsuit, Ohio  
10 Attorney would sign the correspondence and filings that defendant  
11 PARADIS drafted. Defendant PARADIS knew and intended that by these  
12 actions, Ohio Attorney would impliedly and falsely represent that he  
13 was independently litigating the matter and conducting the  
14 investigation into the merits of a potential settlement with the goal  
15 of obtaining the best result for his client. In fact, as defendant  
16 PARADIS at all times knew, Ohio Attorney did not do any of those  
17 things and instead relied heavily on defendant PARADIS's work product  
18 and representations.

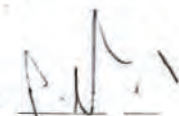
19 10. Defendant PARADIS, Ohio Attorney, and others agreed that to  
20 further conceal from, among others, the court, the mediator, and Mr.  
21 Jones, the collusive nature of the *Jones v. City* settlement,  
22 defendant PARADIS and Ohio Attorney would engage in multiple sham  
23 mediation sessions with the City, wherein they would act as though  
24 each side was zealously advocating for the interests of its  
25 respective client, even though, in fact, defendant PARADIS knew that  
26 the key terms of the class settlement had already been substantively  
27 agreed upon by the City and Ohio Attorney on behalf of the class

28 Defendant's initials:      4

1 prior to the first mediation.

2 11. Defendant PARADIS and Ohio Attorney agreed that they would  
3 each endeavor to ensure that Ohio Attorney was awarded as much money  
4 in attorney's fees as possible, because they understood and intended  
5 that doing so would financially benefit them both. To ensure that  
6 the court would award Ohio Attorney and his firm the highest attorney  
7 fees award possible, Ohio Attorney submitted, at defendant PARADIS's  
8 direction, billing records to the court falsely indicating that he  
9 began working on *Jones v. City* as early as November 2014 and spent  
10 hundreds of hours drafting the complaint, conducting discovery, and  
11 engaging in strategy and analysis. In fact, as defendant PARADIS  
12 then knew, Ohio Attorney only learned of the opportunity to represent  
13 Mr. Jones on February 25, 2015, did not conduct any discovery, and  
14 did not engage in any legitimate strategy or analysis because members  
15 of the City Attorney's Office and defendant PARADIS had already  
16 decided on the key terms of settlement.

17 12. Defendant PARADIS and Ohio Attorney agreed that they, among  
18 others, would conceal from the court, the mediator, and Mr. Jones the  
19 collusion — including defendant PARADIS's work on behalf of Ohio  
20 Attorney, the lack of an independent attorney representing the  
21 ratepayers' interests in the adversarial process, and the  
22 orchestrated nature of the settlement — from, among others, the  
23 court overseeing the litigation, Mr. Jones, other class action  
24 plaintiffs whose claims would be forcibly resolved pursuant to the  
25 City's orchestrated settlement, counsel for other class action  
26 plaintiffs, the mediator that was used to guide the *Jones v. City*  
27 case toward settlement, LADWP ratepayers, City residents, and the

28 Defendant's initials:  5




1 public.

2 **C. DEFENDANT REPRESENTS CITY AGAINST PwC, AND SIMULTANEOUSLY**  
3 **PREPARES RELATED LAWSUIT AGAINST CITY**

4 13. On March 6, 2015, the City filed a civil lawsuit against  
5 PwC ("City v. PwC"), which generally alleged that PwC was responsible  
6 for LADWP's billing problems. Defendant PARADIS and Kiesel  
7 represented the City in that action for approximately four years,  
8 before resigning at the City's request on March 6, 2019.

9 14. Because defendant PARADIS knew that the plan to find  
10 another lawyer to putatively represent his ratepayer client in a  
11 lawsuit against the City for purposes of facilitating a rapid  
12 settlement on the City's terms had been directed and authorized by at  
13 least one senior member of the City Attorney's Office, defendant  
14 PARADIS did not hide, and made no attempts to hide, the City's plan  
15 from other members of the City Attorney's Office. In or around late  
16 February or March of 2015, defendant PARADIS advised multiple members  
17 of the City Attorney's Office that an Ohio attorney with whom he had  
18 previously worked would soon be filing a new class action lawsuit to  
19 serve as a vehicle for the City to quickly settle all LADWP billing  
20 claims against the City on the terms the City desired. Defendant  
21 PARADIS also sent a draft of the *Jones v. City* complaint to at least  
22 one member of the City Attorney's Office for review and feedback  
23 before it was filed.

24 15. During March of 2015, pursuant to the agreed-upon white  
25 knight strategy, defendant PARADIS, using nonpublic information  
26 provided to him by members of the City Attorney's Office and LADWP,  
27 drafted a detailed complaint for a class action lawsuit against the  
28 City with Mr. Jones as the named class representative. The complaint

Defendant's initials:  6

1 bore the distinctive name of the same plaintiff — Antwon Jones —  
2 whom members of the City Attorney's Office had learned in December  
3 2014 that defendant PARADIS represented in connection with the LADWP  
4 billing debacle. The *Antwon Jones v. City* complaint also contained  
5 voluminous nonpublic information that LADWP and the City Attorney's  
6 Office had provided to defendant PARADIS, and it was substantially  
7 similar to the draft *Antwon Jones v. PwC* complaint that defendant had  
8 circulated to members of the City Attorney's Office for review and  
9 feedback at their direction in the preceding months.

