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8 **UNITED STATES DISTRICT COURT**
9 **SOUTHERN DISTRICT OF CALIFORNIA**

10
11 UNITED STATES OF AMERICA,

Case No. 20CR1916-BAS

12 v.

13 YISROEL GOLDSTEIN,

PLEA AGREEMENT

14 Defendant.

15
16 IT IS HEREBY AGREED between the plaintiff, UNITED STATES OF AMERICA,
17 through its counsel, Robert S. Brewer, United States Attorney, and Emily W. Allen, Andrew
18 P. Young, and Oleksandra Johnson, Assistant U.S. Attorneys, and Defendant YISROEL
19 GOLDSTEIN, with the advice and consent of Benjamin L. Coleman and Jeremy Delicino,
20 counsel for Defendant, as follows:

21 **I**

22 **THE PLEA**

23 Defendant agrees to waive Indictment and plead guilty to an Information charging
24 Defendant with one count of conspiracy to defraud the United States and commit wire fraud,
25 in violation of 18 U.S.C. § 371, and consents to the forfeiture allegations of the Information.
26 In addition, Defendant agrees to the terms of the attached financial addendum.

27 In exchange, the United States agrees not to bring any additional criminal charges
28 against Defendant for conduct outlined in the "Factual Basis" and "Factual Basis

1 Addendum” sections of this plea agreement, unless Defendant breaches the plea agreement
2 or the guilty plea entered pursuant to this plea agreement is set aside for any reason.
3 Defendant expressly waives all constitutional and statutory defenses to the initiation of any
4 charges based on conduct outlined in the “Factual Basis” and “Factual Basis Addendum”
5 that the United States did not bring pursuant to this plea agreement, except that, if the plea
6 agreement is set aside for any reason, Defendant preserves any statute of limitations
7 defenses that Defendant could have raised up to the date all parties have signed this
8 agreement.

9 **II**

10 **NATURE OF THE OFFENSE**

11 **A. ELEMENTS EXPLAINED**

12 The offense to which Defendant is pleading guilty has the following elements:

- 13 1. There was an agreement between two or more persons to (a) defraud the
14 United States for the purpose of impeding, impairing, obstructing, and
15 defeating the lawful functions of the Internal Revenue Service in the
16 ascertainment, computation, assessment, and collection of revenue, and
17 (b) to commit wire fraud in violation of 18 U.S.C. § 1343;
18 2. The defendant became a member of the conspiracy knowing of its
19 objects and intending to help accomplish them; and
20 3. At least one member of the conspiracy performed at least one overt act
21 for the purpose of carrying out the conspiracy.

21 As to the forfeiture, the United States would have to prove by a preponderance of the
22 evidence that the property it seeks to forfeit represents the proceeds received directly or
23 indirectly from the commission of the offense, or are substitute property for the proceeds.

24 **B. ELEMENTS UNDERSTOOD AND ADMITTED – FACTUAL BASIS**

25 Defendant has fully discussed the facts of this case with defense counsel. Defendant
26 has committed each element of the crime and admits that there is a factual basis for this
27 guilty plea. The facts set forth in the attached Factual Basis Addendum are true and
28

1 undisputed, and the addendum is incorporated herein. In addition, Defendant admits that
2 the following facts are true and undisputed:

3 1. In total, throughout the relevant period, Defendant's criminal acts
4 resulted in a total tax loss to the United States government in excess of \$1,500,000.
5 Further, Defendant also conspired with others to defraud various entities which
6 resulted in a loss in excess of \$550,000.

7 2. As the Director of the Chabad of Poway and its related charitable
8 entities, Defendant had professional and managerial discretion over the operation of
9 these entities. Holding these positions of trust contributed to both the execution and
10 concealment of Defendant's crimes.

11 III

12 PENALTIES

13 The crime to which Defendant is pleading guilty carries the following penalties:

- 14 A. a maximum 5 years in prison;
15 B. a maximum \$250,000 fine;
16 C. a mandatory special assessment of \$100;
17 D. a term of supervised release of up to 3 years. Failure to comply with any
18 condition of supervised release may result in revocation of supervised release,
19 requiring Defendant to serve in prison, upon revocation, all or part of the
20 statutory maximum term of supervised release; and
21 E. an order from the court pursuant to Title 18, United States Code, Section
22 3663A, that Defendant make mandatory restitution to the victims of the offense
23 of conviction, or the estates of the victims.

24 Defendant further understands that by pleading guilty, Defendant may become
25 ineligible for certain federal benefits.

26 IV

27 DEFENDANT'S WAIVER OF TRIAL RIGHTS AND 28 UNDERSTANDING OF CONSEQUENCES

This guilty plea waives Defendant's right at trial to:

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- A. Continue to plead not guilty and require the United States to prove the elements of the crime beyond a reasonable doubt;
- B. A speedy and public trial by jury;
- C. The assistance of counsel at all stages;
- D. Confront and cross-examine adverse witnesses;
- E. Testify and present evidence and to have witnesses testify on behalf of Defendant; and,
- F. Not testify or have any adverse inferences drawn from the failure to testify.

V

DEFENDANT ACKNOWLEDGES NO PRETRIAL RIGHT TO BE PROVIDED WITH IMPEACHMENT AND AFFIRMATIVE DEFENSE INFORMATION

The United States will provide Defendant any information establishing the factual innocence of Defendant known to the undersigned prosecutor in this case, and will continue to provide such information to Defendant.

If this case proceeded to trial, the United States would be required to provide impeachment information for its witnesses. In addition, if Defendant raised an affirmative defense, the United States would be required to provide information in its possession that supports such a defense. By pleading guilty Defendant will not be provided this information, if any, and Defendant waives any right to this information. Defendant will not attempt to withdraw the guilty plea or to file a collateral attack based on the existence of this information.

VI

DEFENDANT'S REPRESENTATION THAT GUILTY PLEA IS KNOWING AND VOLUNTARY

Defendant represents that:

- A. Defendant has had a full opportunity to discuss all the facts and circumstances of this case with defense counsel and has a clear understanding of the charges and the consequences of this plea. By pleading guilty, Defendant may be giving up, and rendered ineligible to receive, valuable government benefits and civic rights, such as the right to vote, the right to possess a firearm, the right to hold office, and the right to serve on a jury. The conviction in this case may

1 subject Defendant to various collateral consequences, including but not limited
2 to revocation of probation, parole, or supervised release in another case;
3 debarment from government contracting; and suspension or revocation of a
4 professional license, none of which can serve as grounds to withdraw
5 Defendant's guilty plea.

- 6 B. No one has made any promises or offered any rewards in return for this guilty
7 plea, other than those contained in this agreement or otherwise disclosed to the
8 Court.
- 9 C. No one has threatened Defendant or Defendant's family to induce this guilty
10 plea.
- 11 D. Defendant is pleading guilty because Defendant is guilty and for no other
12 reason.

13 **VII**

14 **AGREEMENT LIMITED TO U.S. ATTORNEY'S OFFICE**
15 **SOUTHERN DISTRICT OF CALIFORNIA**

16 This plea agreement is limited to the United States Attorney's Office for the Southern
17 District of California, and cannot bind any other authorities in any type of matter, although
18 the United States will bring this plea agreement to the attention of other authorities if
19 requested by Defendant.

20 **VIII**

21 **APPLICABILITY OF SENTENCING GUIDELINES**

22 The sentence imposed will be based on the factors set forth in 18 U.S.C. § 3553(a).
23 In imposing the sentence, the sentencing judge must consult the United States Sentencing
24 Guidelines (Guidelines) and take them into account. Defendant has discussed the Guidelines
25 with defense counsel and understands that the Guidelines are only advisory, not mandatory.
26 The Court may impose a sentence more severe or less severe than otherwise applicable
27 under the Guidelines, up to the maximum in the statute of conviction. The sentence cannot
28 be determined until a presentence report is prepared by the U.S. Probation Office and
defense counsel and the United States have an opportunity to review and challenge the
presentence report. Nothing in this plea agreement limits the United States' duty to provide
complete and accurate facts to the district court and the U.S. Probation Office.

IX

SENTENCE IS WITHIN SOLE DISCRETION OF JUDGE

This plea agreement is made pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B). The sentence is within the sole discretion of the sentencing judge who may impose the maximum sentence provided by statute. It is uncertain at this time what Defendant’s sentence will be. The United States has not made and will not make any representation about what sentence Defendant will receive. Any estimate of the probable sentence by defense counsel is not a promise and is not binding on the Court. Any recommendation by the United States at sentencing also is not binding on the Court. If the sentencing judge does not follow any of the parties’ sentencing recommendations, Defendant will not withdraw the plea.

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PARTIES’ SENTENCING RECOMMENDATIONS

A. **SENTENCING GUIDELINE CALCULATIONS**

Although the Guidelines are only advisory and just one factor the Court will consider under 18 U.S.C. § 3553(a) in imposing a sentence, the parties will jointly recommend the following Base Offense Level, Specific Offense Characteristics, Adjustments, and Departures:

- 1. Base Offense Level [§2T1.9(a)(1); §2T4.1(I)]22
- 2. Abuse of position of trust [§3B1.3] +2
- 3. Acceptance of Responsibility [§3E1.1(b)] -3
- 4. Cooperation [§5K1.1] -4¹
- 5. Departure / Variance [§5K2.0 / 18 USC § 3553(a)] -6²

¹ The United States has made a preliminary determination that at the time of sentencing, Defendant’s cooperation will merit a four-level downward departure. This recommendation is contingent on his continued cooperation up to and including the time of sentencing.

² The parties agree that a six-level departure or variance from the applicable Guidelines range is appropriate, to account for Defendant’s personal circumstances, medical

6. Total offense level..... 11

B. ACCEPTANCE OF RESPONSIBILITY

Despite paragraph A above, the United States will not be obligated to recommend an adjustment for acceptance of responsibility if Defendant engages in conduct inconsistent with acceptance of responsibility or the cooperation provisions of this plea agreement, including, but not limited to, the following:

- 1. Fails to truthfully admit a complete factual basis as stated in the plea at the time the plea is entered, or falsely denies, or makes a statement inconsistent with, the factual basis set forth in this agreement;
- 2. Falsely denies prior criminal conduct or convictions;
- 3. Is untruthful with the United States, the Court or probation officer; or
- 4. Breaches this plea agreement in any way.

C. FURTHER ADJUSTMENTS AND SENTENCE REDUCTIONS INCLUDING THOSE UNDER 18 U.S.C. § 3553

Defendant may request or recommend additional downward adjustments, departures, or variances from the Sentencing Guidelines under 18 U.S.C. § 3553. The United States may oppose any downward adjustments, departures, or variances not set forth in Paragraph A above.

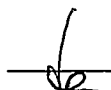
D. NO AGREEMENT AS TO CRIMINAL HISTORY CATEGORY

The parties have no agreement as to Defendant’s Criminal History Category.

