

INDEX

Serge Obukhoff, M.D., Professional Corporation and Serge Obukhoff, M.D.

Exhibit #	Document	File Date
1	USA v. Jacob E. Tauber and Serge Obukhoff; Case # 8:18-CR-00140	7/12/2018
2	Jacob E. Tauber Plea Agreement	10/21/2018
3	Serge Obukhoff Peas Not Guilty	10/29/2018
4	CA Secretary of State (SOS) Articles of Incorporation Serge Obukhoff, MD, Professional Corporation	7/17/2003
5	SOS Restated Articles of Incorporation, Serge Obukhoff, MD, Professional Corporation	4/29/2010
6	SOS Statement of Information (SI) Serge Obukhoff, MD, Professional Corporation shows Serge Obukhoff as CFO and Director	5/31/2017
7	SOS SI Serge Obukhoff, MD, Professional Corporation, no changes made.	5/29/2018
8	CA Medical Board Licensing Details for Serge Obukhoff, MD; license #: A 65490	Expires 6/30/2020
9	PACER Docket Detail Serge Obukhoff	

EXHIBIT 1

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U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
LOS ANGELES

FILED

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

October 2017 Grand Jury

UNITED STATES OF AMERICA,
Plaintiff,
v.
JACOB E. TAUBER and
SERGE OBUKHOFF,
Defendants.

SA CR No. 1 **CR-18-140-DOC**

I N D I C T M E N T

[18 U.S.C. § 371: Conspiracy;
18 U.S.C. §§ 1341, 1346: Mail
Fraud Involving Deprivation of
Honest Services; 18 U.S.C.
§§ 1343, 1346: Wire Fraud
Involving Deprivation of Honest
Services; 18 U.S.C. § 1952(a)(3):
Use of an Interstate Facility in
Aid of Unlawful Activity; 42
U.S.C. § 1320a-7b(b)(1)(A):
Soliciting and Receiving Illegal
Remunerations for Health Care
Referrals; 18 U.S.C. § 2: Aiding
and Abetting and Causing an Act to
be Done; 18 U.S.C. §§ 982(a)(7),
981(a)(1)(C) and 28 U.S.C.
§ 2461(c): Criminal Forfeiture]

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. Healthsmart Pacific Inc., doing business as Pacific
Hospital of Long Beach ("Pacific Hospital"), was a hospital located
in Long Beach, California, specializing in surgeries, particularly

1 spinal and orthopedic surgeries. From at least in or around 1997 to
2 October 2013, Pacific Hospital was owned and/or operated by Michael
3 D. Drobot ("Drobot"). Along with Drobot, unindicted co-conspirator A
4 ("UCC-A") owned and/or operated Pacific Hospital from in or around
5 2005 to in or around October 2010. James Canedo ("Canedo") was the
6 Chief Financial Officer of Pacific Hospital. UCC-B was the General
7 Counsel and Chief Compliance Officer of Pacific Hospital. UCC-C was
8 an executive and attorney who oversaw personal injury cases at
9 Pacific Hospital.

10 2. Defendant JACOB E. TAUBER ("defendant TAUBER") was an
11 orthopedic surgeon based in Beverly Hills and Glendale, California
12 who, during the relevant time period, performed primarily non-spinal
13 surgeries and referred spinal surgeries to other surgeons. UCC-D was
14 defendant TAUBER's office manager and advised him in business
15 matters.

16 3. Jacob E. Tauber, M.D., A Professional Corporation ("JET,
17 M.D., APC") was a California professional corporation owned and
18 operated by defendant TAUBER.

19 4. Defendant SERGE OBUKHOFF ("defendant OBUKHOFF") was a
20 neurosurgeon practicing out of various medical clinics located in the
21 Central District of California, including in Sherman Oaks, Garden
22 Grove, Torrance, and Beverly Hills, California.

23 5. Serge Obukhoff, M.D., A Professional Corporation ("SO,
24 M.D., APC"), was a California professional corporation owned and
25 operated by defendant OBUKHOFF.

26 6. Lauren Papa ("Papa") was a chiropractor with a medical
27 office located at 4955 Van Nuys Boulevard, Suite 407, in Sherman
28 Oaks, California ("Papa's Sherman Oaks clinic"), who referred

1 patients requiring spinal surgery to defendant OBUKHOFF and others.
2 Papa entered into arrangements to receive illegal kickbacks and
3 bribes through California Authorizations, LLC, an entity she owned
4 and controlled.

5 7. Philip Sobol ("Sobol") was an orthopedic surgeon who
6 referred surgery patients to defendant TAUBER, defendant OBUKHOFF,
7 and others, under the express understanding that the surgeries would
8 be performed at a designated hospital where Sobol had a financial
9 arrangement to send such surgery referrals, which consisted first of
10 Pacific Hospital and later other hospitals.

11 8. Justin Paquette ("Paquette") was a neurosurgeon who, from
12 in or about October 2010 to in or about August 2011, practiced out of
13 defendant TAUBER's medical office in Beverly Hills, California,
14 approximately two to four days a month, to treat patients defendant
15 TAUBER referred to him for spinal surgery consultations.

16 9. Linda Martin ("Martin") was a former PSPM executive, who,
17 in or about September 2010, returned as a PSPM "marketer" to
18 facilitate kickback arrangements between Pacific Hospital and
19 Affiliated Entities, on the one hand, and defendants TAUBER and
20 OBUKHOFF, and Paquette, on the other hand.

21 10. UCC-H was a paralegal and risk manager for Pacific
22 Hospital, PSPM, I2, and other Pacific Hospital-affiliated entities
23 (collectively, "Pacific Hospital and Affiliated Entities").

24 11. UCC-J was a neurosurgeon to whom defendant TAUBER referred
25 spinal surgeries with instructions to perform surgery on such
26 patients at Pacific Hospital.

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1 12. UCC-K was an orthopedic spinal surgery specialist to whom
2 defendant TAUBER referred spinal surgeries with instructions to
3 perform surgery on such patients at Pacific Hospital.

4 13. Pacific Specialty Physician Management, Inc. ("PSPM") was a
5 corporation, owned and/or controlled by Drobot and others and
6 headquartered in Newport Beach, California, that provided management
7 services for physicians' offices and entered into various contractual
8 arrangements with physicians, chiropractors, and others to steer
9 business to Pacific Hospital. UCC-E was a PSPM executive and
10 administrator who facilitated PSPM's relationships with physicians.
11 UCC-F was the Chief Financial Officer at PSPM from approximately mid-
12 2008 to late-2013. First Medical Management, Inc. ("FMM") was a
13 human resources company Drobot owned and/or controlled that was
14 affiliated with Pacific Hospital and PSPM.

15 14. International Implants LLC ("I2") was a limited liability
16 company, controlled by Drobot and headquartered in Newport Beach,
17 California, that purchased implantable medical devices, hardware, and
18 instrumentation for spinal surgeries ("spinal hardware") from
19 original manufacturers and sold them to hospitals, particularly
20 Pacific Hospital.

21 15. California Pharmacy Management LLC ("CPM") was a limited
22 liability company, headquartered in Newport Beach, California, that
23 operated and managed a pharmaceutical dispensing program in medical
24 clinics for physicians. Drobot and Michael R. Drobot ("Drobot Jr.")
25 owned and/or operated CPM.

26 16. Industrial Pharmacy Management LLC ("IPM") was a limited
27 liability company, headquartered in Newport Beach, California. IPM
28 operated and managed a pharmaceutical dispensing program in medical

1 clinics for physicians through the use of pharmaceutical management
2 agreements and claims purchase agreements. Drobot Jr. operated IPM,
3 while Drobot principally owned IPM until approximately 2010, when
4 Drobot Jr. assumed ownership and control of IPM. UCC-G assisted
5 Drobot Jr. with IPM operations.

6 17. Advanced Practice Services, Inc., doing business as Advance
7 Pharmacy Services ("APS"), was a "marketing" entity owned and
8 controlled by Drobot Jr. that steered ancillary service referrals,
9 purchases, and orders involving magnetic resonance imaging ("MRIs"),
10 toxicology testing, and durable medical equipment ("DME") to business
11 affiliates that paid APS for generating such business.

12 18. APS Affiliate A provided DME, such as braces, collars, and
13 orthotics, to medical providers for use in treating patients. APS
14 had an agreement with APS Affiliate A that provided compensation to
15 APS for generating and steering DME referrals to APS Affiliate A.

16 19. APS Affiliate B was a laboratory that, among other
17 services, performed testing of urine specimens, generally known as
18 urinalysis ("UA") or, more specifically, when testing for the
19 presence of opioids and other narcotics, urine drug testing ("UDT").
20 APS had an agreement with APS Affiliate B that provided compensation
21 to APS for generating and steering UA referrals to APS Affiliate B.
22 (APS Affiliate A and APS Affiliate B are collectively referred to
23 herein as "APS Affiliates," while APS and APS Affiliates are
24 collectively referred to herein as "APS and Affiliates.")