10 16. During March of 2015, pursuant to the agreed-upon white  
11 knight strategy, defendant PARADIS, using nonpublic information  
12 provided to him by members of the City Attorney's Office and LADWP,  
13 drafted a detailed settlement demand letter for the *Jones v. City*  
14 case and provided it to Ohio Attorney to be served on the City after  
15 filing the complaint.

16 17. On March 26, 2015, defendant PARADIS introduced his client,  
17 Mr. Jones, to Ohio Attorney, misleadingly informing Mr. Jones that  
18 Ohio Attorney would be another attorney working on his case and  
19 intentionally omitting the salient fact that defendant PARADIS  
20 represented the City in a matter related to the LADWP billing system.  
21 In doing so, defendant PARADIS concealed from Mr. Jones the fact that  
22 defendant PARADIS was by then also representing the City — Mr.  
23 Jones's intended litigation opponent — in a matter related to the  
24 intended litigation as well as the fact of his collusion with Ohio  
25 Attorney in connection with Mr. Jones's intended lawsuit.

26 18. On March 26, 2015, defendant PARADIS provided the draft  
27 *Jones v. City* complaint to Ohio Attorney for filing. Defendant  
28

Defendant's initials:

 7


1 PARADIS directed Ohio Attorney to file the complaint by April 1,  
2 2015, in order to preempt settlement efforts then being pursued by  
3 the City's class action counsel with another class action plaintiff.  
4 Defendant PARADIS did so on the understanding that the City wanted to  
5 use Ohio Attorney and Mr. Jones to settle the cases quickly on the  
6 City's terms. Defendant PARADIS also did so with the knowledge that  
7 the intended settlement with Ohio Attorney would secretly benefit  
8 defendant PARADIS financially.

9 **D. DEFENDANT ARRANGES FOR FILING OF LAWSUIT AGAINST CITY,**  
10 **WHICH IMMEDIATELY BECOMES VEHICLE FOR CITY'S DESIRED**  
11 **SETTLEMENT**

12 19. On or about April 1, 2015, at defendant PARADIS's direction  
13 and pursuant to the white knight strategy, Ohio Attorney caused the  
14 *Antwon Jones v. City* complaint that defendant PARADIS had drafted to  
15 be filed in Los Angeles County Superior Court. The complaint was  
16 substantially similar to the draft *Antwon Jones v. PwC* complaint that  
17 defendant PARADIS had circulated to City Attorney's Office personnel  
18 in the preceding months, and it contained voluminous nonpublic LADWP  
19 information that the City Attorney's Office and LADWP had provided to  
20 defendant PARADIS.

21 20. On or about April 2, 2015, at defendant PARADIS's  
22 direction, Ohio Attorney sent to the City a detailed settlement  
23 demand letter on behalf of Mr. Jones that defendant PARADIS had  
24 drafted.

25 21. Between on or about June 11, 2015, and on or about July 31,  
26 2015, and again on October 31, 2016, defendant PARADIS and others on  
27 behalf of the City participated in confidential mediation sessions  
28 with Ohio Attorney. With defendant PARADIS's knowledge and

Defendant's initials:  8

1 acquiescence, Ohio Attorney instructed his client, Mr. Jones, not to  
2 attend the mediation sessions, so that Mr. Jones would not learn that  
3 defendant PARADIS — whom Mr. Jones still believed was representing  
4 him in his lawsuit against the City — was participating on behalf of  
5 the City.

6 22. In accordance with the agreement between defendant PARADIS  
7 and Ohio Attorney, and in fulfillment of the City's stated intent to  
8 settle all claims globally with a malleable opposing counsel, or  
9 "white knight," the mediation sessions were largely performative,  
10 with the general terms of settlement understood by both sides from  
11 the outset. Defendant PARADIS played an important role on behalf of  
12 the City in all mediation sessions in the *Jones v. City* case, despite  
13 not being counsel of record for the City in that matter, and he and  
14 others intentionally ensured that the mediation sessions appeared to  
15 reflect legitimate adversity between the parties where, in fact,  
16 there was no actual adversity.

17 **E. DEFENDANT AND OHIO ATTORNEY WORK TOGETHER TO INCREASE**  
18 **PLAINTIFF ATTORNEY FEES FOR THEIR MUTUAL FINANCIAL BENEFIT**

19 23. On or about August 17, 2015, at defendant PARADIS's  
20 direction, Ohio Attorney filed an amended complaint in *Jones v. City*  
21 that included additional factual allegations intended to aid the  
22 City's case against PwC. Defendant PARADIS directed Ohio Attorney to  
23 do so in part because the original complaint did not encompass all  
24 claims asserted by other classes against the City, as contemplated by  
25 the City's white knight strategy. These amendments to the complaint  
26 had the impact of increasing the settlement, and thus increasing Ohio  
27 Attorney's fees.

28 24. On or about August 17, 2015, with defendant PARADIS's

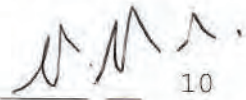
Defendant's initials:

  
9

1 knowledge and support, Ohio Attorney moved for preliminary approval  
2 of the settlement terms to which he and the City had agreed. This  
3 preliminary settlement included approximately \$13,000,000 in attorney  
4 fees. Defendant PARADIS knew that, pursuant to his agreement with  
5 Ohio Attorney, he would receive twenty percent of Ohio Attorney's  
6 share of that fee award.