E. “FACTUAL BASIS” AND “RELEVANT CONDUCT” INFORMATION

The facts in the “factual basis” paragraph of this agreement are true and may be considered as “relevant conduct” under USSG §1B1.3 and as the nature and circumstances of the offense under 18 U.S.C. § 3553(a)(1).

history, family circumstances, and other unique characteristics warranting a reduced sentence in this case that shall be further detailed in the Government’s sentencing memorandum.



1 F. PARTIES' RECOMMENDATIONS REGARDING CUSTODY

2 The United States will recommend that Defendant be sentenced to a non-custodial
3 term at the low end of the advisory guideline range as calculated by the United States
4 pursuant to this agreement.

5 G. SPECIAL ASSESSMENT, FINE, RESITUTION, AND FORFEITURE

6 The parties will jointly recommend that Defendant pay a special assessment in the
7 amount of \$100 to be paid forthwith at time of sentencing. Special assessments shall be
8 paid through the office of the Clerk of the District Court by bank or cashier's check or
9 money order made payable to the "Clerk, United States District Court."

10 The provisions of the attached financial addendum shall govern forfeiture and
11 restitution in this case. If the Court orders Defendant to pay restitution, the United States
12 agrees to not recommend imposition of a fine.

13 H. PROBATION OR SUPERVISED RELEASE

14 If the Court imposes a term of probation or supervised release, Defendant will not
15 seek to reduce or terminate early the term of probation or supervised release until Defendant
16 has served at least 2/3 of the term and has fully paid and satisfied any special assessments,
17 fine, criminal forfeiture judgment, and restitution judgment.

18 **XI**

19 **DEFENDANT WAIVES APPEAL AND COLLATERAL ATTACK**

20 Defendant waives (gives up) all rights to appeal and to collaterally attack every aspect
21 of the conviction and sentence, including any lawful restitution and forfeiture orders. The
22 only exceptions are 1) Defendant may appeal a custodial sentence above the high end of the
23 guideline range recommended by the United States at sentencing, and 2) Defendant may
24 collaterally attack the conviction or sentence on the basis that Defendant received
25 ineffective assistance of counsel. If Defendant believes the United States' recommendations
26 at sentencing are not in accord with this plea agreement, Defendant will object at the time
27 of sentencing; otherwise the objection will be deemed waived. If Defendant appeals, the
28 United States may support on appeal the sentence or restitution order actually imposed.

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XII

BREACH OF THE PLEA AGREEMENT

Defendant and Defendant's attorney know the terms of this agreement and shall raise, before the sentencing hearing is complete, any claim that the United States has not complied with this agreement. Otherwise, such claims shall be deemed waived (that is, deliberately not raised despite awareness that the claim could be raised), cannot later be made to any court, and if later made to a court, shall constitute a breach of this agreement.

Defendant breaches this agreement if Defendant violates or fails to perform any obligation under this agreement. The following are non-exhaustive examples of acts constituting a breach:

1. Failing to plead guilty pursuant to this agreement;
2. Failing to fully accept responsibility or cooperate as established in Section X, paragraph B, above;
3. Failing to appear in court;
4. Attempting to withdraw the plea;
5. Failing to abide by any court order related to this case;
6. Appealing (which occurs if a notice of appeal is filed) or collaterally attacking the conviction or sentence in violation of Section XI of this plea agreement; or
7. Engaging in additional criminal conduct from the time of arrest until the time of sentencing.

If Defendant breaches this plea agreement, Defendant will not be able to enforce any provisions, and the United States will be relieved of all its obligations under this plea agreement. For example, the United States may proceed to sentencing but recommend a different sentence than what it agreed to recommend above. Or the United States may pursue any charges including those that were dismissed, promised to be dismissed, or not filed as a result of this agreement (Defendant agrees that any statute of limitations relating to such charges is tolled indefinitely as of the date all parties have signed this agreement; Defendant also waives any double jeopardy defense to such charges). In addition, the United

1 States may move to set aside Defendant's guilty plea. Defendant may not withdraw the
2 guilty plea based on the United States' pursuit of remedies for Defendant's breach.

3 Additionally, if Defendant breaches this plea agreement: (i) any statements made by
4 Defendant, under oath, at the guilty plea hearing (before either a Magistrate Judge or a
5 District Judge); (ii) the factual basis statement in Section II.B in this agreement; and (iii)
6 any evidence derived from such statements, are admissible against Defendant in any
7 prosecution of, or any action against, Defendant. This includes the prosecution of the
8 charge(s) that is the subject of this plea agreement or any charge(s) that the prosecution
9 agreed to dismiss or not file as part of this agreement, but later pursues because of a breach
10 by the Defendant. Defendant knowingly, voluntarily, and intelligently waives any argument
11 that the statements and any evidence derived from the statements should be suppressed,
12 cannot be used by the United States, or are inadmissible under the United States
13 Constitution, any statute, Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the
14 Federal Rules of Criminal Procedure, and any other federal rule.

15 **XIII**

16 **COOPERATION**

17 Defendant shall make a good faith effort to provide substantial assistance to
18 the United States in the investigation and prosecution of others. Defendant understands that
19 the only possible opportunity to provide substantial assistance will be pursuant to this
20 agreement and the plea agreement. Defendant accepts the following terms:

- 21 1. Defendant agrees to be interviewed by federal and state law enforcement
22 agents and attorneys and to tell everything Defendant knows about every
23 person involved presently or in the past in conduct outlined in or related to the
24 Factual Basis and Factual Basis Addendum, the plea agreement, or any other
25 violations of United States law not limited to the instant case. Defendant also
26 agrees to produce all documents and other evidence in Defendant's possession
27 or control related to these violations.
- 28 2. Defendant agrees not to do any undercover work, tape record any
conversations, or gather evidence unless instructed by the agent assigned to
Defendant.

- 1 3. Defendant agrees to provide statements under penalty of perjury and to testify
2 before any federal or state grand jury, and at any pretrial, trial or post-trial
3 proceedings as deemed necessary by the United States. Defendant will provide
4 complete, truthful and accurate information and testimony. Defendant agrees
5 to submit to a polygraph examination to test the truthfulness of Defendant's
6 statements.
- 7 4. Defendant understands that in any prosecutions against Defendant by the
8 United States Attorney's Office, the United States will not offer in evidence in
9 its case-in-chief, or in connection with any sentencing proceeding for the
10 purpose of determining an appropriate sentence, any statements made by
11 Defendant during the period of cooperation, except as provided in this
12 paragraph and in paragraph (5) below. In the event Defendant provides
13 materially false, incomplete, or misleading testimony or information, or
14 engages in any other behavior deemed by the United States to be a breach of
15 this agreement, the United States may prosecute Defendant in connection with
16 all offenses in the present Information as well as for any other federal criminal
17 violation of which it is aware, including false statements, perjury and
18 obstruction of justice. Further, any such prosecution and sentence may be
19 based on information provided by Defendant during the period of cooperation.
20 In addition, the United States will not be bound by the recommendations in this
21 agreement, and may recommend any lawful sentence. Further, at its option,
22 the United States may move to set aside the plea.
- 23 5. Notwithstanding paragraph (4) above:
- 24 a) the United States may use information derived directly or indirectly
25 from Defendant's cooperation for the purpose of obtaining leads to
26 other evidence, which evidence may be used in any prosecution of
27 Defendant by the United States; and
 - 28 b) the United States may use statements made by Defendant during the
period of cooperation and all evidence obtained directly or indirectly
therefrom for the purpose of cross-examination should Defendant
testify in any proceeding, or to rebut any evidence offered by or on
behalf of Defendant in connection with any trial and/or sentencing,
should any prosecution of Defendant be undertaken.
6. Statements made by Defendant pursuant to this cooperation agreement are not
statements "made in the course of any proceedings under Rule 11 of the
Federal Rules of Criminal Procedure" and are not statements "made in the
course of plea discussions."

- 1 7. If the United States Attorney's Office decides that Defendant has provided
2 substantial assistance, it may, in its sole discretion, file a motion for a
3 downward departure under §5K1.1 of the United States Sentencing Guidelines,
4 as set forth in Section X. Notwithstanding Section X, if, between the date of
5 this agreement and sentencing, Defendant fails to provide substantial
6 assistance or otherwise breaches this agreement in any way, the United States
7 may, in its sole discretion, recommend no downward departure, or recommend
8 a departure less than that set forth in Section X.
- 9 8. Defendant acknowledges that even if the United States makes a §5K1.1
10 motion, the Court may reject the United States' recommendation and refuse to
11 depart downward.
- 12 9. If the United States Attorney's Office decides to make a §5K1.1 motion, it will
13 inform the sentencing judge of:
14 a) the plea agreement;
15 b) the nature and extent of Defendant's activities in this case;
16 c) the full nature and extent of Defendant's cooperation with the United
17 States and the date when such cooperation commenced; and
18 d) all information in the possession of the United States relevant to
19 sentencing not precluded by this agreement.

20 **XIV**

21 **CONTENTS AND MODIFICATION OF AGREEMENT**

22 This plea agreement embodies the entire agreement between the parties and
23 supersedes any other agreement, written or oral. No modification of this plea agreement
24 shall be effective unless in writing signed by all parties.

25 **XV**

26 **DEFENDANT AND COUNSEL FULLY UNDERSTAND AGREEMENT**

27 By signing this agreement, Defendant certifies that Defendant has read it. Defendant
28 has discussed the terms of this agreement with defense counsel and fully understands its
meaning and effect.

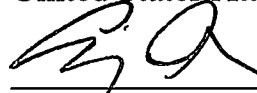
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XVI

DEFENDANT SATISFIED WITH COUNSEL

Defendant has consulted with counsel and is satisfied with counsel's representation. This is Defendant's independent opinion, and Defendant's counsel did not advise Defendant about what to say in this regard.

ROBERT S. BREWER, JR.
United States Attorney



EMILY W. ALLEN
ANDREW P. YOUNG
OLEKSANDRA JOHNSON
Assistant U.S. Attorneys


DATED: 7/2/2020



BENJAMIN L. COLEMAN
JEREMY DELICINO
Defense Counsel

DATED: 11/24/19

IN ADDITION TO THE FOREGOING PROVISIONS TO WHICH I AGREE, I SWEAR UNDER PENALTY OF PERJURY THAT THE FACTS IN THE "FACTUAL BASIS" SECTION ABOVE AND THE FACTUAL BASIS ADDENDUM ARE TRUE.

DATED: 


YISROEL GOLDSTEIN
Defendant

20CR1916-BAS

1 **FINANCIAL ADDENDUM TO PLEA AGREEMENT**

2 (UNITED STATES v. YISROEL GOLDSTEIN)

3 1. Defendant's conviction will include financial penalties such as a forfeiture, fine, and
4 restitution. This Financial Addendum is incorporated into and part of Defendant's plea
5 agreement, and the additional terms and warnings below apply.

6 **A. Forfeiture**

7 i. In addition to the penalties outlined in the plea agreement, federal law
8 states Defendant must forfeit to the United States under Title 18, United States Code,
9 Section 981(a)(1)(C) and Title 28, United States Code, Section 2461 any property, real or
10 personal, which constitutes or is derived from proceeds traceable to the conspiracy to
11 defraud the United States and commit wire fraud in violation of Title 18, United States
12 Code, Section 371.