25 California Workers' Compensation System ("CWCS")

26 20. The California Workers' Compensation System ("CWCS") was a
27 system created by California law to provide insurance covering
28 treatment of injury or illness suffered by individuals in the course

1 of their employment. Under the CWCS, employers were required to
2 purchase workers' compensation insurance policies from insurance
3 carriers to cover their employees. When an employee suffered a
4 covered injury or illness and received medical services, the medical
5 service provider submitted a claim for payment to the relevant
6 insurance carrier, which then paid the claim. Claims were submitted
7 to and paid by insurance carriers either by mail or electronically.
8 The CWCS was governed by various California laws and regulations.

9 21. The California State Compensation Insurance Fund ("SCIF")
10 was a non-profit insurance carrier, created by the California
11 Legislature, that provided workers' compensation insurance to
12 employees in California, including serving as the "insurer of last
13 resort" under the CWCS system for employers without any other
14 coverage.

15 The FECA Program

16 22. The Federal Employees' Compensation Act, Title 5, United
17 States Code, Sections 8101, et seq. provided certain benefits to
18 civilian employees of the United States, for wage-loss disability due
19 to a traumatic injury or occupational disease sustained while working
20 as a federal employee (the "FECA program"). Benefits available to
21 injured employees included rehabilitation, medical, surgical,
22 hospital, pharmaceutical, and supplies for treatment of an injury.

23 23. The Office of Workers' Compensation Programs ("OWCP"), a
24 component of the Department of Labor ("DOL"), administered the FECA
25 program, which was a federal workers' compensation program focused on
26 return to work efforts.

27 Health Care Programs

28 24. The FECA program was a "Federal health care program," as

1 defined by 42 U.S.C. § 1320a-7b(f).

2 25. SCIF and other workers' compensation insurance carriers,
3 the FECA program, personal injury insurers, and other public and
4 private plans and contracts, were "health care benefit programs" (as
5 defined in 18 U.S.C. § 24(b)), that affected commerce.

6 Relevant California Laws Pertaining to Bribery and Kickbacks

7 26. California law, including but not limited to the California
8 Business and Professions Code, the California Insurance Code, and the
9 California Labor Code, prohibited the offering, delivering,
10 soliciting, or receiving of anything of value in return for referring
11 a patient for medical services.

12 27. California Business & Professions Code Section 650
13 prohibited the offer, delivery, receipt, or acceptance by certain
14 licensees -- specifically including physicians and chiropractors --
15 of any commission or other consideration, whether in the form of
16 money or otherwise, as compensation or inducement for referring
17 patients, clients, or customers to any person.

18 28. California Insurance Code Section 750(a) prohibited anyone
19 who engaged in the practice of processing, presenting, or negotiating
20 claims -- including claims under policies of insurance -- from
21 offering, delivering, receiving, or accepting any commission or other
22 consideration, whether in the form of money or otherwise, as
23 compensation or inducement to any person for the referral or
24 procurement of clients, cases, patients, or customers.

25 Fiduciary Duties and the Physician-Patient Relationship

26 29. A "fiduciary" obligation generally existed whenever one
27 person -- a client -- placed special trust and confidence in another
28 -- the fiduciary -- in reliance that the fiduciary would exercise his

1 or her discretion and expertise with the utmost honesty and
2 forthrightness in the interests of the client, such that the client
3 could relax the care and vigilance she or he would ordinarily
4 exercise, and the fiduciary knowingly accepted that special trust and
5 confidence and thereafter undertook to act on behalf of the client
6 based on such reliance.

7 30. Physicians owed a fiduciary duty to their patients,
8 requiring physicians to act in the best interest of their patients,
9 and not for their own professional, pecuniary, or personal gain.
10 Physicians owed a duty of honest services to their patients for
11 decisions made relating to the medical care of those patients,
12 including the informed choice of whether to undergo surgery and other
13 medical procedures, as well as the selection of a provider and
14 facility for such surgeries and procedures. Patients' right to
15 honest services from physicians included the right not to have
16 physician-fiduciaries solicit or accept bribes and kickbacks
17 connected to the medical care of such patients, specifically
18 including decisions concerning patient-related referrals, purchasing,
19 and ordering in connection with spinal surgeries, other types of
20 surgeries, MRIs, UA/UDT, DME, and other services and items (the
21 "Kickback Tainted Surgeries and Services").

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COUNT ONE

[18 U.S.C. § 371]

31. Paragraphs 1 through 30 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

A. OBJECTS OF THE CONSPIRACY

32. Beginning on an unknown date, but no later than in or around 2009, and continuing through at least in or around 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, Drobot, Drobot Jr., defendants TAUBER and OBUKHOFF, together with Sobol, Paquette, Papa, Martin, UCC-D, UCC-E, UCC-F, and others known and unknown to the Grand Jury at various times, knowingly combined, conspired, and agreed to commit and to aid and abet in the commission of the following offenses against the United States:

a. Honest services mail and wire fraud, in violation of Title 18, United States Code, Sections 1341, 1343, and 1346;

b. Use of the mails and interstate facilities in aid of bribery, in violation of Title 18, United States Code, Section 1952(a);

c. Knowingly and willfully soliciting or receiving remuneration in return for referring an individual for the furnishing and arranging for the furnishing of any item or service, and in return for arranging for and recommending purchasing or ordering any good, service, or item, for which payment may be made in whole or in part under a federal health care program, in violation of Title 42, United States Code, Section 1320a-7b(b)(1); and

1 d. Knowingly and willfully offering to pay or paying any
2 remuneration to any person to induce such person to refer an
3 individual for the furnishing and arranging for the furnishing of any
4 item or service, and to arrange for and recommend purchasing or
5 ordering any good, service, or item, for which payment may be made in
6 whole or in part under a federal health care program, in violation of
7 Title 42, United States Code, Section 1320a-7b(b)(2).

8 B. MANNER AND MEANS OF THE CONSPIRACY

9 33. The objects of the conspiracy were to be carried out, and
10 were carried out, in the following ways, among others:

11 a. Drobot, Drobot Jr., Martin, and other co-conspirators
12 working with Pacific Hospital and Affiliated Entities (collectively,
13 the "Kickback Paying Hospital Executives") would seek out physicians
14 (the "Pacific Induced Physicians"), as well as chiropractors,
15 marketers, and others (collectively, the "Pacific Kickback
16 Recipients") to enter into related and overlapping financial
17 arrangements to induce Pacific Kickback Recipients to refer patients
18 to Pacific Hospital for Kickback Tainted Surgeries and Services.

19 b. Influenced by the promise of kickbacks and bribes,
20 defendants TAUBER and OBUKHOFF, along with Sobol, Paquette, Papa, and
21 other Pacific Kickback Recipients would cause patients insured by
22 various health care benefit programs or subject to personal injury
23 claims or liens (collectively, "Potential Claim Payers"), to receive
24 Kickback Tainted Surgeries and Services at Pacific Hospital and
25 Affiliated Entities.

26 c. To conceal and disguise the kickback and bribe
27 arrangements from Potential Claim Payers, patients, and law
28 enforcement, the Kickback Paying Hospital Executives, through Pacific

1 Hospital and Affiliated Entities, would enter into written contracts
2 with the Pacific Kickback Recipients, including sublease agreements,
3 option agreements, marketing agreements, and pharmacy agreements.

4 d. The written contracts would not specify that one
5 purpose for the agreements would be to induce Pacific Kickback
6 Recipients to refer Kickback Tainted Surgeries and Services to
7 Pacific Hospital and Affiliated Entities. Additionally, the value or
8 consideration discussed as part of these arrangements would, in fact,
9 generally not be provided or desired; rather, the compensation would
10 be paid, entirely or in part, depending on the arrangement, to cause
11 Pacific Kickback Recipients to refer Kickback Tainted Surgeries and
12 Services to Pacific Hospital and Affiliated Entities. Relatedly, the
13 written contracts would generally allow for remuneration to Pacific
14 Kickback Recipients far in excess of any reasonable fair market value
15 assessment of legitimate services or things of value purportedly
16 contracted for -- to the extent calculated without regard to the
17 value of the Kickback Tainted Surgeries and Services.

18 e. Sobol would receive remuneration to induce his
19 referral of patients potentially requiring surgery ("Sobol
20 Referrals") to a "stable" of doctors, including, from at least 2009,
21 defendant TAUBER, and from at least in or about June 2011 to in or
22 about May 2012, defendant OBUKHOFF, who would both know of Sobol's
23 kickback arrangement with Pacific Hospital, and who would facilitate
24 that arrangement by performing surgery on Sobol Referrals at Pacific
25 Hospital. The illegal kickback and bribe payments would be provided
26 to Sobol under the guise of pharmacy and option agreements.