7 25. Thereafter, with defendant PARADIS's knowledge and support,  
8 Ohio Attorney asked the City for more attorney fees. The increase in  
9 attorney fees also increased defendant PARADIS's own secret financial  
10 benefit from the settlement. On or about May 5, 2017, Ohio Attorney  
11 filed a declaration containing a demand for approximately \$19,000,000  
12 in attorney fees. In support of his demand, Ohio Attorney falsely  
13 attested to work that he had purportedly performed on the case, when,  
14 in fact, both Ohio Attorney and defendant PARADIS knew that defendant  
15 PARADIS had performed much of the work for which Ohio Attorney was  
16 demanding compensation. Defendant PARADIS concealed from the court,  
17 Mr. Jones, and others the fact of his own performance of Ohio  
18 Attorney's work in order to make the *Jones v. City* case look like an  
19 adversarial lawsuit, when in fact the plaintiff's lawyer was acting  
20 at the control and direction of a lawyer acting on behalf of the  
21 defendant throughout the entirety of the litigation.

22 26. On July 20, 2017, relying on false representations by Ohio  
23 Attorney and others that defendant PARADIS knew to be false, the Los  
24 Angeles Superior Court judge overseeing the *Jones v. City* matter  
25 granted final approval to the parties' requested settlement, which  
26 contained terms awarding approximately \$19,000,000 in plaintiff  
27 attorney fees, of which approximately \$10,300,000 was awarded to Ohio  
28

Defendant's initials: 

1 Attorney.

2 **F. DEFENDANT SECRETLY OBTAINS \$2,175,000 KICKBACK FROM OHIO**  
3 **ATTORNEY, WHICH IS CONCEALED THROUGH SHELL COMPANIES**

4 27. By the terms of defendant PARADIS's secret kickback  
5 agreement with Ohio Attorney, defendant PARADIS was to receive twenty  
6 percent of Ohio Attorney's fees in the *Jones v. City* case. Pursuant  
7 to this agreement, defendant PARADIS and Ohio Attorney determined  
8 that defendant PARADIS would receive a kickback of \$2,175,000.

9 28. In July of 2017, defendant PARADIS reminded Ohio Attorney  
10 of their prior agreement whereby Ohio Attorney would pay a kickback  
11 of twenty percent of his attorney fee share to defendant PARADIS.  
12 Ohio Attorney again agreed to fulfill his end of the deal. Defendant  
13 PARADIS and Ohio Attorney discussed and agreed that they would each  
14 form a shell company to facilitate and conceal the kickback payment,  
15 which they both knew needed to be concealed because it was illegal.

16 29. On November 1, 2017, in furtherance of his agreement with  
17 Ohio Attorney, defendant PARADIS created S.M.A. Property Holdings,  
18 LLC, a shell company that he and Ohio Attorney intended to use to  
19 transfer and conceal Ohio Attorney's illegal kickback to defendant  
20 PARADIS. While the operating agreement for S.M.A. Property Holdings,  
21 LLC, expressly stated that the entity's "mission" was "to create a  
22 portfolio of income-producing assets that will appreciate in value  
23 over a three to five year time horizon," defendant PARADIS never put  
24 such assets into the company, because it was not in fact a legitimate  
25 investment company and was intended only to transfer and conceal the  
26 illegal kickback payment.

27 30. On November 10, 2017, pursuant to his kickback agreement  
28 with defendant PARADIS, Ohio Attorney secretly paid and caused to be

Defendant's initials:  11

1 paid \$2,175,000 to defendant PARADIS. Ohio Attorney transferred the  
2 funds through a shell company, Tarten Investments, Inc., which he had  
3 set up for that purpose, to defendant PARADIS via the S.M.A. Property  
4 Holdings, LLC, shell company. Both defendant PARADIS and Ohio  
5 Attorney intended for this transfer of funds to appear to be a  
6 legitimate real estate investment, when both knew that it was not,  
7 and that instead, it was a means to conceal the illegal kickback.

8 **II. DEFENDANT PARADIS'S CRIMINAL OFFENSES RELATED TO THE COLLUSIVE  
9 LITIGATION SCHEME**


10 **A. CONSPIRACY**

11 31. As described herein, beginning on or about February 25,  
12 2015, and continuing through on or about November 10, 2017, defendant  
13 PARADIS knowingly and willfully conspired with Ohio Attorney and  
14 others to knowingly and intentionally commit honest services fraud,  
15 wire fraud and mail fraud.