13 ii. As part of Defendant's guilty plea to the information, as set forth in
14 section I of the plea agreement, Defendant consents to the forfeiture allegations of the
15 information and agrees to forfeit all properties seized in connection with the case, including,
16 but not limited to the following:

- 17 • 246 Suisse Fortuna 1-ounce rectangular gold ingots;
18 • 246 Canadian Maple Leaf 1-ounce coins;
19 • 246 American Eagle 1-ounce coins.

20 Defendant owns all the property described above or seized in connection with this case and
21 admits such property represents any property, real or personal, which constitutes or is
22 derived from proceeds traceable to the conspiracy and is subject to forfeiture to the United
23 States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United
24 States Code, Section 2461.

25 iii. Defendant consents and agrees to the immediate entry of a preliminary
26 order of forfeiture upon entry of the guilty plea. Defendant agrees that upon entry of the
27 preliminary order of forfeiture, such order shall be final as to Defendant and as to
28

Def. Initials 

1 Defendant's interests in the properties. Defendant agrees to immediately withdraw any
2 claims in pending administrative or civil forfeiture proceedings to properties seized in
3 connection with this case that are directly or indirectly related to the criminal conduct.
4 Defendant agrees to execute all documents requested by the Government to facilitate or
5 complete the forfeiture process. Defendant further agrees not to contest, or to assist any
6 other person or entity in contesting, the forfeiture of property seized in connection with this
7 case. Contesting or assisting others in contesting the forfeiture shall constitute a material
8 breach of the plea agreement, relieving the Government of all its obligations under the
9 agreement including but not limited to its agreement to recommend an adjustment for
10 Acceptance of Responsibility.

11 iv. Defendant consents and agrees to the entry of orders of forfeiture for
12 such property and waives the requirements of Federal Rules of Criminal Procedure 32.2 and
13 43(a) regarding notice of the forfeiture in the charging instrument, announcement of the
14 forfeiture at sentencing, and incorporation of the forfeiture in the judgment. Defendant
15 understands that the forfeiture of assets is part of the sentence that may be imposed in this
16 case and waives any failure by the Court to advise defendant of this, pursuant to Rule
17 11(b)(1)(J), at the time the Court accepts the guilty plea(s).

18 v. Defendant agrees to take all steps as requested by the United States to
19 pass clear title to forfeitable assets to the United States and to testify truthfully in any
20 judicial forfeiture proceeding.

21 vi. Defendant agrees that the forfeiture provisions of this plea agreement
22 are intended to, and will, survive defendant, notwithstanding the abatement of any
23 underlying criminal conviction after the execution of this agreement. The forfeitability of
24 any particular property pursuant to this agreement shall be determined as if defendant had
25 survived, and that determination shall be binding upon defendant's heirs, successors and
26 assigns until the agreed forfeiture, including any agreed money judgment amount, is
27 collected in full.

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B. Restitution

i. The crime to which Defendant is pleading guilty requires an order from the Court pursuant to 18 U.S.C. § 3663A that Defendant make mandatory restitution to the victim(s) of the offense of conviction or the estate(s) of the victims(s). Based on the crime to which Defendant is pleading guilty, the Court may also order pursuant to 18 U.S.C. § 3663 that Defendant make restitution to the victims of the offense of conviction, or the estates of the victims, or as otherwise agreed to by the parties. Defendant agrees to payment of restitution to the victims of all relevant conduct.

ii. The amount of restitution ordered by the Court shall include restitution to any person directly harmed by the Defendant’s criminal conduct in the course of the scheme, conspiracy, or pattern. The parties agree that the Court shall order restitution to persons other than the victims of the offense of conviction. Restitution will include losses arising from counts dismissed and charges not prosecuted as well as all relevant conduct in connection with those counts and charges.

iii. The parties will jointly recommend that Defendant pay restitution in the amount not less than \$2,509,705. Defendant understands that this is only an estimate based on currently available information, and the Court may impose restitution of any amount. Defendant agrees that a restitution award in an unanticipated amount is not grounds to withdraw Defendant’s guilty plea. Defendant also agrees that nothing in this plea agreement or restitution addendum limits the Government’s duty to provide complete and accurate facts to the district court and the U.S. Probation Office to calculate restitution.

iv. Defendant agrees that notwithstanding any court order, the restitution is due and payable in full and delinquent until paid in full. Any payment schedule imposed by the Court establishes only a minimum obligation, and does not foreclose the United States from exercising all legal actions, remedies, and process available to collect the restitution judgment, including but not limited to remedies pursuant to 18 U.S.C. §§ 3613 and

1 3664(m)(1)(A). Defendant will make a good faith effort to pay the full restitution.
 2 Defendant further agrees that the restitution judgment may be executed against property
 3 wherever it is held and Defendant waives all rights to contest the enforcement of the
 4 judgment against any and all property owned by Defendant or in which he has an interest.
 5 Defendant waives demand for payment of restitution. Defendant consents to the entry of the
 6 restitution judgment into the Treasury Offset Program. Defendant waives all notices of the
 7 Treasury Offset Program, all notices of offset, and all rights to contest any and all offsets.

8 v. The parties anticipate that the amount of restitution to be requested at
 9 sentencing will be approximately as follows:

<u>Victim</u>	<u>Amount</u>
Internal Revenue Service	\$1,500,000
California Office of Emergency Services	\$275,000
Clarence Brooks Foundation	\$600,000
“Company 1”	\$54,730
“Company 2”	\$59,200
“Company 3”	\$20,775

17 If, at the time of sentencing, a legal basis exists to request that the Court credit the value of
 18 the forfeited funds towards Defendant’s restitution obligation, the Government agrees to
 19 join in such request. The restitution shall be paid through the Office of the Clerk of the
 20 District Court by bank or cashier’s check or money order referencing the criminal case
 21 number and made payable to the “Clerk, United States District Court.”

22 **C. Fine**

23 i. Any payment schedule for a fine imposed by the Court establishes only
 24 a minimum obligation. Defendant will make a good faith effort to pay any fine. Regardless
 25 of Defendant’s compliance, any payment schedule does not limit the United States’ ability
 26 to collect additional amounts from Defendant through all available collection remedies at
 27 any time.

1 ii. The parties agree that notwithstanding any Court imposed schedule for
2 payment of a fine, the total amount of the fine shall be due immediately and shall be deemed
3 to be payable forthwith. Any payment schedule imposed by the Court establishes only a
4 minimum obligation. Any payment schedule does not foreclose the United States from
5 exercising all legal actions, remedies, and process available to collect the fine, including but
6 not limited to remedies pursuant to 18 U.S.C. §§ 3613 and 3664(m)(1)(A). Defendant will
7 make a good faith effort to pay the fine. Defendant agrees to entry of the fine into the
8 Treasury Offset Program (“TOP”) and waives all notices of TOP and offsets, and waives
9 all rights to contest the TOP offsets.

10 iii. The fine shall be paid through the Office of the Clerk of the District
11 Court by bank or cashier’s check or money order referencing the criminal case number and
12 made payable to the “Clerk, United States District Court.”

13 **D. ADDITIONAL TERMS**

14 i. Defendant agrees to waive all constitutional and statutory challenges
15 (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out
16 and any restitution or fine ordered pursuant to this agreement, including any claim that the
17 forfeiture, restitution, or fine constitutes an excessive fine or punishment under the United
18 States Constitution.

19 ii. The United States may run credit and other financial reports on
20 Defendant using public and non-public databases and share such information with the Court
21 and the U.S. Probation Office. Defendant also authorizes the Internal Revenue Service to
22 transmit to the United States Attorney’s Office copies of Defendant’s income tax returns
23 from 2000 until the fine and restitution is paid in full and forfeiture proceedings are
24 completed, and Defendant will promptly execute any documents necessary to carry out this
25 authorization.

26 iii. Not later than 30 days after execution of the plea agreement, Defendant
27 shall complete and provide to the United States, under penalty of perjury, a financial
28

1 disclosure form listing all Defendant's current and projected assets and financial interests
2 valued at more than \$1,000. These include all assets and financial interests in which
3 Defendant has an interest (or had an interest prior to October 17, 2018), direct or indirect,
4 whether held in Defendant's name or in the name of another, in any property, real or
5 personal, including marital and community property. Defendant shall also identify all assets
6 valued at more than \$5,000 which have been transferred to any third party since October
7 17, 2018, including the location of the assets, the identity of the third party or parties, and
8 the amount of consideration received by the Defendant for the transferred assets.

9 iv. From the date this financial addendum is executed until the restitution,
10 fine, and forfeiture judgment are paid in full and forfeiture proceedings are completed,
11 Defendant shall notify the Asset Recovery Section of the United States Attorney's Office of
12 (i) any interest in property worth more than \$1,000 that Defendant obtains, directly or
13 indirectly, and (ii) any interest in property owned directly or indirectly by Defendant worth
14 over \$1,000 that Defendant intends to transfer. This obligation covers any interest in
15 property obtained under any other name or entity, including a trust, partnership or
16 corporation. The parties will jointly recommend that this requirement also be imposed as a
17 condition of supervised release.

18 v. Defendant understands that the fine and/or restitution is delinquent until
19 paid in full. Until the fine and/or restitution is paid in full, Defendant shall immediately
20 notify the Asset Recovery Section, United States Attorney's Office, of any material change
21 in Defendant's financial condition.

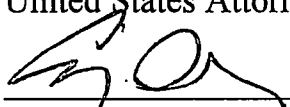
22 v. Defendant consents to the immediate recording of judgment liens as the
23 United States deems appropriate as to all financial penalties imposed by the Court.

24 ****


1 Defendant understands that the main plea agreement and this financial addendum
2 embody the entire plea agreement between the parties and supersedes any other agreement,
3 written or oral.


4
5
6 ROBERT S. BREWER, JR.
United States Attorney

7
8 DATED: 7/2/2020


9 EMILY W. ALLEN
10 ANDREW P. YOUNG
11 OLEKSANDRA JOHNSON
Assistant U.S. Attorneys

12
13 DATED: 11/24/19


14 BEN COLEMAN
15 JEREMY DELICINO
Defense Counsel

16
17 DATED: 


18 YISROEL GOLDSTEIN
19 Defendant

20CR1916-BAS

1 **FACTUAL BASIS ADDENDUM TO PLEA AGREEMENT**

2 (UNITED STATES v. YISROEL GOLDSTEIN)

3 Defendant YISROEL GOLDSTEIN (“Defendant”) understands and agrees that this
4 factual basis addendum to the plea agreement will be filed with the Court at the same time
5 as the filing of the main plea agreement. At the time of the Rule 11 plea colloquy the Court
6 will have before it the main plea agreement and this addendum, and any reference during
7 the hearing to the “plea agreement” will be understood to be a reference to the main plea
8 agreement together with this addendum.