27 f. No later than in or about May 2010, Drobot Jr. and
28 Sobol would introduce defendant TAUBER to Drobot for the purpose of

1 arranging for remuneration to be paid to defendant TAUBER to
2 influence the referral of defendant TAUBER's own patients potentially
3 requiring spinal surgery ("Tauber Referrals") to Pacific Induced
4 Surgeons. These Pacific Induced Surgeons would include Paquette,
5 defendant OBUKHOFF, and others, who would be expected to perform such
6 surgeries at Pacific Hospital. The illegal kickback and bribe
7 payments would be provided to defendant TAUBER under the guise of a
8 sublease agreement with PSPM, which purported to sublease defendant
9 TAUBER's entire Beverly Hills office to PSPM, when, in reality,
10 defendant TAUBER, UCC-D, and PSPM, through Martin, UCC-E, and Drobot,
11 agreed and understood that PSPM would use only a fraction of the
12 office space on a frequency ranging from once per week to twice per
13 month first for Paquette, and later, defendant OBUKHOFF, to treat
14 patients defendant TAUBER referred to, between October 2010 and
15 approximately May 2011, Paquette, or, from approximately at least
16 July 2011 to 2013, defendant OBUKHOFF, for a spinal surgery consult.

17 g. Defendant OBUKHOFF would independently receive
18 remuneration to induce his performance of Kickback Tainted Surgeries
19 and Services at Pacific Hospital and Affiliated Entities. The
20 illegal kickback and bribes would be provided to defendant OBUKHOFF
21 under the guise of a bogus option agreement that provided for the
22 purported "purchase [of] assets, including stock and goodwill" of
23 defendant OBUKHOFF's medical practice purportedly located at, what
24 was, in fact, Papa's Sherman Oaks clinic. Defendant OBUKHOFF's bogus
25 option agreement further provided for fixed monthly option payments
26 of \$50,000 per month, when, in reality, the option payments varied
27 from month-to-month and were calculated based on the number of spinal
28 surgeries defendant OBUKHOFF performed at Pacific Hospital.

1 h. The Kickback Paying Hospital Executives would also
2 provide an additional inducement to defendant OBUKHOFF, through,
3 starting in or about May 2011, monthly payments to Papa, that
4 defendant OBUKHOFF would arrange with Drobot, in part, to cover the
5 rent for defendant OBUKHOFF at Papa's Sherman Oaks clinic where,
6 approximately once every other week, defendant OBUKHOFF would see
7 patients Papa would refer to him for spinal surgery consults. These
8 monthly payments to Papa would far exceed her total monthly rent
9 payments and would also be intended to provide an inducement to Papa
10 to further ensure that all her referrals to defendant OBUKHOFF would
11 be performed at Pacific Hospital.

12 i. In an effort to coordinate and capture the maximum
13 number of surgery referrals at Pacific Hospital, Kickback Paying
14 Hospital Executives would maintain, review, track, and communicate
15 about the foregoing inter-connected network of surgery referrals
16 generated by Sobol, defendants TAUBER and OBUKHOFF, Papa, Paquette,
17 and others. Drobot and UCC-F would also offset the monthly amount of
18 kickback and bribe payments owed to defendant OBUKHOFF to account for
19 kickback and bribe payments paid to Papa (and another co-conspirator)
20 for referrals to defendant OBUKHOFF.

21 j. In an attempt to evade law enforcement and avoid
22 criminal liability for the foregoing illegal kickback arrangements:

23 i. Drobot and defendant OBUKHOFF would discuss and
24 cause to be drafted an after-the-fact "Physician Development
25 Agreement" to falsely explain why PSPM paid defendant OBUKHOFF's rent
26 at defendant TAUBER's Beverly Hills office despite having no
27 contemporaneous legal justification or basis for making such rent
28 payments;

1 ii. Defendant TAUBER would instruct Paquette not to
2 openly discuss the fact that PSPM "covered" Paquette's rent at
3 defendant TAUBER's office in exchange for Paquette taking defendant
4 TAUBER's surgery referrals to Pacific Hospital; and, relatedly,

5 iii. Defendant TAUBER would spontaneously make
6 statements to co-conspirators and other individuals that his sublease
7 with PSPM was "fair market value," despite the fact that PSPM covered
8 essentially the entire lease amount for defendant TAUBER's Beverly
9 Hills medical office, while the parties to the sublease agreement
10 understood, at the time the sublease was executed, that PSPM would
11 only use a fraction of the office space on limited days of the week
12 to capture defendant TAUBER's spinal surgery referrals for the
13 benefit of Pacific Hospital and Affiliated Entities.

14 C. EFFECTS OF THE CONSPIRACY

15 34. Had Potential Claim Payers and patients known the true
16 facts regarding the payment of kickbacks for the referral of Kickback
17 Tainted Surgeries and Services performed at Pacific Hospital: (a) the
18 Potential Claim Payers would have subjected the claims to additional
19 review, would not have paid the claims, and/or would have paid a
20 lesser amount on the claims; and (b) patients would have more closely
21 scrutinized a surgery or hospital service recommendation, would have
22 sought second opinions from physicians who did not have a financial
23 conflict of interest, would not have had the surgery or service
24 performed, and/or would have insisted on a different hospital
25 facility.

26 D. OVERT ACTS

27 35. On or about the following dates, in furtherance of the
28 conspiracy and to accomplish the objects of the conspiracy, Drobot,

1 Drobot Jr., Sobol, defendant TAUBER, defendant OBUKHOFF, Papa,
2 Paquette, Martin, and other co-conspirators known and unknown to the
3 Grand Jury, committed, willfully caused others to commit, and aided
4 and abetted the commission of the following overt acts, among others,
5 within the Central District of California and elsewhere:

6 Overt Act No. 1: On or about November 3, 2008, an
7 officer working with PSPM sent an email to Drobot and others with the
8 subject "Sobol referrals," which identified patients Sobol referred
9 during September and October 2008. The list included several
10 patients that were referred to defendant TAUBER, including patient
11 C.N.

12 Overt Act No. 2: On March 10, 2009, Drobot Jr. emailed
13 Drobot, UCC-A, and others, writing:

14 Dr. Tauber has agreed to bring his Sobol referrals back to
15 PHLB. From Dec to mid March Sobol sent 15 referrals to
16 Tauber. This equates to 5/mo. Assuming not everything is
17 authorized we should expect 3-4 cases a month. He will try
18 to schedule one day a month in the OR to fulfill his
19 obligation.

20 Overt Act No. 3: On or about March 31, 2009, defendant
21 OBUKHOFF began billing for medical treatments provided at Papa's
22 Sherman Oaks clinic. Defendant OBUKHOFF did not own, operate, or
23 control the practice at this location.

24 Overt Act No. 4: On or about March 9, 2010, UCC-B sent
25 an email to defendant OBUKHOFF and Drobot stating, in part, "Dear Dr.
26 Obukhoff, attached should be the option agreement." Attached to the
27 email was an Option Agreement, in which the location of defendant
28 OBUKHOFF's practice and the Option Payment amount was blank.

1 Overt Act No. 5: On or about March 16, 2010, UCC-B sent
2 an email, with the subject "Revised Draft Agreement," to defendant
3 OBUKHOFF and Drobot stating, in part, "Dear Dr. Obukhoff, here is the
4 option agreement with the revisions we discussed with Mike Drobot."
5 The attached agreement was between Serge Obukhoff, MD, the "Optionor"
6 and PSPM, the "Optionee." The agreement stated, in part, that
7 (1) defendant OBUKHOFF "owns and operates an orthopedic medical
8 practice with offices in Southern California"; (2) that PSPM "wishes
9 to purchase [and defendant OBUKHOFF wishes to sell] the assets,
10 including the stock and goodwill, of [defendant OBUKHOFF's] medical
11 practice located in 4955 Van Nuys Blvd., Suite 407, Sherman Oaks, CA
12 9403 [sic]." In the section of the agreement titled, "Option
13 Payments," it stated that the payments, commencing on March 15, 2010,
14 shall be for \$50,000 per month for aggregate additional Option
15 Payments equal to "Ten Million Dollars (\$5,000,000) [sic]." The
16 option agreement also contained a section titled, "No Payments for
17 Referrals," which stated that "[n]o payment made or received under
18 [the agreement] . . . is in return for the referral of patients. . ."

19 Overt Act No. 6: On or about April 19, 2010, Sobol
20 emailed Drobot Jr., Drobot, and an IPM employee writing, "I assume
21 since no check ever came and there has been no contact that you guys
22 no longer wish to work with my office . . . [I] will look into my
23 other hospital options and will cancel all pending surgeries and
24 those spine consultants etc immediately[.]"

25 Overt Act No. 7: On or about May 10 and 11, 2010, Sobol,
26 Drobot Jr., and defendant TAUBER exchanged emails, wherein Sobol
27 wrote to Drobot Jr. that defendant TAUBER was "not doing my cases at
28 Pacific." Drobot Jr. responded to defendant TAUBER writing that "we

1 spoke about making sure we do 3-4 cases a month[.]” Defendant TAUBER
2 responded to Drobot Jr.: “I can assure you that I personally would
3 never intentionally take a ‘Sobol’ referral elsewhere. Clearly, my
4 office screwed up. Having said that, I have clearly brought some of
5 my own cases to Pacific and intend to bring more[.]”

6 Overt Act No. 8: As part of the same email chain
7 identified in the preceding Overt Act, on or about May 10, 2010,
8 defendant TAUBER separately emailed UCC-D, writing, “So, here is a
9 colossal screw-up that dwarfs anything else. Sobol referrals belong
10 at Pacific. I also need to add to these.”

11 Overt Act No. 9: On or about May 11, 2010, Drobot Jr.
12 emailed defendant TAUBER “[m]y father is going to call you about
13 putting a spine specialist in your office(s).”