16 **B. HONEST SERVICES WIRE AND MAIL FRAUD**

17 32. As described herein, beginning on or about February 25,  
18 2015, and continuing through at least on or about November 10, 2017,  
19 in Los Angeles County, within the Central District of California, and  
20 elsewhere, defendant PARADIS knowingly and with intent to defraud,  
21 devised, participated in, and executed a scheme to defraud LADWP  
22 ratepayers and the City of Los Angeles and its residents as to  
23 material matters, including:

24 a. By depriving Mr. Jones and LADWP ratepayers of their  
25 right to the honest services of Ohio Attorney, namely, the honest  
26 performance of Ohio Attorney's fiduciary duties as class counsel on  
27 behalf of Mr. Jones and LADWP ratepayers in a class action against  
28 LADWP free from conflicts of interest, self-enrichment, self-dealing,

Defendant's initials:  12


1 concealment, deceit, fraud, and kickbacks;

2           b. By depriving the citizens of the City of Los Angeles  
3 and ratepayers of LADWP of their right to the honest services of  
4 defendant PARADIS, namely, the honest performance of defendant  
5 PARADIS's fiduciary duties as an authorized representative of the  
6 City of Los Angeles and LADWP in connection with the *Jones v. City*  
7 litigation free from conflicts of interest, self-enrichment, self-  
8 dealing, concealment, deceit, fraud, and kickbacks; and

9           c. By depriving Mr. Jones of his right to the honest  
10 services of defendant PARADIS, namely, the honest performance of  
11 defendant PARADIS's fiduciary duties as counsel to Jones free from  
12 conflicts of interest, self-enrichment, self-dealing, concealment,  
13 deceit, fraud, and kickbacks.

14           33. Defendant PARADIS did so with the intent to obtain money  
15 and property by means of materially false and fraudulent pretenses,  
16 representations and promises, to wit, by using Ohio Attorney's  
17 position as class counsel to enrich defendant PARADIS through the  
18 procurement of a \$10,300,000 attorney's fee award for Ohio Attorney  
19 in exchange for the orchestrated settlement of *Jones v. City*, and  
20 broad release of claims against the City of Los Angeles, through a  
21 \$2,175,000 kickback from Ohio Attorney to defendant PARADIS, and  
22 through the concealment of material information, which violation was  
23 effected by defendant PARADIS's use, and cause of others' use, of the  
24 mails and wire communications in interstate commerce, including the  
25 following items:

26           a. On March 26, 2015, a draft complaint sent via email  
27 from defendant PARADIS in Los Angeles, California, to Ohio Attorney

28  
Defendant's initials:  13



1 in Cleveland, Ohio.

2 b. On May 5, 2017, a Notice of Unopposed Motion and  
3 Motion for Final Approval of Class Action Settlement and Award of  
4 Attorneys' Fees, Costs and Service Awards, electronically filed by  
5 Ohio Attorney's law firm in Cleveland, Ohio, with the Los Angeles  
6 County Superior Court.

7 c. On October 19, 2017, transfer by Ohio Attorney of  
8 \$1,468,740.55 to Tarten Investment, Inc.

9 d. On November 10, 2017, transfer by Ohio Attorney of  
10 \$2,175,000 from Tarten Investment, Inc., via a bank in Ohio, to  
11 defendant PARADIS using S.M.A. Property Holdings, LLC, via a bank in  
12 Delaware.

13 34. In addition, for the purpose of executing this scheme to  
14 defraud, defendant PARADIS and Ohio Attorney caused the following  
15 item, among others, to be placed in an authorized depository for mail  
16 matter to be sent and delivered by the United States Postal Service  
17 or by any private or commercial interstate carrier:

18 a. On July 28, 2017, a check from the City of Los Angeles  
19 to Ohio Attorney for \$19,241,003.99, sent and delivered by Federal  
20 Express.

21 **III. THE AVENTADOR BRIBERY SCHEME**

22 **A. DEFENDANT PARADIS'S FIRST CONTRACT WITH LADWP**

23 35. Through his work as Special Counsel, which involved  
24 investigating, filing, and litigating the *City v. PwC* case, defendant  
25 PARADIS developed specialized knowledge regarding LADWP's billing  
26 system.

27 36. On or about October 19, 2015, LADWP's five-person Board of  
28

Defendant's initials:  14

1 Commissioners (the "LADWP Board") awarded a one-year, approximately  
2 \$1,304,090 no-bid contract to defendant PARADIS's law firm, the  
3 Paradis Law Group, PLLC ("PLG"), to provide project management  
4 services in connection with LADWP's billing system remediation.

5 37. On or about May 23, 2016, the LADWP Board extended PLG's  
6 project management services contract for another year and awarded PLG  
7 an additional \$4,725,675.

8 **B. DEFENDANT PARADIS BEGINS GHOSTWRITING THE INDEPENDENT**  
9 **MONITOR'S REPORTS**

10 38. In or around December 2015, the Los Angeles Superior Court  
11 judge overseeing the *Jones v. City* lawsuit appointed an Independent  
12 Monitor ("Independent Monitor") to oversee LADWP's performance under  
13 the Settlement Agreement in that case, which required LADWP to  
14 remediate its billing system and meet various benchmarks over a  
15 specific period of time, among other obligations.

16 39. During the course of Independent Monitor's court-appointed  
17 tenure to deliver objective and unbiased reports, defendant PARADIS  
18 and Independent Monitor formed a personal relationship. Over the  
19 course of that relationship and during the independent monitorship,  
20 defendant PARADIS treated Independent Monitor to sporting events, as  
21 well as meals and drinks, on multiple occasions.