9 Background

10 1. Defendant YISROEL GOLDSTEIN was the Director of the Chabad of Poway
11 (“the Chabad”), a religious congregation and community organization located in Poway,
12 California. Defendant established the Chabad in 1986 and served as the Director and head
13 rabbi of the organization until 2018. GOLDSTEIN also established several non-profit
14 entities affiliated with the Chabad, including the Friendship Circle of San Diego (2005)
15 (“the Friendship Circle”), Congregation Bnei Yisroel (2002), North County Inland
16 Women’s Center (1995), Rancho Bernardo Senior Center (1990), and San Diego Cultural
17 Library (1990).

18 2. Public charities organized and operated for exclusively religious, charitable,
19 education, or other approved purposes, are exempt from federal taxation pursuant to Title
20 26, United States Code, Section 501(c)(3). To promote charitable giving and advance the
21 work of approved public charities, the Internal Revenue Service (“IRS”) allows individuals
22 who donate money to public charities to reduce their own taxable incomes by deducting the
23 amounts of their donations given, and thus to reduce their personal income taxes. To claim
24 a tax deduction of \$250 or more, the donor must obtain and keep a written acknowledgment
25 or receipt from the charity to document the contribution.

26 3. The Chabad is a public charity registered with the IRS as a tax-exempt
27 organization. Individuals who donate money to the Chabad may therefore reduce their own
28 taxable incomes by deducting the amounts of their donations given, and thus reduce their

1 personal income taxes. The Chabad generates donation receipt letters, typically signed by
2 GOLDSTEIN, documenting the amount of a donor's contribution and specifically noting
3 that the donation is "tax deductible."

4 4. J.N. worked for the Chabad as an office administrator between approximately
5 2007 and 2011. As part of her job there, J.N. had access to the Chabad's financial records
6 and bank accounts. During the time J.N. worked at the Chabad, J.N. introduced
7 GOLDSTEIN to J.N.'s former business associate A.A.

8 5. A.A. was a San Diego-based real estate agent who did business with
9 GOLDSTEIN. In addition to his real estate business, A.A. purported to operate several
10 other businesses, including "Imagination Construction Company." In reality, however, the
11 construction businesses A.A. purported to control was largely non-operational and he had
12 no license to contract in the State of California.

13 6. The Federal Emergency Management Agency ("FEMA") is a federal agency
14 designed to coordinate disaster recovery efforts and provide equipment and resources
15 necessary to alleviate the impacts of an emergency. In addition, the California Emergency
16 Management Agency ("Cal EMA") (later renamed the Office of Emergency Services)
17 funded programs to assist with relief efforts. Both FEMA and Cal EMA provided grants,
18 aid, and other funds to the Chabad for various programs over the years.

19 The Conspiracy

20 7. Beginning at least around early 2010, and continuing through October 2018,
21 within the Southern District of California and elsewhere, Defendant knowingly and
22 intentionally conspired and agreed with others to: (1) defraud the United States for the
23 purpose of impeding, impairing, obstructing, and defeating the lawful functions of the
24 Internal Revenue Service in the ascertainment, computation, assessment, and collection of
25 revenue; and (2) to commit wire fraud in violation of Title 18 United States Code, section
26 1343, all in violation of Title 18, United States Code, Section 371.

27 8. The purpose of the conspiracy was to fraudulently obtain hundreds of
28 thousands of dollars for the co-conspirators' personal use and benefit by using false

1 information and fabricated records to pretend to be eligible for tax deductions, grants or
2 donations, and private loans.

3 Manner and Means of the Conspiracy

4 9. To further the conspiracy, GOLDSTEIN and his co-conspirators used the
5 following manner and means, among others:

6 a. A.A., taxpayers E.A., B.B., Y.S., B.M, and others would give money or
7 items of value, disguised as a charitable donation, to GOLDSTEIN, the Chabad, or
8 another of GOLDSTEIN's entities. In return, GOLDSTEIN, J.N., and others would
9 generate a receipt on Chabad letterhead acknowledging the co-conspirator's
10 "generous tax deductible donation."

11 b. Rather than using the purported donation for charitable purposes,
12 GOLDSTEIN, A.A., and others would secretly funnel approximately 90% of the
13 funds back to the purported donor, with GOLDSTEIN keeping approximately 10%
14 of the money.

15 c. The purported donors would falsely claim to the IRS that 100% of their
16 payments to the Chabad were tax-deductible charitable contributions, thereby
17 reducing his or her personal income taxes, without disclosing GOLDSTEIN's
18 kickback of the payment.

19 d. Employees of corporations with matching donation programs, including
20 J.E. and V.R., would give money disguised as a charitable donation to GOLDSTEIN,
21 the Chabad, the Friendship Circle, or another of GOLDSTEIN's entities, which
22 GOLDSTEIN would then secretly funnel back to the purported donor. Using
23 fraudulent receipts GOLDSTEIN generated, the co-conspirators would induce the
24 employer corporations to make matching donations in amounts equal to, or even
25 greater than, the purported donation from the employee.

26 e. GOLDSTEIN would use the Chabad's tax-exempt status to assist others,
27 including M.G., to avoid taxes by hiding income using Chabad bank accounts, and
28

1 then secretly funneling approximately 90% of the funds back to his co-conspirator,
2 with GOLDSTEIN keeping approximately 10% of the deposits.

3 f. GOLDSTEIN, A.A., M.S., and others would submit inflated or false
4 claims and fraudulent invoices to obtain grants and other benefits from FEMA,
5 Cal EMA, and private foundations, purportedly for the Chabad's facilities or Chabad
6 programing, which they instead used for their personal benefit.

7 g. GOLDSTEIN, A.A., and others would fraudulently obtain loan proceeds
8 from banks and mortgage lending businesses by submitting false and fraudulent
9 information in loan applications, and would fraudulently verify that false information
10 on behalf of one another.

11 h. GOLDSTEIN would falsely certify that co-conspirators and associates
12 of A.A.'s had performed volunteer work at the Chabad or its affiliated entities,
13 knowing that they had not completed such work, so that those individuals could
14 fraudulently verify false claims to San Diego County courts that they had fulfilled
15 criminal sentencing requirements by performing required community service.

16 Further Details of the Conspiracy and Overt Acts

17 10. In furtherance of the conspiracy, GOLDSTEIN and his co-conspirators took a
18 number of overt acts, including the following.

19 A. Tax Fraud with A.A.

20 11. Beginning at least as early as 2010, A.A. asked GOLDSTEIN to deposit (and
21 then funnel back) fraudulent Chabad donations from A.A.'s associates, and to write false
22 donation receipt letters using Chabad letterhead, so that A.A.'s associates could falsely
23 claim tax deductions for charitable or religious donations to which they were not entitled.
24 GOLDSTEIN agreed, and kept a portion of the purported donations.

25 a. Purported Donors E.R. and A.R.

26 12. On about March 28, 2013, GOLDSTEIN deposited a fraudulent \$8,000
27 Chabad donation from A.A.'s associates E.R. and A.R. (which was backdated to 2012), and
28 subsequently wrote a fraudulent and backdated donation receipt letter. Although

1 GOLDSTEIN and A.A. funneled at least \$6,000 of the fraudulent donation back to E.R. and
2 A.R., the letter falsely claimed that E.R. and A.R. had made a “generous tax deductible
3 donation” of \$20,000 to the Chabad. GOLDSTEIN intended that the letter would be used
4 to fraudulently reduce E.R. and A.R.’s tax liability for 2012.

5 13. GOLDSTEIN wrote a fraudulent donation receipt letter addressed to E.R. and
6 A.R, dated September 23, 2014, which falsely claimed that E.R. and A.R. had made a
7 “generous tax deductible donation” of \$30,000 to the Chabad around ten months earlier, on
8 about November 14, 2013. In fact, E.R. and A.R. had not made any legitimate donations or
9 payments to the Chabad in 2013, GOLDSTEIN intended that the letter would be used to
10 fraudulently reduce E.R. and A.R.’s tax liability for 2013.

11 14. In around May and June 2015, E.R. and A.R. paid GOLDSTEIN and A.A. a
12 total of approximately \$45,000, disguised as donations to the Chabad of \$22,500 for tax
13 year 2014 and \$22,500 for tax year 2015. Although GOLDSTEIN and A.A. funneled
14 approximately \$40,000 back to E.R. and A.R., GOLDSTEIN provided them with fraudulent
15 donation receipt letters that claimed that E.R. and A.R. had made a “generous tax deductible
16 donation” of \$22,500 on December 14, 2014, and of \$20,000 on November 18, 2015.
17 GOLDSTEIN intended that the payment records and letters would be used to fraudulently
18 reduce E.R. and A.R.’s tax liability for 2014 and 2015.

19 b. Purported Donor N.T.

20 15. On about March 21, 2013, GOLDSTEIN deposited a fraudulent \$5,000
21 Chabad donation from A.A.’s associate N.T. (which was backdated to 2012), and
22 subsequently wrote a fraudulent and backdated donation receipt letter. Although
23 GOLDSTEIN and A.A. funneled \$5,000 back to N.T. two days prior to receiving N.T.’s
24 payment, the letter falsely claimed that N.T. had made a “generous tax deductible donation”
25 of \$5,000 to the Chabad. GOLDSTEIN intended that the letter would be used to
26 fraudulently reduce N.T.’s tax liability for 2012.

27 16. On about March 18, 2014, GOLDSTEIN deposited a fraudulent \$5,000
28 Chabad donation from N.T. (which was backdated to 2013), and subsequently wrote a

1 fraudulent and backdated donation receipt letter. Although GOLDSTEIN and A.A.
2 funneled at least \$4,500 back to A.A. and at least \$3,000 back to N.T. the very same day
3 they received the funds, the letter falsely claimed that N.T. had made a “generous tax
4 deductible donation” of \$5,000 to the Chabad. GOLDSTEIN intended that the letter would
5 be used to fraudulently reduce N.T.’s tax liability for 2013.

6 17. On about December 26, 2014, GOLDSTEIN deposited a fraudulent \$10,000
7 Chabad donation from N.T. The very same day, GOLDSTEIN and A.A. funneled at least
8 \$9,000 back to N.T. GOLDSTEIN intended that the payment records would be used to
9 fraudulently reduce N.T.’s tax liability for 2014.

10 c. Purported Donor E.K.

11 18. On about January 4, 2012, GOLDSTEIN deposited a fraudulent \$3,000
12 Chabad donation from A.A.’s relative E.K. A few days later, GOLDSTEIN and A.A.
13 funneled the \$3,000 back to E.K. GOLDSTEIN intended that the payment records would
14 be used to fraudulently reduce E.K.’s tax liability for 2011. GOLDSTEIN subsequently
15 wrote a fraudulent and backdated donation receipt letter. The letter falsely claimed that
16 E.K. had made a “generous tax deductible donation” of \$3,000 to the Chabad.
17 GOLDSTEIN intended that the letter would be used to fraudulently reduce E.K.’s tax
18 liability for 2011.