14 Overt Act No. 10: On or about August 25, 2010, in
15 response to UCC-J cancelling an appointment with a patient referred
16 by defendant TAUBER, defendant TAUBER emailed UCC-D writing, “Michael
17 Drobot Sr offered a great solution[.]”

18 Overt Act No. 11: As part of the same email chain
19 identified in the preceding Overt Act, on or about August 25, 2010,
20 UCC-D responded to defendant TAUBER, “how much space does he want and
21 how much will he pay?”

22 Overt Act No. 12: As part of the same email chain
23 identified in the preceding two Overt Acts, on or about August 25,
24 2010, defendant TAUBER replied to UCC-D, “He wants to put a NS
25 [neurosurgeon] in offc [sic] and possiblycover [sic] it all”.

26 Overt Act No. 13: On or about September 30, 2010, UCC-D
27 sent an email to UCC-E, writing:

28

1 Nice meeting with you and [Linda Martin] the other day. I hope
2 I can be of some assistance as we move forward in this process.
3 Attached are the files you should need for a complete copy of
4 Dr. Tauber's lease.

5 The attached files related to the various lease documents for 9033
6 Wilshire Blvd., Suite 401, Beverly Hills, California, between
7 defendant TAUBER and his various landlords. One of the lease
8 documents included the "Second Amendment to Office Lease," executed
9 in 2009, which identified the office as 4,559 rentable square feet
10 with a monthly base rent of \$23,706.80 as of February 1, 2010.

11 Overt Act No. 14: On or about October 5, 2010, defendant
12 TAUBER emailed Drobot writing, in part, "A cervical surgery was done
13 at Pacific Hospital on my patient [P.B.] by [UCC-J]. We should speak
14 when you return. There are others that are my patients as well."

15 Overt Act No. 15: On or about October 12, 2010, UCC-B
16 sent an email with the subject "Tauber" to UCC-H stating, in part,
17 "Need the lease today Mike is meeting with him [defendant TAUBER]
18 tomorrow."

19 Overt Act No. 16: On or about October 20, 2010, check
20 number 18495 was issued from PSPM to JET, M.D., APC, in the amount of
21 \$23,706.80, with the memo "Sublease Beverly Hills Oct 1st 2010."

22 Overt Act No. 17: On or about October 20, 2010, UCC-E
23 emailed Drobot writing, in part, that Paquette started at Pacific
24 Hospital the previous day and that defendant TAUBER requested that
25 PSPM/Pacific Hospital "sponsor an open house at his office on
26 12/9/2010."

27 Overt Act No. 18: On or about October 20, 2010, UCC-G
28 sent an email to Drobot writing that "Tauber is saying that [UCC-J]

1 did a number of Federal w/c cases that were his @ Pacific. He wants
2 credit and not [UCC-J]."

3 Overt Act No. 19: On or about December 1, 2010, Canedo
4 sent an email to Drobot and UCC-B with the subject "Obukhoff cases,"
5 writing, in part, "The cases for Obukhoff for inpatient surgery
6 during January 1, 2010 to November 30, 2010 were as follows: . . ."
7 The email contained a listing of surgeries by type, the number of
8 surgeries in each category, and whether I2 hardware was used in
9 connection with the surgery.

10 Overt Act No. 20: As part of the email chain identified
11 in the preceding Overt Act, on or about December 2, 2010, UCC-B sent
12 an email to Drobot and Canedo writing, in part, "Based on Jim's
13 analysis, I believe the correct amount we'd owe Dr Obukhoff is
14 approximately \$431,200." The email continued with an explanation of
15 the calculation based exclusively on the number and type of surgeries
16 defendant OBUKHOFF performed while the option agreement was in place
17 and highlighted a formula where defendant OBUKHOFF was paid \$15,000
18 for each lumbar surgery with I2 hardware and \$10,000 for each
19 cervical surgery with I2 hardware, or roughly half those amounts for
20 the same surgeries performed without I2 hardware.

21 Overt Act No. 21: On or about December 13, 2010, Martin
22 sent an email to Drobot, stating, in part, "Doctor Paquette
23 embarrassed me . . . what about a plan B (I was thinking Obukhoff and
24 Tauber would hit it off)."

25 Overt Act No. 22: On or about December 13, 2010,
26 defendant TAUBER emailed Drobot, writing, "I have come to learn a
27 number of things and I believe Pacific Hospital could benefit
28 greatly." He complained about Paquette and said "[y]ou may wish to

1 manage his practice but I am going to defer to your opinions." He
2 also discussed his referral of patients to UCC-J, and complained that
3 "[UCC-J] recently took one of my referrals to TOSH. [Thousand Oaks
4 Surgical Hospital] when I wanted this done at Pacific and wanted to
5 participate." Defendant TAUBER added:

6 In my opinion, there is enough room for both Justin [Paquette]
7 and [UCC-J] in the office. I, however, will never do anything
8 without consulting you, especially since you essentially own the
9 lease. I believe that [UCC-J] could bring far more to Pacific
10 if he is permitted to participate[.]

11 Overt Act No. 23: On or about April 22, 2011, Martin sent
12 an email to Drobot, writing, in part:

13 Doctor Tauber called me today about Doctor Paquette . . . I told
14 him about our ongoing meetings with Justin and that we were
15 considering other alternatives. I brought up the name of
16 Obukhoff and he was very receptive; not only because he hears he
17 is a great surgeon but also that Obukhoff would not mind having
18 Tauber do the expert witness testimony because I know Serge
19 hates that stuff. So, Doctor Tauber sent a message to you
20 saying happy holiday and he is behind you on whatever decision
21 you make about Paquette. His loyalty is with you.

22 Overt Act No. 24: On or about May 12, 2011, UCC-E sent an
23 email to Paquette, stating, in part, "After much thought and
24 consideration we have decided not to move forward with your
25 management agreement. Over the next month we will transition the
26 existing inventory of patients to the location of your choice. . ."

27 Overt Act No. 25: As part of the email chain identified
28 in the preceding Overt Act, on or about June 9, 2011, Martin sent an

1 email to UCC-E, writing, in part, ". . . 3 more consults have come in
2 from Tauber to Paquette which I am holding until we can get
3 clarification from Mike regarding his promises to [defendant
4 OBUKHOFF] that he would get the Tauber referrals."

5 Overt Act No. 26: On or about May 24, 2011, Papa sent an
6 email to UCC-B attaching a copy of a "Consulting and Business
7 Development Agreement," between Papa and Pacific Hospital, effective
8 May 1, 2011.

9 Overt Act No. 27: On or about June 8, 2011, UCC-B sent an
10 email to Drobot, forwarding an email from Papa. UCC-B wrote:

11 Here is the message from [Papa], the chiro who feeds cases to
12 [defendant OBUKHOFF]. She is looking for \$10,000. I don't know
13 how fast we can process a check . . . I will get you the
14 contract and other information I have that may be necessary for
15 a check.

16 Overt Act No. 28: On or about June 21, 2011, defendant
17 OBUKHOFF performed surgery on patient R.M. at Pacific Hospital, based
18 on a referral from Papa.

19 Overt Act No. 29: On or about June 24, 2011, UCC-D sent
20 an email to defendant TAUBER writing, in part, "I asked Linda
21 [Martin] how they wanted the spine referrals handled as pertains to
22 Paquette and Obukoff . . . here is her reply:

23 . . . Drobot would like Doctor Tauber to refer some cases to Dr
24 Obukhoff as well as Paquette. For example, Jp [Paquette] is
25 getting so busy w hi[s] outside offices he is putting our (your)
26 patients on the back burner. He has 3 consults from you who
27 have been waiting a month to see him and he tried to cancel
28 again Monday until I stepped in . . . Dr O [defendant OBUKHOFF]

1 on the other hand rarely r/s [reschedules] unless for a real
2 surg[ical] emergency. So, perhaps dividing it up a bit might
3 keep [Paquette] focused but, ultimately, our only goal is to
4 make sure it gets to the hosp[ital.] So JET [defendant TAUBER]
5 should refer to wh[om]ever he prefers. However, remember we are
6 going to be doing PTP [primary treating physician] work and we
7 are anticipating SO [defendant OBUKHOFF] will get ortho cases to
8 refer to JET [defendant TAUBER] so I believe the relationship
9 will eventually be more reciprocal than with JP [Paquette].

10 Overt Act No. 30: On or about July 7, 2011, defendant
11 TAUBER emailed Martin and copied UCC-D, writing, in part:

12 I know you have been working on getting me to join the MPN's.
13 However, we have not heard anything and I have a number of
14 patients who want surgeries that I am unable to book yet, as a
15 result of my non-membership thus diminishing my Pacific Hospital
16 numbers. So, essentially, my patients are suffering, my Pacific
17 numbers are not what they could be, etc. What should I do?
18 Should I request applications directly? ...

19 Overt Act No. 31: On or about July 14, 2011, defendant
20 TAUBER sent Drobot and email with the subject "lease," writing,
21 "Please let me know what is happening. Thanks."