22 40. As part of Independent Monitor's duties, the court required  
23 Independent Monitor to file periodic reports with the court  
24 describing, among other things, LADWP's progress in meeting its  
25 remediation obligations and the benchmarks contained in the *Jones v.*  
26 *City* Settlement Agreement. With the knowledge and approval of  
27 multiple LADWP officials and employees, among others, defendant  
28 PARADIS drafted nearly all of Independent Monitor's reports to the

Defendant's initials:  15

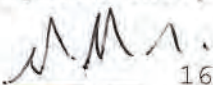
1 court. Specifically, defendant PARADIS would circulate drafts of the  
2 reports to Independent Monitor and others and then incorporate edits  
3 before Independent Monitor signed the reports and had them filed with  
4 the court.

5 **C. DEFENDANT FORMS A PERSONAL RELATIONSHIP WITH LADWP GENERAL**  
6 **MANAGER AND THEY BEGIN PLANNING FOR A FUTURE LADWP CONTRACT**

7 41. Through his involvement in the *City v. PwC* case and  
8 providing project management services for LADWP's billing system,  
9 defendant PARADIS formed a close working and personal relationship  
10 with the General Manager of LADWP ("LADWP General Manager"), an agent  
11 of LADWP. Defendant PARADIS and LADWP General Manager traveled  
12 together for work and personal purposes, attended concerts and other  
13 events together, and dined together at expensive restaurants.  
14 Defendant PARADIS regularly paid for LADWP General Manager at these  
15 outings.

16 42. During the course of defendant PARADIS's remediation work  
17 for LADWP, defendant PARADIS, LADWP General Manager, and others at  
18 LADWP learned about certain cyber-security vulnerabilities that posed  
19 potential threats to LADWP's network, computer systems, and/or  
20 operations. After learning about these vulnerabilities, defendant  
21 PARADIS, LADWP General Manager, and others at LADWP discussed the  
22 possibility that defendant PARADIS could expand his work for LADWP to  
23 include cyber-related services to address these vulnerabilities.


24 43. In or around early 2017, defendant PARADIS determined that,  
25 as a law firm, PLG could not provide future remediation or other  
26 services for LADWP based on state bar rules prohibiting PLG from  
27 providing non-legal services. Defendant PARADIS and LADWP General  
28 Manager discussed and agreed that, in order for defendant PARADIS to

Defendant's initials: 

1 provide future remediation and other services to LADWP, including  
2 cyber-security services, defendant PARADIS would need to form a new  
3 company that could contract with LADWP in place of PLG. Thereafter,  
4 with the knowledge and authorization of LADWP General Manager and  
5 others at LADWP, defendant PARADIS created a new company known as  
6 Aventador Utility Solutions, LLC ("Aventador") that would secure  
7 contracts with LADWP.

8 **D. DEFENDANT PARADIS AGREES TO GIVE LADWP GENERAL MANAGER A**  
9 **FUTURE JOB, MILLION-DOLLAR SALARY, AND COMPANY CAR IN**  
10 **EXCHANGE FOR LADWP GENERAL MANAGER'S HELP SECURING A**  
11 **LUCRATIVE CONTRACT FOR AVENTADOR**

12 44. On or about February 10, 2017, defendant PARADIS met  
13 privately with LADWP General Manager at a hotel in Riverside,  
14 California. During this meeting, defendant PARADIS and LADWP General  
15 Manager discussed the fact that defendant PARADIS was forming  
16 Aventador and the fact that they intended for Aventador to secure a  
17 lucrative no-bid contract with LADWP that would include, among other  
18 work, continued remediation services as well as cyber-related  
19 services. Defendant PARADIS and LADWP General Manager went on to  
20 discuss ways that LADWP General Manager could benefit financially  
21 from Aventador. Specifically, defendant PARADIS and LADWP General  
22 Manager agreed that LADWP General Manager would work to ensure that  
23 the LAWDWP Board awarded a contract to Aventador. In exchange,  
24 defendant PARADIS and LADWP General Manager agreed that LADWP General  
25 Manager would receive, among other benefits: (1) the title of Chief  
26 Executive Officer ("CEO") of Aventador upon LADWP General Manager's  
27 retirement from LADWP; (2) an approximately \$1,000,000 annual salary  
28 upon joining Aventador; and (3) a new Mercedes SL 550 as LADWP  
General Manager's company car. At various points, LADWP General

Defendant's initials:  17


1 Manager and defendant PARADIS also discussed a possible signing bonus  
2 for LADWP General Manager.

3 45. On or about March 28, 2017, defendant PARADIS registered  
4 Aventador with the California Secretary of State. In subsequent  
5 discussions in or around spring 2017, defendant PARADIS and LADWP  
6 General Manager agreed that Aventador would pursue, and LADWP General  
7 Manager would work to ensure, a no-bid contract with LADWP valued at  
8 approximately \$30,000,000. The LADWP Board was scheduled to vote on  
9 the \$30,000,000 no-bid Aventador contract on June 6, 2017.

10 **E. DEFENDANT PARADIS WRITES A REPORT FOR THE INDEPENDENT**  
11 **MONITOR PADDED WITH CRITICAL SUPPORT FOR THE AVENTADOR**  
12 **CONTRACT**

13 46. In or around early May of 2017, as had become his practice,  
14 defendant PARADIS drafted the next periodic court report for  
15 Independent Monitor. Defendant PARADIS's primary goal in drafting  
16 this report was to provide LADWP General Manager with support for the  
17 LADWP Board's vote to award the \$30,000,000 no-bid contract to  
18 Aventador. Defendant PARADIS discussed this strategy with LADWP  
19 General Manager, and LADWP General Manager reviewed and authorized  
20 the language that defendant PARADIS included in the report for the  
21 court.