19 19. On around March 26, 2014, A.A. asked GOLDSTEIN to create a fraudulent
20 donation receipt letter reflecting a \$5,800 donation from E.K. to the Chabad. A.A. promised
21 he would forward E.K.’s payment the following week. Although E.K. had not made any
22 legitimate donations or payments to the Chabad in 2013, GOLDSTEIN agreed and provided
23 the fraudulent letter. GOLDSTEIN intended that the letter would be used to fraudulently
24 reduce E.K.’s tax liability for 2013.

25 d. Purported Donor M.K.

26 20. In around October 2014, A.A. alerted GOLDSTEIN that A.A. had delivered to
27 GOLDSTEIN a check from M.K. GOLDSTEIN replied, “I did not know it had to do with
28 you[.] I called her to thank her as it was a unsolicited donation[.] I wish you would have

1 warned me..." A.A. reassured GOLDSTEIN, "[M.K.] is really close friend of mine. [S]o,
2 do what you usually do. I already reimburse her." GOLDSTEIN warned A.A. they should
3 talk "one to one" because the "internet is not a safest place" to discuss their fraudulent
4 scheme.

5 21. On around February 25, 2015, A.A. asked GOLDSTEIN to create a fraudulent
6 donation receipt letter reflecting a \$7,000 donation from M.K. to the Chabad. Although
7 A.A. reported that he had already "reimbursed" M.K. for her payment to the Chabad,
8 GOLDSTEIN agreed and provided a fraudulent backdated letter which falsely claimed that
9 M.K. had made a "generous tax deductible donation of \$7,000. GOLDSTEIN intended that
10 the letter would be used to fraudulently reduce M.K.'s tax liability for 2014.

11 22. In around 2015, GOLDSTEIN deposited two fraudulent Chabad donations
12 totaling \$7,000 from M.K. GOLDSTEIN and A.A. funneled approximately \$6,300 back to
13 M.K. On approximately April 1, 2016, GOLDSTEIN deposited a back dated check from
14 C.K., the spouse of M.K., in the amount of \$5,000. On April 14, 2016, C.K. deposited a
15 check made to "Cash" in the amount of \$4,500 from GOLDSTEIN's personal account.
16 GOLDSTEIN intended that the payment records would be used to fraudulently reduce M.K.
17 and C.K.'s tax liability for 2015.

18 23. On April 17, 2017, GOLDSTEIN deposited a back dated check from C.K. in
19 the amount of \$15,000. On April 20, 2017, C.K. deposited a personal check from
20 GOLDSTEIN in the amount of \$8,500. On May 15, 2017, C.K. deposited a check from the
21 Chabad, signed by GOLDSTEIN, in the amount of \$5,000. GOLDSTEIN intended that
22 the payment records would be used to fraudulently reduce C.K.'s tax liability for 2016.

23 e. Purported Donor Bo.G.

24 24. On around March 6, 2015, A.A.'s associate Bo.G. asked A.A. for the "tax
25 receipt from Chabad[.]" and noted, "we agreed that: 1. You give us Chabad receipt[;] 2. You
26 return to us \$4,500[.]" A few days later, GOLDSTEIN deposited a fraudulent \$5,000
27 Chabad donation from Bo.G. (which was backdated to 2014), and subsequently wrote a
28 fraudulent and backdated donation receipt letter. Although GOLDSTEIN and A.A.

1 subsequently funneled approximately \$4,500 back to B.G., the letter falsely claimed that
2 Bo.G. had made a “generous tax deductible donation” of \$5,000 to the Chabad.
3 GOLDSTEIN intended that the letter would be used to fraudulently reduce Bo.G.’s tax
4 liability for 2014.

5 f. Purported Donors B.S. and Br.G.

6 25. On around March 23, 2015, GOLDSTEIN made two deposits totaling
7 approximately \$62,000 in fraudulent donations to the Chabad from A.A.’s associates B.S.
8 and Br.G. (which were backdated to 2014). Although just days after this deposit
9 GOLDSTEIN funneled approximately \$55,800 back to A.A. and then on to B.S. and Br. G.,
10 GOLDSTEIN nevertheless wrote two fraudulent and backdated donation receipt letters
11 falsely claiming that Br.G. had made “generous tax deductible donation[s]” totaling
12 \$62,000. GOLDSTEIN intended that the letters would be used to fraudulently reduce B.S.
13 and Br.G.’s tax liability for 2014.

14 26. On around March 8, 2016, A.A. deposited a fraudulent \$60,000 Chabad
15 donation from B.S. and Br.G. A few weeks later, A.A. funneled \$6,000 to GOLDSTEIN
16 and \$54,000 back to B.S. and Br.G. GOLDSTEIN wrote a fraudulent and backdated
17 donation receipt letter falsely claiming that Br.G. had made “generous tax deductible
18 donation[s]” totaling \$60,000. GOLDSTEIN intended that the payment records would be
19 used to fraudulently reduce B.S. and Br.G.’s tax liability for 2015.

20 B. Tax Evasion with Chabad “Donors”

21 27. Beginning at least as early as 2010, GOLDSTEIN arranged with other
22 individuals to accept millions of dollars in fraudulent donations (which GOLDSTEIN then
23 funneled back to the purported donors), and to write false donation receipt letters using
24 Chabad letterhead, so that these purported “donors” could falsely claim tax deductions for
25 charitable donations to which they were not entitled, and so that GOLDSTEIN could keep
26 a portion (typically 10%) of the purported “donations.”

1 a. Purported Donor B.B.

2 28. In around 2010, GOLDSTEIN agreed to receive fraudulent Chabad donations
3 from B.B., and to funnel that money back to B.B.'s designees, at B.B.'s direction, in ways
4 designed to conceal and disguise the source of the money, so that B.B. could falsely claim
5 tax deductions for charitable donations to which B.B. was not entitled. GOLDSTEIN and
6 B.B. agreed that GOLDSTEIN would keep approximately 10% of the fraudulent donations.

7 29. Between approximately 2010 and 2018, B.B. paid GOLDSTEIN a total of at
8 least approximately \$2.3 million, which B.B. fraudulently described as "donations." During
9 the same time period, GOLDSTEIN funneled at least approximately \$2.0 million back to
10 B.B. by either transferring money directly to B.B.'s bank accounts or by paying third parties
11 on B.B.'s behalf.

12 30. The payments GOLDSTEIN and B.B. used to secretly funnel B.B.'s fraudulent
13 Chabad donations back to B.B., and to conceal and disguise the source of the money, include
14 the following:

15 a. In around April 2013, GOLDSTEIN wrote two checks from Chabad
16 bank accounts to B.B., for \$36,368 each.

17 b. Between approximately 2010 and 2016, GOLDSTEIN paid more than
18 \$368,000 in tuition and fees for B.B.'s son to attend dental school and a post-doctoral
19 residency in dentistry.

20 c. Between approximately 2011 and 2013, GOLDSTEIN made
21 approximately seven payments totaling approximately \$90,000 to a construction
22 company for B.B.'s benefit.

23 d. Between approximately November 2012 and February 2013,
24 GOLDSTEIN made approximately nine payments totaling more than \$300,000 to
25 credit B.B.'s account at a construction and building supply company.

26 e. In approximately 2016, GOLDSTEIN made at least approximately four
27 payments totaling approximately \$129,000 to a home builder company for B.B.'s
28 benefit.

1 f. In approximately 2016, GOLDSTEIN made one payment of \$200,000
2 to B.B.'s son.

3 31. In addition, on around December 31, 2015, GOLDSTEIN deposited a
4 fraudulent \$25,000 Chabad donation from a business owned by B.B.'s brother. One week
5 later, GOLDSTEIN paid B.B.'s brother's daughter's university tuition bill, which he
6 disguised as a "scholarship award." In fact, the tuition payment was designed to secretly
7 help funnel B.B.'s brother's fraudulent donation back to B.B.'s brother, and to conceal and
8 disguise the source of the money.

9 32. Beginning in around December 31, 2015, at B.B.'S direction, GOLDSTEIN
10 performed the same arrangement for B.B.'s brother Bi.B. From 2015 to 2018,
11 GOLDSTEIN deposited approximately \$45,000 from Bi.B. or Bi.B.'s business entity as
12 false Chabad donations. Shortly after the deposits, GOLDSTEIN paid Bi.B.'s daughter's
13 university tuition bill, which he again disguised as a "scholarship award." In fact, the tuition
14 payment was designed to secretly funnel Bi.B.'s fraudulent donations back to Bi.B., and to
15 conceal and disguise the source of the money. In total, GOLDSTEIN paid \$27,500 in tuition
16 payments on Bi.B.'s behalf, returned \$13,000 to Bi.B. directly, and kept 10% (\$4,500).

17 33. On around September 18, 2018, at B.B.'s direction, GOLDSTEIN made a
18 \$40,000 deposit and a \$60,000 deposit into two separate bank accounts designated by B.B.'s
19 other brother Be.B. to funnel fraudulent Chabad donations back to B.B. and his family.

20 34. GOLDSTEIN intended that the payment records from B.B. and B.B.'s brother
21 to the Chabad would be used to fraudulently reduce their tax liability for tax years 2010
22 through 2018.

23 b. Purported Donor E.A.

24 35. In around 2010, GOLDSTEIN agreed to receive (and then funnel back)
25 fraudulent Chabad donations from E.A., and to write false donation receipt letters using
26 Chabad letterhead, so that E.A. could falsely claim tax deductions for charitable or religious
27 donations to which E.A. was not entitled, and so that GOLDSTEIN could keep a portion of
28 the purported "donations."

1 36. Between approximately 2010 and 2016, E.A. paid GOLDSTEIN a total of at
2 least approximately \$176,600, which E.A. fraudulently described as “donations.” In return,
3 GOLDSTEIN funneled much of the money back to E.A., but nevertheless provided false
4 donation receipt letters for the full amount of E.A.’s payments. GOLDSTEIN intended that
5 the letters and payment records would be used to fraudulently reduce E.A.’s tax liability for
6 tax years 2010 through 2016.

7 37. On around December 29, 2017, GOLDSTEIN made two deposits totaling
8 approximately \$1,160,000 in fraudulent donations to the Chabad from E.A. Although
9 GOLDSTEIN planned to secretly return most of the money to E.A., he nevertheless
10 provided a fraudulent donation receipt letter, which GOLDSTEIN intended would be used
11 to fraudulently reduce E.A.’s tax liability for 2017.

12 38. On around January 10, 2018, at E.A.’s request and to conceal and disguise the
13 source of the money, GOLDSTEIN secretly funneled E.A.’s fraudulent donation funds back
14 to E.A. by purchasing approximately 246 Suisse Fortuna 1-ounce rectangular gold ingots,
15 246 Canadian Maple Leaf 1-ounce coins, and 246 American Eagle 1-ounce coins (worth a
16 total of approximately \$1 million) (Exhibit 1) and delivering the gold to E.A. GOLDSTEIN
17 kept approximately \$160,000.