22 Overt Act No. 32: On or about July 21, 2011, defendant
23 TAUBER emailed Martin and UCC-D, writing, in part,

24 . . . I can assure you that my cases that are accepted at
25 Pacific will be done at Pacific, whether it is Paquette, [UCC-K]
26 (who I am trying to lure over), [UCC-J], or Obukhoff. In fact,
27 I was upset that [UCC-J] took a great case of mine to TOSH
28 instead of Pacific. That case came in for high six figures in

1 the settlement. I did tell Sr. and Jr. that I want the sublease
2 extended.

3 Later in the same email, defendant TAUBER wrote, "I intend to direct
4 cases to Dr. Obukhoff and establish a relationship, but part of the
5 issue is that I have plugged Paquette with so many attorneys. I will
6 do what I can for a transition."

7 Overt Act No. 33: As part of the email chain in the
8 preceding Overt Act, on or about July 21, 2011, Martin replied to
9 defendant TAUBER and UCC-D, writing, in part, "Thanks so much for
10 your support. I spoke with Mr. Drobot and he has renewed the office
11 sublease as you agreed when you met."

12 Overt Act No. 34: As part of the email chain in the
13 preceding two Overt Acts, on or about July 21, 2011, UCC-D emailed
14 defendant TAUBER, stating, in part, "I am thrilled to see they
15 renewed the lease!!"

16 Overt Act No. 35: On or about July 23, 2011, defendant
17 TAUBER sent an email to Paquette, writing, in part, "We need to speak
18 regarding the office. I was advised that as of July 1, your rent was
19 'not covered.' Clearly, we have to work out a rental agreement."

20 Overt Act No. 36: As part of the email chain in the
21 preceding Overt Act, but several emails later in the chain, on or
22 about July 28, 2011, defendant TAUBER emailed Martin writing, in
23 part, "Thank you for dinner. It was a lovely evening and I believe
24 things will work out well. I am so excited I was able to give such a
25 good referral to Dr. [O]bukhoff. I also wanted to remind you about
26 the lease extension."

27 Overt Act No. 37: As part of the email chain identified
28 in the previous two Overt Acts, on or about July 28, 2011, Martin

1 replied to defendant TAUBER writing, in part, "I woke up singing this
2 morning because I was so happy about our dinner. I knew you and Dr O
3 [defendant OBUKHOFF] would hit it off . . ." "Now we go to work. I
4 am on the sublease. Will keep you posted."

5 Overt Act No. 38: On or about July 25, 2011, defendant
6 TAUBER texted Paquette, writing, in part, "Did u get my email on
7 Sat?"

8 Overt Act No. 39: On or about July 25, as part of the
9 text message exchange referenced in the preceding Overt Act, Paquette
10 texted defendant TAUBER, writing, "Right on. I did get your email.
11 Drobot did say he would pay the rent as I was doing a lot of cases at
12 pacific, but we definitely need to sit down and get everything
13 organized . . ."

14 Overt Act No. 40: On or about July 25, 2011, as part of
15 the text message exchange identified in the two preceding Overt Acts,
16 defendant TAUBER texted Paquette, writing, "We need to talk. This is
17 not a text or email conversation."

18 Overt Act No. 41: On or about July 31, 2011, defendant
19 TAUBER sent an email to Drobot, Martin, and UCC-D, and wrote that he
20 will be moving referrals from Paquette to defendant OBUKHOFF and that
21 defendant TAUBER is notifying his referral sources of this change.

22 Overt Act No. 42: On or about August 1, 2011, defendant
23 TAUBER sent an email to Drobot highlighting that defendant TAUBER
24 referred a spinal surgery case to UCC-K and "made it clear that I
25 wanted it done at PHLB."

26 Overt Act No. 43: On or about August 2, 2011, as part of
27 the email chain identified in the preceding Overt Acts, Drobot
28 responded to defendant TAUBER and thanked him for the referral and

1 said "I would like to get more of your spine referrals from both o[f]
2 your offices, either to [UCC-K] or one of my spine physicians. I
3 believe that [UCC-K] is taking your cases elsewhere. I would prefer
4 to use our I2 implants." Drobot added that UCC-B "is preparing an
5 agreement to extend our lease on your BH [Beverly Hills] office."

6 Overt Act No. 44: On or about August 2, 2011, as part
7 of the email chain identified in the preceding two Overt Acts,
8 defendant TAUBER replied "[UCC-K] is not taking my cases elsewhere
9 any longer. I have made that clear."

10 Overt Act No. 45: On or about August 9, 2011, defendant
11 TAUBER emailed Paquette, writing, in part:

12 With respect to our meeting last Monday night, I wanted to
13 memorialize a few thoughts. The rent was going to be \$7000 per
14 month for use of the office on Mondays. If you want to change
15 your day, we need to speak and make sure that the day is
16 available. Realistically, this should have started on July 1
17 but I will make adjustments with you to be generous on my end.

18 Overt Act No. 46: On or about November 14, 2011, UCC-D
19 emailed Martin, writing, in part, "I need two items, please.
20 November's rent . . . and I am STILL waiting for a signed lease
21 extension."

22 Overt Act No. 47: As part of the email chain in the
23 preceding Overt Act, on or about November 14, 2011, Martin forwarded
24 the email to UCC-E, writing, in part, "Please remember that Mike
25 [Drobot] and Tauber verbally agreed to the lease extension . . . when
26 Tauber agreed to move all the cases over to Obukhoff."

27 Overt Act No. 48: On or about January 22, 2012, defendant
28 TAUBER sent an email to Drobot, Martin and UCC-D, writing, in part:

1 I wanted to tell you that I am very pleased with Dr. Obukhoff.
2 Additionally, I know that he likes the cases I have referred. I
3 am confident that these will be lucrative to Pacific Hospital
4 . . . in any case, we have not yet received the rent for
5 January.

6 I have a number of questions: I have been approached by others
7 who would like to use the office. If it does not interfere with
8 Dr. Obukhoff's time, do you have any objections. I don't know
9 if they will commit for certain but I do not want to "negotiate"
10 unless this is acceptable. Additionally, I do not know how long
11 a commitment you or Dr. Obukhoff want to make to the office[.]
12 I did three work comp total knees at Pacific on Friday (the last
13 was a revision).

14 Overt Act No. 49: As part of the email chain in the
15 preceding Overt Act, on or about January 22, 2012, Drobot replied to
16 defendant TAUBER and copied Martin, writing, in part:

17 I will check on the rent and get you a check tomorrow. I know
18 that [a competitor] is trying to get your spines, and I prefer
19 that he not use the office. Let's have dinner this week in
20 (Beverly Hills) . . . Let's see what it takes to keep the
21 current arrangement . . .

22 Overt Act No. 50: As part of the email chain in the
23 preceding two Overt Acts, on or about January 22, 2012, defendant
24 TAUBER replied, writing, in part, "First, I am committed to you,
25 Serge Obukhoff, and PHLB . . ." " . . . there is no way my cases go
26 elsewhere as long as we work together. Clearly, I would like a long
27 term commitment."

28 Overt Act No. 51: On or about April 16, 2012, defendant

1 TAUBER performed surgery on patient C.N. at Pacific Hospital, based
2 on a Sobol Referral.

3 Overt Act No. 52: On or about June 9, 2012, based on a
4 referral from Papa, defendant OBUKHOFF performed surgery on patient
5 I.G. at Pacific Hospital.

6 Overt Act No. 53: On or about June 27, 2012, Sobol and
7 defendant TAUBER caused HACLA to issue check number 36753, in the
8 amount of \$27,424.21, for reimbursement of the claim related to the
9 hospital-billing component for patient C.N., who defendant TAUBER
10 performed surgery on at Pacific Hospital on or about April 16, 2012,
11 based on a Sobol Referral.

12 Overt Act No. 54: On or about July 3, 2012, based on a
13 referral from defendant TAUBER, defendant OBUKHOFF performed surgery
14 on patient O.C. at Pacific Hospital.

15 Overt Act No. 55: On or about July 20, 2012, Travelers
16 Insurance mailed check number 82753548 to Pacific Hospital, in the
17 amount of \$34,372.93, for reimbursement of the claim related to the
18 hospital-billing component of the medical treatment for patient I.G.,
19 who defendant OBUKHOFF performed spinal surgery on at Pacific
20 Hospital, based on a referral from Papa.

21 Overt Act No. 56: On or about August 1, 2012, defendant
22 TAUBER sent an email to Drobot and wrote "I am pleased to note that
23 Dr. Obukhoff has done a substantial number of cases that are my
24 referrals with work comp and federal work comp coverage at PHLB."

25 Overt Act No. 57: On or about August 2, 2012, defendant
26 OBUKHOFF caused the submission of a billing claim related to medical
27 services provided to patient A.P. at Papa's Sherman Oaks clinic.

28

1 Overt Act No. 58: On or about August 21, 2012, co-
2 conspirators caused PSPM to issue check number 9990 for \$47,413.60 to
3 defendant TAUBER.

4 Overt Act No. 59: On or about September 11, 2012,
5 defendant OBUKHOFF performed surgery on patient A.P. at Pacific
6 Hospital, based on a referral from Papa.