22 47. On or about May 5, 2017, Independent Monitor's report was  
23 filed with the court in the *Jones v. City* case. Section IV of the  
24 report, which defendant PARADIS drafted specifically to include  
25 talking points for LADWP General Manager to present to the LADWP  
26 Board in support of the Aventador contract, stated, among other  
27 things, that LADWP: was grossly understaffed in the Information  
28 Technology ("IT") area; had difficulty hiring IT staff; lacked well-


Defendant's initials:  '18

1 qualified IT project management personnel; and lacked the ability to  
2 successfully manage large-scale IT implementation projects. The  
3 report went on to state that, because of these deficiencies, LADWP  
4 needed to procure these services through an outside vendor.

5 **F. DEFENDANT PARADIS AND LADWP GENERAL MANAGER WORK TO ENSURE**  
6 **THE LADWP BOARD'S SUPPORT FOR THE AVENTADOR CONTRACT**

7 48. In or around May of 2017 and early of June 2017, defendant  
8 PARADIS worked with LADWP General Manager together to position  
9 Aventador to secure the \$30,000,000 no-bid contract with LADWP.  
10 These efforts included, among other things: editing drafts of a  
11 letter that was ultimately sent to the LADWP Board summarizing the  
12 purpose and terms of the proposed Aventador contract and explaining  
13 why alternatives to awarding the contract on a no-bid basis were  
14 unsatisfactory; preparing and refining LADWP General Manager's oral  
15 and written presentation to the LADWP Board touting the Aventador  
16 contract; strategizing to remove impediments to Aventador receiving  
17 the contract; and omitting defendant PARADIS's ownership of Aventador  
18 from LADWP General Manager's oral and written presentation.

19 49. On June 6, 2017, the LADWP Board met to consider the  
20 Aventador contract, among other items. During his presentation to  
21 the LADWP Board immediately before the vote, LADWP General Manager  
22 cited the verbiage of the May 5, 2017 Independent Monitor report  
23 drafted by defendant PARADIS, told the LADWP Board that LADWP could  
24 not meet its obligations under the *Jones v. City* settlement agreement  
25 unless it contracted with Aventador, and conveyed a sense of urgency  
26 to approve the Aventador contract. LADWP General Manager did not  
27 disclose to the LADWP Board, either during the meeting on or about  
28 June 6, 2017, or at any other point, that LADWP General Manager had

Defendant's initials:  19

1 solicited, and defendant PARADIS had agreed to give LADWP General  
2 Manager, an annual salary of approximately \$1,000,000, a luxury  
3 company Mercedes, and the title of Aventador's CEO once LADWP General  
4 Manager retired from LADWP.


5 50. Certain members of the LADWP Board were acutely interested  
6 in issues relating to LADWP's cybersecurity during that time period.  
7 It was defendant PARADIS's understanding that those LADWP Board  
8 members intended for the Aventador contract to focus significantly on  
9 cybersecurity, notwithstanding their public-facing comments focusing  
10 on Aventador's planned remediation work pursuant to the *Jones v. City*  
11 settlement.

12 51. Following LADWP General Manager's presentation, the LADWP  
13 Board voted unanimously to award Aventador a three-year, \$30,000,000  
14 no-bid contract.

15 **G. LADWP BOARD MEMBER SOLICITS UNPAID LEGAL SERVICES FROM**  
16 **DEFENDANT PARADIS AND HIS LAW FIRM IN EXCHANGE FOR HIS**  
**SUPPORT OF THE CONTRACT, AND DEFENDANT PARADIS AGREES**

17 54. One member of the LADWP Board ("LADWP Board Member") was  
18 initially supportive of the Aventador contract. However, in the  
19 weeks before the scheduled June 6, 2017 LADWP Board vote on the  
20 Aventador contract, and in particular over the weekend of June 3-4,  
21 2017, LADWP Board Member, an agent of LADWP, expressed to other LADWP  
22 officials and employees, including LADWP General Manager, his  
23 reluctance to support the Aventador contract.


24 55. At the end of May of 2017, approximately one week before  
25 the LADWP Board was set to vote on defendant PARADIS's \$30,000,000  
26 no-bid contract, LADWP Board Member began communicating with  
27 defendant PARADIS about an unrelated litigation matter.

28 Defendant's initials:  20

1           56. As the June 6, 2017 Board meeting approached, LADWP Board  
2 Member continued to communicate with defendant PARADIS about LADWP  
3 Board Member's other lawsuit and solicited, among other things,  
4 information about the judge handling the matter and various pleadings  
5 and legal documents to use in his lawsuit. Knowing that LADWP Board  
6 Member would soon vote on the Aventador contract, and intending to  
7 gain favor with LADWP Board Member so that he would support the  
8 contract, defendant PARADIS provided some of the information and  
9 materials that LADWP Board Member requested at that time, and agreed  
10 to provide additional requested materials.