18 39. At around midnight on about October 18, 2018, after discovering that
19 GOLDSTEIN was under investigation for tax evasion and other crimes, E.A. arrived at
20 GOLDSTEIN’s home and returned the approximately \$1 million in gold, to deceive
21 investigators and falsely assert that E.A.’s \$1,160,000 payment to the Chabad was a
22 legitimate donation.

23 c. Purported Donor Y.S.

24 40. In around 2011, GOLDSTEIN agreed to receive (and then funnel back)
25 fraudulent Chabad donations from Y.S., and to write false donation receipt letters using
26 Chabad letterhead, so that Y.S. could falsely claim tax deductions for charitable or religious
27 donations to which Y.S. was not entitled, and so that GOLDSTEIN could keep a portion of
28 the purported “donations.”

1 41. In addition, in around 2011, GOLDSTEIN agreed to accept in-kind donations
2 from Y.S. in the form of food and beverages from Y.S.'s grocery business, and, in return,
3 to provide fraudulent receipt statements on Chabad letterhead falsely inflating the value of
4 those in-kind donations received. GOLDSTEIN intended that Y.S. would use the inflated
5 receipt statements to fraudulently reduce Y.S.'s grocery business's tax liability. Between
6 approximately 2012 and 2018, GOLDSTEIN provided Y.S. with inflated in-kind donation
7 receipts totaling more than \$59,000.

8 42. Between 2011 and 2018, Y.S. and Y.S.'s spouse paid GOLDSTEIN a total of
9 at least approximately \$146,000, which Y.S. fraudulently described as "donations."
10 GOLDSTEIN funneled most of the money back to Y.S., keeping approximately 10%.
11 Although GOLDSTEIN secretly returned most of the money to Y.S., he nevertheless
12 provided fraudulent donation receipt letters to Y.S. in the full amount, which GOLDSTEIN
13 intended would be used to fraudulently reduce Y.S.'s tax liability for tax years 2011 through
14 2018.

15 43. On around the evening of October 17, 2018, after learning that he was under
16 investigation for tax evasion and other crimes, GOLDSTEIN warned Y.S. about the
17 investigation. Less than two weeks later, on about October 25, 2018, Y.S. attempted to
18 enter the IRS's Domestic Voluntary Disclosure ("DVD") program, which allows taxpayers
19 to avoid certain penalties upon voluntary disclosure of incorrect tax reporting. In doing so,
20 Y.S. intended to conceal his participation in the conspiracy and thwart any criminal
21 investigation.

22 d. Purported Donor B.M.

23 44. In around 2012, GOLDSTEIN agreed to receive (and then funnel back)
24 fraudulent Chabad donations from Y.S.'s associate B.M., and to write false donation receipt
25 letters using Chabad letterhead, so that B.M. could falsely claim tax deductions for
26 charitable or religious donations to which B.M. was not entitled, and so that GOLDSTEIN
27 could keep a portion (typically 10%) of the purported "donations."
28

1 45. Between approximately December 2012 and June 2018, B.M. paid
2 GOLDSTEIN a total of at least approximately \$290,000, which B.M. fraudulently described
3 as “contributions.” In return, GOLDSTEIN funneled most of the money back to B.M.
4 Although GOLDSTEIN secretly returned most of the money to B.M., he nevertheless
5 provided fraudulent donation receipt letters to B.M. in the full amount, which GOLDSTEIN
6 intended would be used to fraudulently reduce B.M.’s tax liability for tax years 2012
7 through 2018.

8 46. In addition to the personal payments, between approximately October 2017
9 and June 2018, B.M. and Y.S. paid GOLDSTEIN a total of at least approximately \$95,000
10 from their grocery business account, which they fraudulently described as “contributions.”
11 In return, GOLDSTEIN funneled most of the money back to B.M. Although GOLDSTEIN
12 secretly returned most of the money, he nevertheless provided fraudulent donation receipt
13 letters in the full amount, which GOLDSTEIN intended would be used to fraudulently
14 reduce their tax liability for tax years 2017 through 2018.

15 47. To conceal and disguise the source of the money, GOLDSTEIN kicked back
16 B.M.’s fraudulent donations in large cash payments.

17 48. On around October 25, 2018, the same day as Y.S., B.M. attempted to enter
18 the IRS’s DVD program, in order to conceal his participation in the conspiracy and thwart
19 any criminal investigation.

20 e. Purported Donor S.W.

21 49. In around 2010, GOLDSTEIN agreed to receive (and then funnel back)
22 fraudulent Chabad donations from S.W. Rather than keeping S.W.’s donations for
23 charitable use by the Chabad, GOLDSTEIN agreed to secretly return approximately half of
24 the funds to S.W. in cash, to conceal and disguise the source of the funds.

25 50. Between approximately 2010 and 2018, GOLDSTEIN accepted dozens of
26 fraudulent Chabad donations from S.W. of approximately \$8,000 per month, written by
27 check from S.W. or S.W.’s grocery business. During the same period, GOLDSTEIN
28

1 secretly funneled a large portion of these funds back to S.W. by hand-delivering cash at
2 S.W.'s workplace.

3 51. GOLDSTEIN intended that the payment records from S.W. to the Chabad
4 would be used to fraudulently reduce S.W.'s tax liability for tax years 2010 through 2018.

5 f. "Individual A"

6 52. On around May 23, 2018, at Lake Poway Park, GOLDSTEIN offered to assist
7 an associate of J.N., identified as "Individual A," to fraudulently reduce Individual A's tax
8 liability for 2017, as well as to help launder cash proceeds of what Individual A described
9 as insurance fraud. For the first part of the deal, GOLDSTEIN offered to accept (and then
10 funnel back) a fraudulent and backdated Chabad donation from Individual A, and to write
11 a false donation receipt letter using Chabad letterhead, so that Individual A could falsely
12 claim tax deductions for charitable or religious donations to which Individual A was not
13 entitled. GOLDSTEIN would keep a portion of both fraudulent donations for himself.

14 53. On around May 23, 2018, GOLDSTEIN accepted a check from Individual A
15 for \$50,000 written to the Chabad, which was backdated to December 31, 2017 and falsely
16 reflected in the memo field that it was a "Donation."

17 54. On around May 23, 2018, before depositing the check or preparing any false
18 donation receipt letter for Individual A, GOLDSTEIN called J.N. and asked for reassurance
19 that Individual A "can be trusted" to participate in the tax evasion scheme. J.N. reassured
20 GOLDSTEIN that Individual A was a trustworthy co-conspirator.

21 55. Later on around May 23, 2018, at GOLDSTEIN's office in the Chabad,
22 GOLDSTEIN wrote a fraudulent and backdated donation receipt letter falsely claiming that
23 Individual A had made a "generous tax deductible donation" of \$50,000 (Exhibit 2).
24 GOLDSTEIN intended that the letter would be used to fraudulently reduce Individual A's
25 tax liability for 2017.

26 56. On around May 25, 2018, GOLDSTEIN secretly funneled a portion of the
27 fraudulent Chabad donation back to Individual A by wiring \$25,000 to Individual A's bank
28 account. GOLDSTEIN kept the remaining \$25,000.

1 57. On around June 13, 2018, at Lake Poway Park, to conduct the second part of
2 the deal, GOLDSTEIN offered to assist Individual A in laundering \$50,000 in cash proceeds
3 of what Individual A described as insurance fraud. GOLDSTEIN offered to provide
4 Individual A with gold coins in exchange for the cash, which he suggested would help
5 Individual A to conceal and disguise the source of the funds.

6 58. On around June 21, 2018, at GOLDSTEIN's office in the Chabad,
7 GOLDSTEIN accepted \$50,000 in cash from Individual A (Exhibit 3), and agreed to reduce
8 his future money laundering fee to 20%.

9 59. On around June 26, 2018, at GOLDSTEIN's office in the Chabad,
10 GOLDSTEIN delivered to Individual A approximately 311-ounce gold coins (Exhibit 4),
11 which he stated were worth approximately \$40,000. Individual A complained that
12 GOLDSTEIN had already taken a \$25,000 fee, and that Individual A expected to receive
13 gold worth \$50,000. GOLDSTEIN advised he had misunderstood and thought that
14 Individual A wanted to also donate a portion of this deal to the Chabad. To avoid any future
15 misunderstandings, GOLDSTEIN and Individual A agreed to document any future deals in
16 coded writing.

17 C. Matching Donations

18 a. Company 1

19 60. Sometime before approximately 2010, GOLDSTEIN and his associate J.E.
20 agreed to a scheme to defraud Company 1 and the IRS. J.E. worked for Company 1, a
21 Fortune 500 telecommunications company based in San Diego, which offered corporate
22 matching of employee donations to charitable organizations. GOLDSTEIN agreed to
23 receive (and then funnel back) fraudulent donations from J.E., so that J.E. could falsely
24 claim tax deductions to which J.E. was not entitled. J.E. would present proof of that
25 payment to Company 1, to induce the company to make its own matching donation, which
26 GOLDSTEIN would keep.

27 61. Between 2010 and 2018, J.E. paid GOLDSTEIN at least \$28,800 in purported
28 charitable donations. Based on these payments, Company 1 donated at least \$28,800 of its

1 own funds. After securing the corporate matching payments, GOLDSTEIN secretly
2 returned J.E.'s money, either in cash at in-person meetings, or by depositing funds to credit
3 J.E.'s child's preschool bill.

4 62. Sometime before around October 2010, GOLDSTEIN's associate Y.H.
5 introduced GOLDSTEIN to R.C., and proposed a similar "win-win" situation in which
6 GOLDSTEIN and Y.H. would each benefit from defrauding Company 1's corporate
7 matching program and the IRS. R.C. worked for Company 1, and was, like J.E., eligible to
8 participate in the company's corporate matching program. GOLDSTEIN agreed to receive
9 donations from R.C. to the Friendship Circle, which R.C. would present to Company 1 to
10 induce the company to make its own matching donation. GOLDSTEIN would then secretly
11 funnel the money from both payments to Y.H., keeping a portion of the money.

12 63. Between around October 2010 and September 2017, GOLDSTEIN deposited
13 approximately \$25,930 from R.C., including a \$4,900 payment from R.C. to the Friendship
14 Circle on about September 26, 2017. GOLDSTEIN and R.C. used the records of these
15 payments to induce Company 1 to make matching donations to GOLDSTEIN.

16 b. Company 2

17 64. Sometime before 2015, GOLDSTEIN and V.R. agreed to a similar scheme to
18 defraud Company 2 and the IRS. V.R.'s spouse worked for Company 2, a Fortune 500
19 medical equipment and pharmaceutical company, which offered "double" corporate
20 matching of employee donations to charitable organizations. GOLDSTEIN agreed to
21 receive (and then funnel back) fraudulent Chabad donations from V.R., and to write false
22 donation receipt letters using Chabad letterhead, so that V.R. could falsely claim tax
23 deductions to which V.R. was not entitled. V.R.'s spouse would present the fraudulent
24 receipt to Company 2, to induce the company to make its own matching donation to the
25 Chabad, which GOLDSTEIN would keep.