7 Overt Act No. 60: On or about November 15, 2012, the
8 United States Treasury issued check number 403015419661 to Pacific
9 Hospital, in the amount of \$52,472.58, of which \$29,909.38 was
10 reimbursement related to the hospital-billing component of the
11 medical treatment for patient O.C., who defendant OBUKHOFF performed
12 spinal surgery on at Pacific Hospital, based on a referral from
13 defendant TAUBER.

14 Overt Act No. 61: On various unknown dates in 2012, UCC-F
15 maintained a spreadsheet with a tab for surgeries performed by
16 various surgeons each month. On this spreadsheet, surgeries
17 performed by defendant OBUKHOFF were tracked each month, including
18 the patient name, patient referral source, surgery date, hospital
19 charges, hospital collections, and the type of surgery, with specific
20 notations for lumbar and cervical spinal surgeries, and utilization
21 of I2 hardware, among other data. Referral sources for patients on
22 which defendant OBUKHOFF performed surgeries included defendant
23 TAUBER, Papa, Sobol, and others.

24 Overt Act No. 62: On or about January 3, 2013, UCC-F
25 created a spreadsheet to reconcile payments from PSPM to defendant
26 OBUKHOFF in 2012 with what was otherwise owed applying a
27 \$15,000/\$10,000 formula to defendant OBUKHOFF's respective lumbar and
28 cervical surgeries performed during 2012. The spreadsheet calculated

1 surgeries performed by defendant OBUKHOFF at Pacific Hospital each
2 month during 2012, the payment "due" to defendant OBUKHOFF for the
3 surgeries, less payments made to certain referrals sources related to
4 defendant OBUKHOFF. The calculation determined that defendant
5 OBUKHOFF was overpaid \$190,000.

6 Overt Act No. 63: On or about January 3, 2013, Golden
7 Eagle Insurance mailed check number 0882086 to Pacific Hospital, in
8 the amount of \$33,021.27, for reimbursement of the claim related to
9 the hospital-billing component of the medical treatment for patient
10 A.P., who defendant OBUKHOFF performed spinal surgery on at Pacific
11 Hospital, based on a referral from Papa.

12 Overt Act No. 64: On or about January 9, 2013, defendant
13 OBUKHOFF caused the submission of a billing claim related to medical
14 services provided to patient A.P. at defendant TAUBER's Beverly Hills
15 office.

16 Overt Act No. 65: On or about February 11, 2013, Sobol
17 emailed Drobot Jr. and Drobot writing, "since I have not gotten any
18 response and am not getting \$, it looks like I should probably cancel
19 all surgery and referrals."

20 Overt Act No. 66: On or about March 29, 2013, defendant
21 TAUBER's office manager emailed Martin writing, in part, "I'm missing
22 rent check for February, March & April."

23 Overt Act No. 67: As part of the email chain in the
24 preceding Overt Act, on or about March 30, 2013, defendant TAUBER
25 emailed his office manager, Drobot, and defendant OBUKHOFF, writing,
26 in part, "Linda Martin has not worked for Mr. Drobot for a long time.
27 I am copying him above. Michael, Happy Easter. My office manager
28

1 has just advised that the rent was not paid for Feb., March, and
2 April."

3 Overt Act No. 68: As part of the email chain in the
4 preceding two Overt Acts, on or about March 30, 2013, Drobot
5 responded to defendant TAUBER, writing, "Will check on Monday . . .
6 and catch you up."

7 Overt Act No. 69: After search warrants were executed at
8 Pacific Hospital in April 2013, on an unknown date during the summer
9 of 2013, Drobot and defendant OBUKHOFF met at L'Opera restaurant in
10 Long Beach, California, to discuss how to explain why Drobot paid
11 defendant OBUKHOFF's rent at defendant TAUBER's Beverly Hill's
12 office, despite no contractual or legal basis to do so. During the
13 meeting, Drobot and defendant OBUKHOFF discussed creating a backdated
14 agreement to provide a cover story for the rent payments PSPM
15 provided to defendant TAUBER for the benefit of defendant OBUKHOFF.

16 Overt Act No. 70: Following the meeting identified in the
17 preceding Overt Act, on an unknown date, Drobot caused to be drafted
18 a "Physician Development Agreement," written to purportedly be
19 "entered into this first day of October, 2010" that falsely re-
20 characterized PSPM's historical rent payments to defendant TAUBER as
21 a loan to defendant OBUKHOFF, which defendant OBUKHOFF would
22 purportedly repay under the terms of the "Physician Development
23 Agreement," and the promissory note attached to the agreement.

24 Overt Act No. 71: Following the delivery of the
25 "Physician Development Agreement" identified in the preceding Overt
26 Act to defendant OBUKHOFF, on an unknown date, Drobot and OBUKHOFF
27 discussed not executing the draft contract because any legitimate
28 agreement actually created prior to April 2013 would have been seized

1 by law enforcement in connection with the April 2013 search warrants
2 executed at PHLB.

3 Overt Act No. 72: On or about January 29, 2014, Drobot,
4 defendant OBUKHOFF, Papa, and others caused SCIF to mail check number
5 CT-365625 to Pacific Hospital, in the amount of \$73,833.27, for
6 reimbursement of the claim related to the hospital-billing component
7 of the medical care provided to patient J.A., who Papa referred to
8 defendant OBUKHOFF.

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1 1952 (a) ;

2 c. Knowingly and willfully soliciting or receiving
3 remuneration in return for referring an individual for the furnishing
4 and arranging for the furnishing of any item or service, and in
5 return for arranging for and recommending purchasing or ordering any
6 good, service, or item, for which payment may be made in whole or in
7 part under a federal health care program, in violation of Title 42,
8 United States Code, Section 1320a-7b(b) (1); and

9 d. Knowingly and willfully offering to pay or paying any
10 remuneration to any person to induce such person to refer an
11 individual for the furnishing and arranging for the furnishing of any
12 item or service, and to arrange for and recommend purchasing or
13 ordering any good, service, or item, for which payment may be made in
14 whole or in part under a federal health care program, in violation of
15 Title 42, United States Code, Section 1320a-7b(b) (2).

16 C. MANNER AND MEANS OF THE CONSPIRACY

17 40. The objects of the conspiracy were to be carried out, and
18 were carried out, in the following ways, among others:

19 a. Drobot Jr. would own and operate, at least in part,
20 both IPM and APS.

21 b. For the benefit of APS and Affiliates, Drobot Jr.
22 would use IPM to offer to pay and pay kickbacks and bribes in
23 exchange for the referral, purchasing, and ordering of DME, MRIs, and
24 UA/UDT (collectively, the "Kickback Tainted Ancillary Services") from
25 defendant TAUBER and others.

26 c. Defendant TAUBER would solicit and receive kickbacks
27 and bribes in exchange for the referral, purchasing, and ordering of
28 Kickback Tainted Ancillary Services that would be billed to health

1 care benefit programs, subject to personal injury claims, and/or
2 subject to liens.

3 d. Influenced by the promise of kickbacks and bribes,
4 defendant TAUBER would refer, purchase, and order Kickback Tainted
5 Ancillary Services provided by APS Affiliates, which were insured by
6 various health care benefit programs, subject to personal injury
7 claims, and/or subject to liens.

8 e. APS Affiliates would submit claims, or cause claims to
9 be submitted, by mail and electronically, to health care benefit
10 programs and personal injury law firms or attorneys (collectively,
11 "Potential Claim Payers") for payments related to the Kickback
12 Tainted Ancillary Services.

13 f. As defendant TAUBER, Drobot Jr., and others knew and
14 intended, and as was reasonably foreseeable to them, in using,
15 causing, and aiding and abetting the use of, the mails, wire
16 communications, and facilities in interstate commerce to:
17 (i) communicate about the Kickback Tainted Ancillary Services,
18 (ii) submit claims to Potential Claim Payers for the Kickback Tainted
19 Ancillary Services, and (iii) obtain payment from Potential Claim
20 Payers for the Kickback Tainted Ancillary Services, defendant TAUBER
21 would solicit and receive kickbacks and bribes, which would be
22 material to patients and Potential Claim Payers.

23 g. In soliciting and receiving concealed kickbacks and
24 bribes to induce the referral, purchase, and ordering of the Kickback
25 Tainted Ancillary Services in connection with APS and Affiliates,
26 defendant TAUBER and other medical professionals would deprive
27 patients of their right to honest services.

28

1 h. Potential Claim Payers would pay APS Affiliates for
2 the Kickback Tainted Ancillary Services by mail and electronically,
3 and APS Affiliates would compensate APS.

4 i. To conceal the foregoing kickback and bribe payments
5 from Potential Claim Payers, patients, and law enforcement, Drobot
6 Jr. and defendant TAUBER would use the Pharmacy Dispensing Agreement
7 as a vehicle to pay and receive such kickback and bribe payments. As
8 part of the concealment, (a) IPM would have no publicly disclosed
9 relationship with APS; and (b) the IPM Pharmacy Dispensing Agreement,
10 as written, would not account for, address, or otherwise involve
11 compensation from IPM to defendant TAUBER for referring, purchasing,
12 and ordering DME, MRIs, and UA/UDT for his patients.