11           57. On or about June 4, 2017, LADWP Board Member agreed to vote  
12 in favor of the contract if a committee consisting of LADWP Board  
13 Member and one other Board member was set up to oversee the progress  
14 of the contract. LADWP General Manager shared this information with  
15 defendant PARADIS on or about the same date.

16           58. On the morning of June 6, 2017, the LADWP Board met to  
17 consider and vote on various agenda items, including the Aventador  
18 contract. Shortly before LADWP Board Member entered the Board  
19 meeting room, defendant PARADIS encountered LADWP Board Member in the  
20 hallway at LADWP. During their brief meeting, LADWP Board Member  
21 expressed his appreciation for defendant PARADIS's assistance with  
22 his other legal matter and said to defendant PARADIS words to the  
23 effect that, "You take care of me, I take care of you." Defendant  
24 PARADIS understood LADWP Board Member to mean that LADWP Board Member  
25 would vote in favor of the Aventador contract if defendant PARADIS  
26 continued to provide LADWP Board Member with unpaid legal services  
27 and assistance.

28  
Defendant's initials:  21




1           59. On June 6, 2017, hours after the LADWP Board approved  
2 defendant PARADIS's \$30,000,000 no-bid Aventador contract, LADWP  
3 Board Member sent defendant PARADIS the email address of LADWP Board  
4 Member's colleague. Later that day, defendant PARADIS emailed to the  
5 colleague various legal documents that LADWP Board Member had  
6 previously solicited.

7           60. Throughout in or around June 2017 until early August 2017,  
8 defendant PARADIS and Paradis Law Partner continued to perform legal  
9 work on LADWP Board Member's legal matter, pursuant to defendant  
10 PARADIS's understanding of their tacit agreement that defendant  
11 PARADIS would provide legal services to LADWP Board Member in  
12 exchange for LADWP Board Member's vote on the Aventador contract.

13           61. On or about June 15, 2017, defendant PARADIS relayed to  
14 LADWP General Manager that LADWP Board Member had been repeatedly  
15 contacting him, including about LADWP Board Member's legal matter.  
16 LADWP General Manager replied by advising defendant PARADIS that  
17 LADWP Board Member had been appointed for another four years on the  
18 LADWP Board, indicating that defendant PARADIS should assist LADWP  
19 Board Member so that they would have LADWP Board Member's support on  
20 the ongoing Aventador contract as well as future Aventador- and  
21 LADWP-related matters.

22           62. In total, beginning approximately a week before the LADWP  
23 Board vote on the Aventador contract, defendant PARADIS and Paradis  
24 Law Partner collectively performed approximately thirty-six hours of  
25 legal work for LADWP Board Member, which defendant PARADIS valued at  
26 over \$30,000 based on their respective billing rates. Defendant  
27 PARADIS did not seek payment for this work from LADWP Board Member,  
28

Defendant's initials:  22

1 nor did LADWP Board Member offer payment.

2 63. Defendant PARADIS performed this unpaid legal work, and  
3 directed Paradis Law Partner to also perform unpaid legal work, on  
4 LADWP Board Member's legal matter both because LADWP Board Member had  
5 voted to award the Aventador contract with the understanding that  
6 defendant PARADIS would provide these services, and because defendant  
7 PARADIS wanted to influence LADWP Board Member and remain in LADWP  
8 Board Member's favor for purposes of future Board actions on his  
9 contract.

10 **H. DEFENDANT PARADIS AND LADWP GENERAL MANAGER EXPAND THEIR**  
11 **AVENTADOR PLANS**

12 64. In May of 2018, LADWP General Manager and other LADWP  
13 officials and employees, along with defendant PARADIS, joined a  
14 delegation on a visit to Israel. During the trip, defendant PARADIS  
15 and LADWP General Manager met with officials from a global company  
16 that provided cybersecurity training to governmental and business  
17 organizations ("Cyber Company"). Cyber Company had franchises in the  
18 United States and abroad, and defendant PARADIS and LADWP General  
19 Manager decided to invest in bringing a Cyber Company facility to Los  
20 Angeles. Defendant PARADIS and LADWP General Manager agreed that  
21 defendant PARADIS would put up \$5,000,000 in capital and would have a  
22 controlling interest, and that LADWP General Manager would have an  
23 ownership interest. LADWP General Manager told defendant PARADIS  
24 that LADWP would purchase five years of cybersecurity training at the  
25 franchise facility, at a cost of \$3,000,000 per year. LADWP General  
26 Manager did not have the formal authority to make this commitment on  
27 behalf of LADWP without action by the LADWP Board. Defendant PARADIS  
28 and LADWP General Manager agreed that LADWP General Manager would use

Defendant's initials:  23

1 his position and influence at LADWP to convince the LADWP Board to  
2 support and vote in favor of this expenditure, which both defendant  
3 PARADIS and LADWP General Manager knew and intended would secretly  
4 benefit them both financially.

5 65. In January 2019, pursuant to his agreement with LADWP  
6 General Manager, defendant PARADIS entered into a joint venture  
7 agreement with Cyber Company wherein defendant PARADIS agreed to pay  
8 \$5,000,000 to open a Cyber Company facility in Los Angeles that would  
9 provide training to LADWP employees.