26 65. On around December 30, 2105, V.R. and V.R.'s spouse paid \$10,000 to the
27 Friendship Circle/Chabad of Poway, as a purported charitable donation. Based on this
28 payment, Company 2 donated \$20,000 of its own funds. After securing the corporate

1 matching payment from Company 2, GOLDSTEIN secretly returned \$10,000 to V.R. in
2 cash.

3 66. On around December 12, 2016, V.R. and V.R.'s spouse paid \$9,600 to the
4 Chabad of Poway Scholarship Funds, as a purported charitable donation. Based on this
5 payment, Company 2 donated \$19,200 of its own funds. After securing the corporate
6 matching payment from Company 2, GOLDSTEIN secretly returned V.R.'s \$9,600 in cash.

7 67. On around November 29, 2017, V.R. and V.R.'s spouse paid \$10,000 to the
8 Chabad of Poway Scholarship Funds, as a purported charitable donation. Based on this
9 payment, Company 2 donated \$20,000 of its own funds. After securing the corporate
10 matching payment from Company 2, GOLDSTEIN secretly returned V.R.'s \$10,000 in
11 cash.

12 68. In around December 2018, V.R. delivered to GOLDSTEIN a \$10,000 payment
13 he intended to disguise as a charitable donation. GOLDSTEIN, by that time aware of the
14 criminal investigation, warned V.R. of the investigation and reported that he was "out of
15 business."

16 c. Company 3

17 69. Sometime before 2010, GOLDSTEIN agreed with Chabad members O.L.,
18 S.M., and I.S. to a scheme to defraud Company 3 and the IRS. O.L., S.M., and I.S. worked
19 for Company 3, a Fortune 500 aerospace and defense technology company, which offered
20 corporate matching of employee donations to charitable organizations. Under the terms of
21 company's program, however, the Chabad and its related entities did not qualify. To work
22 around this limitation, GOLDSTEIN directed O.L., S.M., and I.S. to make fraudulent
23 donations to an educational organization established in Brooklyn, New York that did qualify
24 for Company 3's matching program. Based on these payments, Company 3 made donations
25 of its own funds of at least approximately \$20,775. After securing the corporate matching
26 payments from Company 3, officials at the Brooklyn school funneled the money to
27 GOLDSTEIN, keeping a portion of the money for themselves. GOLDSTEIN then secretly
28

1 returned the purported donations to O.L., S.M., and I.S., and kept the remainder of Company
2 3's funds.

3 d. Additional In-Kind Donations

4 70. From at least 2010 through 2018, GOLDSTEIN received in-kind donations,
5 including donations of food, alcohol, special event tickets, merchandise, and services.
6 GOLDSTEIN provided the donor with a receipt for the in-kind donation, to document the
7 donation to the IRS. GOLDSTEIN routinely allowed the donors to inflate the true value of
8 the donation, to allow for a larger tax deduction than the donor was entitled to take.

9 D. Additional Tax Evasion Schemes

10 71. In around 2012, GOLDSTEIN agreed to allow M.G. to use a Chabad bank
11 account to secretly receive M.G.'s income, so that M.G. could avoid reporting that income
12 to the IRS. In return, GOLDSTEIN and M.G. agreed that GOLDSTEIN would keep
13 approximately 10% of M.G.'s income.

14 72. In around August 2012, GOLDSTEIN allowed M.G. to deposit approximately
15 \$12,250 of income into a Chabad bank account. M.G. then took approximately \$11,250, in
16 two separate payments designed to conceal and disguise the source of the funds.
17 GOLDSTEIN intended that the transaction would assist M.G. in avoiding income tax for
18 tax year 2012.

19 73. Between at least approximately April 2014 and continuing through at least
20 approximately August 2018, GOLDSTEIN allowed M.G. to deposit a total of
21 approximately \$711,000 of income into the same Chabad bank account. GOLDSTEIN kept
22 approximately 10%, and secretly returned the remainder to M.G. GOLDSTEIN intended
23 that the transactions would assist M.G. in avoiding income tax for tax years 2014 through
24 2018.

25 74. In around December 2018, after GOLDSTEIN discovered that he was under
26 investigation for tax evasion and other crimes, GOLDSTEIN alerted M.G. to the
27 investigation and encouraged M.G. to conceal his tax evasion by filing amended income tax
28 returns.

1 E. Government Benefits and Grants Fraud

2 a. 2011 Grant Funds

3 75. In around October 2010, GOLDSTEIN and A.A. agreed to create fraudulent
4 and backdated proposals and invoices for repairs purportedly performed by A.A. at the
5 Chabad, to obtain government funds and other benefits from FEMA and Cal EMA.

6 76. On around October 20, 2010, GOLDSTEIN asked A.A. to send him a
7 fraudulent and backdated invoice for carpet removal and installation “so I can begin paying
8 you.” In response, A.A. sent GOLDSTEIN a false and backdated invoice purportedly for
9 \$80,588 in carpet removal and installation services performed by “Imagination
10 Construction Company” in December 2007.

11 77. On around October 31, 2010, GOLDSTEIN asked A.A. to send him a
12 fraudulent and backdated invoice for HVAC repairs. In response, A.A. sent GOLDSTEIN
13 a false invoice purportedly for \$77,700 in HVAC repairs performed in 2007.

14 78. On around December 10, 2010, GOLDSTEIN deposited a check from the
15 California Federal Trust Fund for approximately \$6,306 into a Chabad bank account.

16 79. In around August 2011, GOLDSTEIN asked A.A. to fabricate three backdated
17 invoices purportedly from multiple different companies for the supply of furniture, kitchen
18 supplies, books, and other items to the Chabad, so that GOLDSTEIN could make it appear,
19 falsely, that he satisfied FEMA and Cal EMA requirements to obtain three bids. A.A.
20 complied.

21 80. On around March 7, 2011, GOLDSTEIN deposited a check from the California
22 Federal Trust Fund for approximately \$179,231 into a Chabad bank account.

23 b. 2012 Grant Funds

24 81. In around November and December 2011, GOLDSTEIN asked A.A. to send
25 him fraudulent and backdated invoices for Chabad facility upgrades totaling approximately
26 \$75,000. GOLDSTEIN provided A.A. with confidential information from other bidders,
27 and asked A.A. to invoice for specific services at specified prices, to support a fraudulent
28 claim for reimbursement under a Cal EMA grant program.

1 82. On around January 9, 2012, A.A. wired approximately \$75,000 to
2 GOLDSTEIN, and on the same day, GOLDSTEIN wrote five backdated, non-sequentially
3 numbered checks totaling \$75,000 from Chabad accounts to A.A. GOLDSTEIN and A.A.
4 designed this transaction to make it appear, falsely, that GOLDSTEIN had satisfied Cal
5 EMA requirements that grantees demonstrate proof of payment before any grant funds
6 would be distributed.

7 83. On around January 17 and 19, 2012, following GOLDSTEIN's directions,
8 A.A. sent GOLDSTEIN fraudulent and backdated invoices from "Imagination Construction
9 Company" in August 2011, using a false contractor's license number to make the invoices
10 appear authentic. GOLDSTEIN and A.A. designed these invoices to match the January 9,
11 2012 checks that GOLDSTEIN had already paid to A.A.

12 84. On around March 12, 2012, using the false invoices described above,
13 GOLDSTEIN fraudulently obtained approximately \$75,000 in Cal EMA funds.

14 c. Clarence Brooks Foundation

15 85. In around January 2013, GOLDSTEIN, A.A., and GOLDSTEIN's associate
16 M.S. agreed to fraudulently obtain hundreds of thousands of dollars in private grant funds
17 from the Clarence Brooks Foundation by falsely describing that the money would be used
18 to fund a Chabad-run program. In his grant application, GOLDSTEIN falsely claimed that
19 the Chabad's fundraising costs accounted for less than 1% of its budget and that the grant
20 funds would be used to pay rent, remodeling costs, payroll, and other essential costs of the
21 program. Based on these false representations, GOLDSTEIN was awarded a \$600,000
22 grant.

23 86. On around February 25, 2013, GOLDSTEIN deposited the first of four
24 \$150,000 installments of grant funds. Rather than spending the money for programs as
25 claimed, GOLDSTEIN transferred the money through several Chabad-related accounts
26 before diverting \$150,000 to A.A. A.A. converted the \$150,000 to cash, which he returned
27 to GOLDSTEIN.

1 87. On around April 24, 2013, GOLDSTEIN deposited the second \$150,000
2 installment of grant funds. Rather than spending the money for programs as claimed,
3 GOLDSTEIN diverted the majority of the money to his own personal bank accounts, and
4 converted a portion of the money to cash.

5 88. On around August 6, 2013, GOLDSTEIN deposited the third \$150,000
6 installment of grant funds. Rather than spending the money for programs as claimed,
7 GOLDSTEIN transferred the money through several Chabad-related accounts before
8 diverting \$150,000 to A.A. A.A. converted the \$150,000 to cash, which he returned to
9 GOLDSTEIN.

10 89. On around November 25, 2013, GOLDSTEIN deposited the final \$150,000
11 installment of grant funds. Rather than spending the money for programs as claimed,
12 GOLDSTEIN diverted the majority of the money to his own personal bank accounts, and
13 converted a portion of the money to cash.

14 90. In or around 2013, GOLDSTEIN delivered M.S.'s share of the proceeds—
15 approximately \$400,000—in cash.

16 91. In around December 2018, after GOLDSTEIN discovered that he was under
17 investigation for tax evasion and other crimes, GOLDSTEIN warned M.S. about the
18 investigation.

19 d. 2015 Grant Funds

20 92. In around 2015, GOLDSTEIN, A.A., and Z.B. agreed to create fraudulent
21 invoices for facilities upgrades at Congregation Bnei Yisroel—which was in fact
22 GOLDSTEIN's personal residence—totaling approximately \$76,750. GOLDSTEIN
23 provided Z.B. with confidential information from other bidders, and asked Z.B. to have his
24 construction company sign a fraudulent estimate, to support a fraudulent claim for
25 reimbursement under a FEMA and California Governor's Office of Emergency Services
26 ("Cal OES") security grant program.

27 93. On around November 27, 2017, GOLDSTEIN wrote a \$76,750 check to Z.B.'s
28 construction company, purportedly for work performed at Congregation Bnei Yisroel,

1 which was endorsed back to GOLDSTEIN and then deposited into a bank account
2 GOLDSTEIN controlled. GOLDSTEIN designed this transaction to make it appear, falsely,
3 that A.B.'s company was paid for the work for which the grant was awarded.

4 94. In around August 2017 and March 2018, using the false payments and invoices
5 described above, GOLDSTEIN fraudulently obtained approximately \$75,000 in FEMA and
6 Cal OES funds. GOLDSTEIN kept some of the grant funds for himself, and used some of
7 the funds to pay other contractors who charged significantly lower prices than the inflated
8 amounts GOLDSTEIN claimed to FEMA and Cal OES.