13 j. In reality, however, defendant TAUBER would receive
14 monthly payments from IPM -- purportedly for dispensed medications --
15 that would, in fact, take into account defendant TAUBER's expected
16 referrals, purchases, and orders of the Kickback Tainted Ancillary
17 Services. For example, based on defendant TAUBER's August 2011
18 agreement with Drobot Jr. concerning UA/UDT business for APS and APS
19 Affiliate B, Drobot Jr. caused IPM to increase defendant TAUBER's
20 monthly payments under the IPM Pharmacy Dispensing Agreement --
21 purportedly for the dispensing of pharmaceuticals -- from \$8,000 to
22 \$15,000 monthly. In other instances, in exchange for defendant
23 TAUBER's promise of using APS Affiliate A for DME, Drobot Jr. would
24 not adversely adjust defendant TAUBER's monthly payments under the
25 Pharmacy Dispensing Agreement that would otherwise be lowered if the
26 value of Kickback Tainted Ancillary Services to APS and Affiliates
27 was not considered.

28

1 k. Drobot Jr., defendant TAUBER, and others would
2 maintain, review, and/or communicate about the volume of the Kickback
3 Tainted Ancillary Services to justify the monthly kickback and bribe
4 payments for Kickback Tainted Ancillary Services disguised under the
5 IPM Pharmacy Dispensing Agreement; and adjust the monthly payments
6 accordingly.

7 D. EFFECTS OF THE CONSPIRACY

8 41. Had Potential Claim Payers and patients known the true
9 facts regarding the payment of kickbacks and bribes for the referral
10 of Kickback Tainted Ancillary Services: (a) the Potential Claim
11 Payers would have subjected the claims to additional review; would
12 not have paid the claims; or would have paid a lesser amount on the
13 claims; and (b) patients would have more closely scrutinized a
14 hospital service, product purchase, or specimen collection for
15 laboratory testing; would have sought treatment from physicians who
16 did not have a financial conflict of interest; would not have had the
17 service, purchase, or test; or would have insisted on a different
18 provider.

19 E. OVERT ACTS

20 42. On or about the following dates, in furtherance of the
21 conspiracy and to accomplish the objects of the conspiracy, defendant
22 TAUBER, Drobot Jr., UCC-G, UCC-D, and other co-conspirators known and
23 unknown to the Grand Jury, committed, willfully caused others to
24 commit, and aided and abetted the commission of the following overt
25 acts, among others, within the Central District of California and
26 elsewhere:

27 Overt Act No. 1: On or about May 20, 2008, an IPM
28 financial officer sent an email to Drobot Jr. noting that defendant

1 TAUBER's \$15,000 monthly advance appeared "high based on pharmacy
2 alone. I assume there are other marketing factors at play."

3 Overt Act No. 2: As part of the same email chain
4 identified in the preceding Overt Act, Drobot Jr. replied, "yes,
5 there are other things [than just pharmacy alone]."

6 Overt Act No. 3: On an unknown date, Drobot Jr. and
7 defendant TAUBER executed an additional "Amendment to Physician
8 Office Dispensing Program Management Agreement," which set forth an
9 internal effective date of January 29, 2009, and converted the
10 January 3, 2005 Physician Office Dispensing Program Management
11 Agreement to a "Claims Purchase and Assignment" Agreement (i.e., the
12 Pharmacy Dispensing Agreement). The amendment further provided for
13 monthly payments from IPM of \$12,500 to JET, M.D., APC.

14 Overt Act No. 4: On or about March 10, 2009, an
15 additional amendment to Pharmacy Dispensing Agreement decreased the
16 monthly claims purchase payment amount to \$10,000.

17 Overt Act No. 5: On February 18, 2010, Drobot Jr. sent
18 an email to UCC-G and an IPM financial officer advising that Drobot
19 Jr. had dinner with defendant TAUBER the previous night. Drobot Jr.
20 added that:

21 [D]ue to the cash loss IPM is experiencing with his med[ication
22 dispensing] program, [defendant TAUBER] will increase his DME
23 (currently at \$4700/mo[nth] gross charges) to a target of
24 \$10,000/mo[nth]. [Defendant TAUBER] will also guarantee us 10-
25 15 MRIs a month as long as they are sent to Rad Net.

26 Overt Act No. 6: On or about March 15, 2010, an employee
27 of IPM sent an email to Drobot Jr. writing that she would be meeting
28 with defendant TAUBER the following day to discuss MRIs. The IPM

1 employee inquired: "Is there anything you want me to concentrate on
2 specifically?"

3 Overt Act No. 7: As part of the email chain identified
4 in the preceding Overt Act, on or about March 15, 2010, Drobot Jr.
5 replied: "MRIs and [defendant TAUBER] is supposed to kick up his
6 [DME] order with [APS Affiliate A]."

7 Overt Act No. 8: On or about April 2, 2010, an IPM
8 employee sent an email to Drobot Jr. writing, "Dr. Tauber has only
9 referred 1 MRI since we started a little over a week ago. You might
10 want to call him if he is supposed to be giving us 10/monthly?"

11 Overt Act No. 9: As part of the email chain identified
12 in the preceding Overt Act, on or about April 2, 2010, Drobot Jr.
13 forwarded the email to defendant TAUBER and stated, "Dr. Tauber, is
14 there anything on our side that is holding up the MRIs?"

15 Overt Act No. 10: As part of the email chain in the
16 preceding two Overt Acts, which was forwarded to defendant TAUBER, on
17 or about April 2, 2010, defendant TAUBER replied, "I have begun."

18 Overt Act No. 11: On or about May 10, 2010, Drobot Jr.
19 emailed defendant TAUBER writing, in part, "We also spoke about
20 increasing DME and MRI. Please let me know." Drobot Jr. then emailed
21 an IPM employee and wrote, "please work with Tauber's office to
22 ensure we get the scans [MRIs] to the right places." Drobot Jr.
23 later forwarded this email chain to defendant TAUBER, asking
24 defendant TAUBER for his assistance.

25 Overt Act No. 12: On or about June 22, 2010, Drobot Jr.,
26 UCC-G, a representative from APS Affiliate B, and an IPM financial
27 officer sent emails to each other regarding defendant TAUBER's lack
28 of DME referrals. UCC-G wrote: "[Drobot Jr.]? Any suggestions? I

1 could call [defendant TAUBER] but \$ is the only thing that works with
2 him."

3 Overt Act No. 13: As part of the email chain identified
4 in the preceding Overt Act, on or about June 22, 2010, Drobot Jr.
5 requested that an IPM financial officer amend defendant TAUBER's
6 Pharmacy Dispensing Agreement to "lower him to \$8k [per month]."

7 Overt Act No. 14: As part of the email chain identified
8 in the preceding two Overt Acts, on or about June 22, 2010, an IPM
9 financial officer wrote, referring to the value of defendant TAUBER's
10 in-office dispensing of medications to IPM, "His pharmacy is worth
11 \$5k at most. . ."

12 Overt Act No. 15: On or about June 22, 2010, defendant
13 TAUBER sent an email to Drobot Jr. with the subject line "contract,"
14 writing that he left Drobot Jr. several messages and wanted to speak
15 with him.

16 Overt Act No. 16: As part of the email chain identified
17 in the preceding Overt Act, on or about June 23, 2010, defendant
18 TAUBER emailed Drobot Jr., writing, in part:

19 [W]e only recently instituted the PI drug program and I have
20 been prescribing substantially as that part of my practice has
21 increased. Also, I have attempted to turn you on to other MD's
22 but never heard from you. Also, there are others coming into my
23 offices and I believe there is yet more opportunity for you.
24 These are matters we need to discuss personally rather than via
25 email.

26 Overt Act No. 17: As part of the email chain identified
27 in the preceding two Overt Acts, on or about June 24, 2010, Drobot
28 Jr. replied to defendant TAUBER clarifying: "Yes, I agree. My

1 inquiry is solely about DME. You mentioned you would participate a
2 little more which has not happened. If you can, then we have no
3 problems."

4 Overt Act No. 18: As part of the email chain identified
5 in the preceding three Overt Acts, on or about June 25, 2010, a
6 representative for APS Affiliate A informed Drobot Jr., UCC-G, and
7 others that defendant TAUBER's Beverly Hills office "hasn't ordered
8 in several months, possibly 5-6 orders in the entire last year," and
9 added that "[i]f he wants to start ordering from Beverly Hills,
10 great. He can start w/ using us on his spine cases he refers to
11 [UCC-J], not to mention stim on all his work comp pts."

12 Overt Act No. 19: As part of the email chain identified
13 in the preceding four Overt Acts, on or about June 25, 2010, Drobot
14 Jr. emailed defendant TAUBER writing, "Dr. Tauber, are you willing to
15 order [APS Affiliate A] on at least [UCC-J] referrals, etc? This
16 would make things easier and we would not make any cuts. Please let
17 me know if this is possible."

18 Overt Act No. 20: As part of the email chain in the
19 preceding five Overt Acts, on or about June 25, 2010, defendant
20 TAUBER replied to Drobot Jr. writing, "As long as [UCC-J] goes along.
21 I will talk to him."