10 66. During the events described herein, LADWP received federal  
11 funds and benefits in excess of \$10,000 annually.

12 **IV. DEFENDANT PARADIS'S CRIMINAL OFFENSES RELATED TO THE AVENTADOR**  
13 **BRIBERY SCHEME**

14 **A. CONSPIRACY**

15 67. Beginning on or about February 15, 2017, and continuing  
16 through on or about March 6, 2019, defendant PARADIS knowingly and  
17 willfully conspired and agreed with LADWP General Manager and others  
18 to knowingly and intentionally commit honest services wire fraud and  
19 federal program bribery.

20 **B. HONEST SERVICES FRAUD**

21 68. Beginning in or around February of 2017, defendant PARADIS  
22 and LADWP General Manager, knowingly and with intent to defraud,  
23 devised, participated in, and executed a scheme to defraud LADWP  
24 ratepayers as to material matters, including by depriving LADWP  
25 ratepayers of their right to the honest services of LADWP General  
26 Manager and LADWP Board Member.

27 69. Defendant PARADIS did so with the intent to obtain money  
28 and property by means of materially false and fraudulent pretenses,

Defendant's initials:  24

1 representations and promises, to wit, by using LADWP General  
2 Manager's position as General Manager of LADWP to enrich both  
3 defendant PARADIS and LADWP General Manager through the procurement  
4 of a \$30,000,000 no-bid LADWP contract for a company in which LADWP  
5 General Manager had a covert financial interest and defendant PARADIS  
6 had an overt financial interest, and through the concealment of  
7 material information, which violation was effected by defendants  
8 LADWP GENERAL MANAGER's and PARADIS's use, or cause of others' use,  
9 of wire communications in interstate commerce, including the  
10 following items:

11 a. On May 4, 2017, defendant PARADIS sent via email a  
12 draft of Independent Monitor's report, which included a section  
13 designed to support the Aventador contract, to Independent Monitor,  
14 blind-copying LADWP General Manager on the email.

15 b. On May 25, 2017, LADWP General Manager sent an email  
16 to defendant PARADIS with a draft of the Aventador Board Letter  
17 designed to support a vote by the LADWP Board in favor of the  
18 Aventador contract.

19 c. On June 6, 2017, defendant PARADIS sent an email to  
20 LADWP Board Member with legal analysis for LADWP Board Member's  
21 litigation matter, which PARADIS provided in exchange for LADWP Board  
22 Member's support of the Aventador contract.

23 d. On June 7, 2018, LADWP General Manager sent an email  
24 to defendant PARADIS with a draft presentation to the LADWP Board  
25 touting Aventador's cybersecurity capabilities.

26 **C. FEDERAL PROGRAM BRIBERY**


27 70. Between on or about February 10, 2017, and on or about  
28

Defendant's initials:  25

1 March 6, 2019, defendant PARADIS corruptly gave, offered, and agreed  
2 to give something of value to LADWP General Manager, intending to  
3 influence and reward him in connection with a business, transaction,  
4 and series of transactions of LADWP having a value of \$5,000 or more.  
5 Specifically, defendant PARADIS gave, offered, and agreed to give  
6 financial benefits to LADWP General Manager, including a future  
7 financial interest in Aventador, the promise of a future job as the  
8 CEO of Aventador with an annual salary of approximately \$1,000,000,  
9 and related perquisites, meals, travel, and event tickets, intending  
10 to influence and reward LADWP General Manager in connection with a  
11 \$30,000,000 no-bid LADWP contract award to Aventador, including in:  
12 (1) generating and submitting a Board Letter intended to support a  
13 vote by the LADWP Board in favor of Aventador's contract; (2) meeting  
14 and conferring with individual LADWP Board members to advocate on  
15 behalf of the Aventador contract and solicit the Board members'  
16 votes; (3) preparing and delivering a presentation to the LADWP Board  
17 asserting that there were no viable alternatives to the Aventador  
18 contract, that the need for Aventador's services was dire and  
19 immediate, and urging the Board to vote in favor of the contract;  
20 (4) exerting pressure on LADWP Board members and other LADWP City  
21 officials and employees to influence the approval process of the  
22 Aventador contract.


23 71. Between on or about May 31, 2017, and on or about August  
24 22, 2017, defendant PARADIS corruptly gave, offered, and agreed to  
25 give something of value to a person, intending to influence and  
26 reward LADWP Board Member in connection with a business, transaction,  
27 and series of transactions of LADWP having a value of \$5,000 or more.

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Defendant's initials:  26

1 Specifically, defendant PARADIS gave, offered, and agreed to give  
2 LADWP Board Member legal services from defendant PARADIS and his law  
3 firm in connection with a private civil litigation matter, intending  
4 to influence and reward LADWP Board Member in connection with a  
5 \$30,000,000 no-bid LADWP contract award to defendant PARADIS's  
6 company, Aventador, including in: (1) using his membership on the  
7 LADWP Board of Commissioners to exert influence on other LADWP Board  
8 members to vote in favor of the Aventador contract; (2) voting in  
9 favor of the Aventador contract; and (3) using his position to exert  
10 pressure on other LADWP City officials and employees to influence the  
11 approval process of the Aventador contract as well as future Board  
12 actions related to the Aventador contract.

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Defendant's initials:  27