9 F. False Loan Qualifications

10 95. Beginning at least as early as 2010, GOLDSTEIN and A.A. agreed to assist
11 one another to fraudulently obtain loan proceeds from banks and mortgage lenders by
12 submitting false information in loan applications, and by verifying that false information on
13 behalf of one another.

14 96. In around October 2010, GOLDSTEIN asked A.A. to provide him with two
15 fraudulent rental agreements, falsely describing (1) that A.A. rented a property from
16 GOLDSTEIN for \$3,500 per month and (2) that another individual rented a separate
17 property from GOLDSTEIN for \$1,800 per month. In order to make the fraudulent
18 agreement appear legitimate, GOLDSTEIN asked A.A. to write a check for the fictitious
19 \$3,500 rent. GOLDSTEIN informed A.A. that the false records were needed “[i]n order for
20 me to qualify for a mortgage[.]” On around November 1, 2010, A.A. complied and sent
21 GOLDSTEIN the false documents as requested.

22 97. In around May and June 2013, GOLDSTEIN arranged for A.A. to pretend to
23 be his home improvement contractor to induce a mortgage lender to make a loan to
24 GOLDSTEIN. In response to a bank representative’s request for information, on around
25 June 23, 2013, GOLDSTEIN asked A.A. to fill out forms he knew to be false, on behalf of
26 a purported building company, “asap so I can get the loan approved[.]”

27 98. In addition, in around July 2013, GOLDSTEIN and A.A. created a fraudulent
28 lease agreement falsely stating that A.A.’s then-wife was a tenant paying rent \$3,250 per

1 month in rent to GOLDSTEIN. GOLDSTEIN and A.A. both knew the fraudulent document
2 was designed to support GOLDSTEIN's false mortgage loan application.

3 G. False Community Service Letters

4 99. Beginning at least as early as February 2014, GOLDSTEIN agreed to provide
5 A.A. with fraudulent letters falsely certifying that A.A.'s associates had performed
6 volunteer work at the Chabad, which A.A.'s associates would use to verify false claims to
7 San Diego County courts that they had fulfilled criminal sentencing requirements.
8 GOLDSTEIN agreed.

9 100. Between approximately February and September 2014, GOLDSTEIN
10 provided A.A. with at least four fraudulent letters, written on Chabad letterhead and signed
11 with GOLDSTEIN's name, falsely stating that A.A. (Exhibit 5), J.N., and two other
12 individuals GOLDSTEIN did not know had volunteered at the Chabad or its associated
13 entities for dozens or hundreds of hours. In fact, GOLDSTEIN knew that each of these
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1 individuals not provided volunteer services to the Chabad at all, and knew that the letters
2 were intended to help fraudulently fulfill sentencing requirements for criminal cases.

3
4
5
6 DATED: 7/2/2020

ROBERT S. BREWER, JR.
United States Attorney



EMILY W. ALLEN
ANDREW P. YOUNG
OLEKSANDRA JOHNSON
Assistant U.S. Attorneys

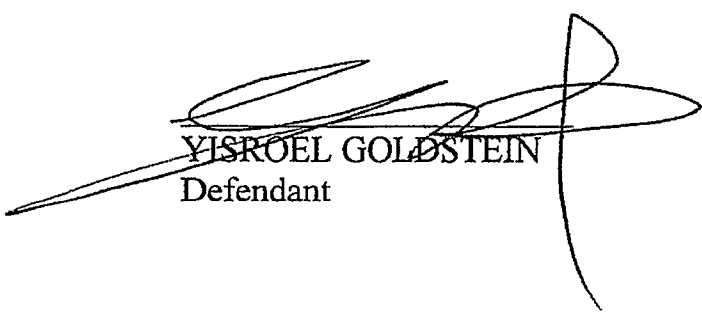
7
8
9
10
11 DATED: 6/18/20



BEN COLEMAN
JEREMY DELICINO
Defense Counsel

12
13
14
15 **I HAVE READ THIS "FACTUAL BASIS A" AND CAREFULLY DISCUSSED**
16 **EVERY PART OF IT WITH MY ATTORNEY. I SWEAR UNDER PENALTY OF**
PERJURY THAT THE FACTS SET FORTH HEREIN ARE TRUE.

17
18 DATED: 6/18/20



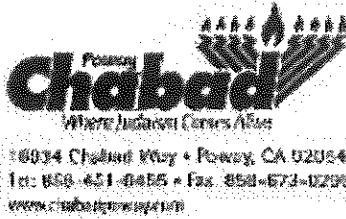
YISROEL GOLDSTEIN
Defendant



Exhibit 1

sa

Exhibit 2



Yakov Goltzman, MORE
Mendy Rubinfeld, Awar: 6030

12/31/2017

Mr. Pasha [REDACTED]
[REDACTED]
[REDACTED]
Los Angeles, CA 90064

Dear Pasha,

I would like to take this opportunity to thank you for your kind donation of \$10,000. Your contribution will go a long way to help establish a stronger bond of identity and awareness throughout our Jewish community.

Our sages, of blessed memory, tell us that "the reward of the mitzvah is the mitzvah itself". You have seen with your own eyes and experienced first hand the work of Chabad. Your commitment and dedication to the continued success of our organization enables you to be a full partner in all our endeavors and in the many lives that our touch in a most positive and enlightening manner.

The vital activities sponsored by Chabad of Poway namely: our Preschool, Hebrew School, Teen Age Center, Senior Center and most recently the Friendship Circle serving children with special needs, can only continue to grow and flourish with the help and support of dear friends.

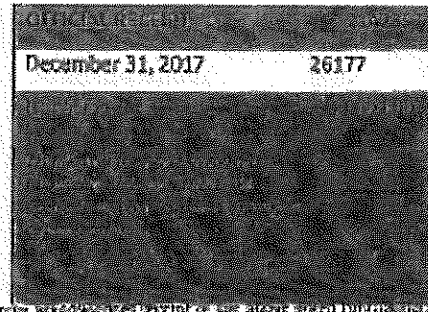
Your friendship and support is most meaningful to me and may the Almighty repay you with His abundant and infinite blessings with good health, joy and much success in all of your endeavors.

With warm personal regards,

Yakov Goltzman



Mr. Pasha [REDACTED]
[REDACTED]
[REDACTED]
Los Angeles, CA 90064



No goods or services were provided in whole or in part for this contribution other than intangible religious benefits.

This form is a duplicate receipt of the above stated information. Tax ID #33-0728124

Exhibit 3



Yo

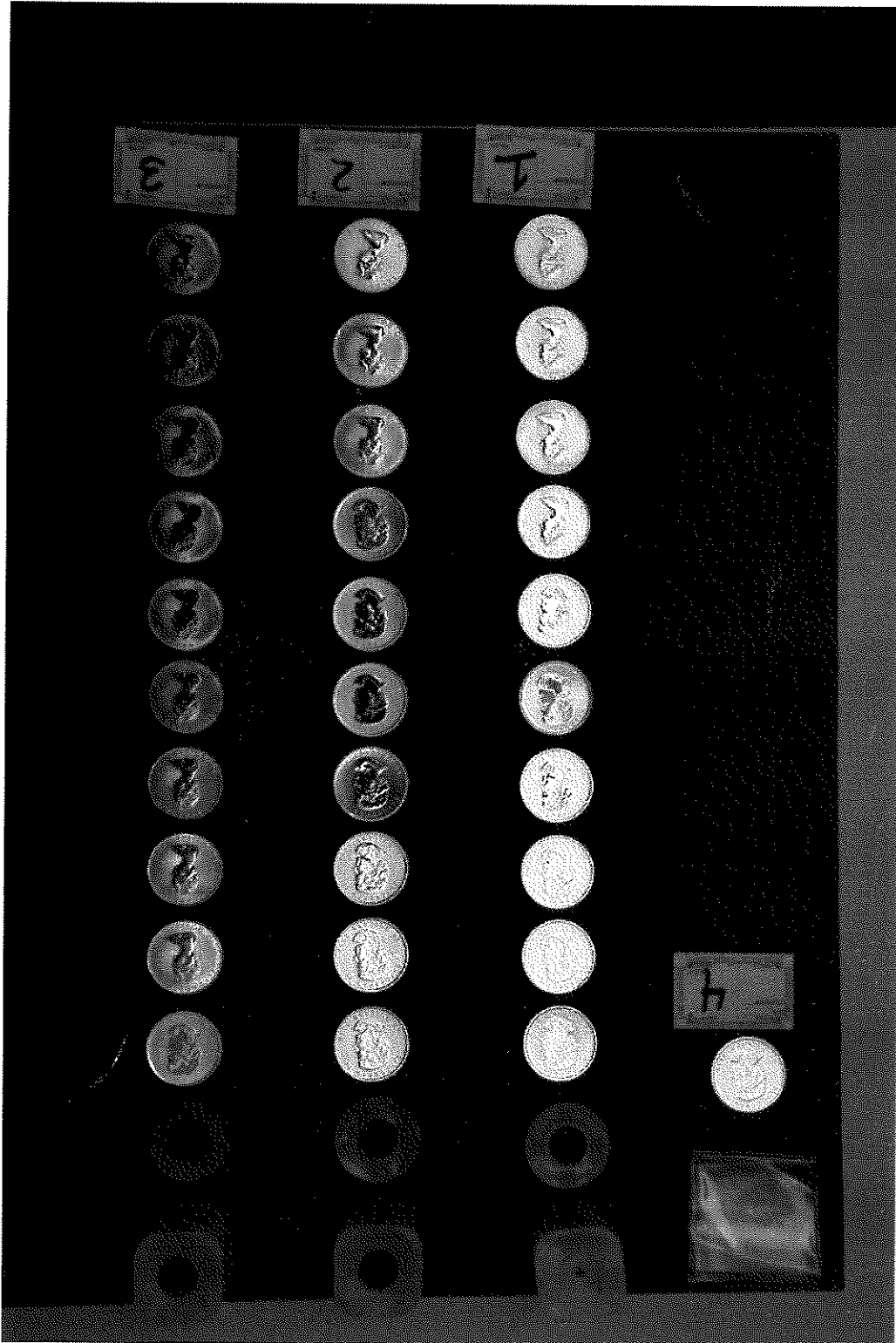


Exhibit 4

Handwritten signature or initials

Exhibit 5



Friendship Circle

16934 Chabad Way
Poway, CA 92064
Tel: 858-487-4879
Fax: 858-673-0299
info@friendshipcirclesd.com
www.FriendshipCircleSD.com

B7D

Friends Helping Friends

September 22, 2014

Reference:
DL #D1399682

To who it may concern

We are confirming that Alex Avergoon of 10330 Rue Fontenay San Diego
Ca 92131
has completed 36 hours of community service satisfactory.

All courtesies extended to her will be very much appreciated.

Sincerely,


Yisroel Goldstein
president

Together, we can perform miracles.

Rabbi Yisroel Goldstein
Board Chairman

Elishava Green
Executive Director


Denise Levine
Business Administrator