22 Overt Act No. 21: As part of the email chain in the
23 preceding six Overt Acts, on or about June 28, 2010, Drobot Jr.
24 emailed UCC-G and a representative from APS Affiliate A writing,
25 "Let's hold his feet to the fire and make sure this gets done
26 immediately".

27 Overt Act No. 22: On or about November 21, 2010, Drobot
28 Jr. emailed an IPM financial officer requesting that he put a profit

1 sheet together with the year-to-date information on defendant
2 TAUBER's account because Drobot Jr. "want(s) to show him that we are
3 losing in order to cut him to \$8,000."

4 Overt Act No. 23: On or about December 10, 2010, IPM
5 issued check number 7691 for \$8,000 to JET, M.D., APC.

6 Overt Act No. 24: On or about August 16, 2010, Drobot Jr.
7 sent an email to multiple IPM employees and a representative with APS
8 Affiliate A, writing, in part, that Drobot Jr. just spoke to
9 defendant TAUBER who "is willing to give us some MRI and DME."

10 Overt Act No. 25: On or about July 10, 2011, Martin
11 emailed Drobot writing, in part:

12 . . . I have been having ongoing discussions with Doctor Tauber
13 and his manager, [UCC-D], regarding upcoming Urine Analysis
14 Program. Unfortunately, so has [Drobot Jr.]. [Drobot Jr.] is
15 representing things to [defendant TAUBER] that you should
16 address. I have tried my best to explain the legalities of the
17 programs but it's not enough . . .

18 Overt Act No. 26: On or about July 10, 2011, IPM issued
19 check number 8873 for \$8,000 to JET, M.D., APC.

20 Overt Act No. 27: On or about July 11, 2011, UCC-G
21 emailed Drobot Jr. and notified him that Drobot was soliciting
22 defendant TAUBER to refer his toxicology business to Drobot's
23 competing company, rather than through APS, and is "offering to pay
24 rent for Tauber."

25 Overt Act No. 28: As part of the email chain identified
26 in the preceding Overt Act, on or about July 11, 2011, Drobot Jr.
27 replied that Drobot "is already paying rent . . . but that is for the
28 spines, nothing else . . . Dad would need to add something for Tauber

1 . . . " UCC-G responded: "Tauber said that he will offer more for
2 rent???"

3 Overt Act No. 29: As part of the email chain identified
4 in the preceding two Overt Acts, on or about July 11, 2011, Drobot
5 Jr. replied to UCC-G, writing, in part, "Too bad we already have a
6 deal . . . and RENT is NOT the most legal way to do this . . . our
7 pharm contract is . . . besides we will offer more."

8 Overt Act No. 30: On or about July 14, 2011, Drobot Jr.
9 met with defendant TAUBER and UCC-D to discuss capturing defendant
10 TAUBER's UA/UDT referrals through APS.

11 Overt Act No. 31: As part of the meeting described in the
12 preceding Overt Act, Drobot Jr. provided defendant TAUBER and IPM
13 check (#8935) for \$7,000.

14 Overt Act No. 32: On or about July 16, 2011, Drobot Jr.
15 emailed defendant TAUBER, writing, in part, "We would still love to
16 show you a first class UDT program . . . Please let me know[.]"

17 Overt Act No. 33: On or about July 21, 2011, UCC-D sent
18 an email to defendant TAUBER, writing, in part, "I think I [should]
19 wait to cash [Drobot Jr.'s] c[hec]k [referring to check number 8935
20 for \$7,000] until we have something in writing about the lease . . .
21 what do y[o]u think?"

22 Overt Act No. 34: On or about August 2, 2011, Martin sent
23 an email to Drobot and wrote that she had spoken with defendant
24 TAUBER "regarding the UA but he is still torn between our program and
25 Michael Jr.'s." Martin added that "we again discussed the legalities
26 of each program and he has decided he is going to ask Michael to
27 produce a written legal opinion that his program does not violate
28 STARK."

1 Overt Act No. 35: On or about August 2, 2011, defendant
2 TAUBER sent an email to Drobot Jr. requesting a legal opinion that
3 would say that Drobot Jr.'s toxicology program is "legal" and "does
4 not violate Stark."

5 Overt Act No. 36: On or about August 9, 2011, defendant
6 TAUBER emailed Drobot Jr. regarding "ua" and wrote, "your dad
7 essentially gave me the go ahead to do this with you. I still would
8 like a legal opinion that it is legal."

9 Overt Act No. 37: On or about August 22, 2011, Drobot Jr.
10 emailed defendant TAUBER an opinion letter from an attorney regarding
11 "UDT," and asked if it was sufficient to "move forward." The
12 attached legal opinion, dated August 21, 2011, discussed an
13 arrangement involving APS and APS Affiliate B, without any
14 discussion, reference, or acknowledgement of IPM or defendant TAUBER.

15 Overt Act No. 38: On or about August 26, 2011, Drobot Jr.
16 emailed IPM employees writing, in part, "Tauber just told me we are a
17 go with UDT, just need to send him the signed amend[ment] again."

18 Overt Act No. 39: On or about August 26, 2011, Drobot Jr.
19 emailed defendant TAUBER a contract amendment to the Pharmacy
20 Dispensing Agreement to provide that, purportedly effective October
21 1, 2011, IPM "shall purchase all pharmaceutical claims arising from
22 Physician's Dispensing Program for the sum of Fifteen Thousand
23 Dollars (\$15,000) per month."

24 Overt Act No. 40: On or about September 9, 2011,
25 defendant TAUBER caused IPM check number 8935 for \$7,000, issued on
26 July 14, 2011, to be deposited into defendant TAUBER's 3002 PacWest
27 Bank Acct.

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1 Overt Act No. 41: On or about September 10, 2011, IPM
2 issued check number 9319 for \$15,000 to JET, M.D., APC.

3 Overt Act No. 42: On or about September 22, 2011, an IPM
4 employee emailed other IPM employees noting that defendant TAUBER
5 would start UA/UDT testing in his Glendale office on October 6, 2011
6 and his Beverly Hills office on October 11, 2011.

7 Overt Act No. 43: On or about October 10, 2011, IPM
8 issued check number 9499 for \$15,000 to JET, M.D., APC.

9 Overt Act No. 44: On or about October 17, 2011, employees
10 at APS Affiliate B emailed Drobot Jr. and others a tally of the
11 UA/UDT tests performed at defendant TAUBER's offices.

12 Overt Act No. 45: On or about October 20, 2011, defendant
13 TAUBER emailed Drobot Jr. with the subject "urine" and asked for a
14 sample letter that he could send insurance companies indicating that
15 defendant TAUBER reviewed each urine test. In response, Drobot Jr.
16 referred defendant TAUBER to another IPM employee for assistance and
17 wrote, "I believe what you are looking for is called a supplemental
18 report which allows you to bill and [sic] extra \$151 per cup on your
19 [professional] billings."

20 Overt Act No. 46: On or about November 30, 2011, an
21 employee at APS Affiliate B sent an email to Drobot Jr. inquiring
22 whether there were any new accounts, and if defendant TAUBER was the
23 last new account.

24 Overt Act No. 47: As part of the email chain identified
25 in the preceding Overt Act, on or about November 30, 2011, Drobot Jr.
26 replied, writing, "yes, working on them. Most importantly [sic] is
27 keeping the ones we have . . . these guys are becoming very greedy."
28

1 Overt Act No. 48: On or about January 22, 2012, defendant
2 TAUBER emailed Drobot Jr. with the subject "urine testing," writing:
3 You would not believe how many people have approached me in the
4 last 2 weeks over this. All are questioning if I am collecting
5 enough. This is just exploding. Clearly, when this is so
6 rampant, it won't last so hay needs to be made while the sun is
7 shining.

8 Overt Act No. 49: On or about December 27, 2012, Drobot
9 Jr. and defendant TAUBER caused a payment to be sent from the United
10 States Treasury to APS Affiliate B, of which \$1,219.60 was for
11 reimbursement of the claim related to the toxicology billing in
12 connection with patient O.C., for whom defendant TAUBER ordered
13 UA/UDT on or about December 8, 2012.

14 Overt Act No. 50: On or about January 2, 2013, an IPM
15 financial officer sent an email to defendant TAUBER's office manager,
16 writing that IPM would be billing in-office dispensed medications
17 under defendant TAUBER's name and tax identification number for all
18 dates of service after December 31, 2012. Attached to the email was
19 a summary spreadsheet of the IPM agreement with defendant TAUBER for
20 2012. The spreadsheet showed monthly collections and subtracted out
21 monthly expenses associated with the program, which included the
22 \$15,000 per month that was paid to defendant TAUBER purportedly only
23 for pharmaceutical claims. The balance of the account at the end of
24 2012 was a debt of \$172,543.66, indicating that IPM had lost this
25 amount of money on the account since the inception of the Pharmacy
26 Dispensing Agreement (without taking into account the value of
27 Kickback Tainted Ancillary Services provided by APS Affiliates).

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1 Overt Act No. 51: On or about April 16, 2013, Drobot Jr.
2 sent an email to defendant TAUBER, copying an attorney for IPM.
3 Drobot Jr. wrote:

4 Dr. Tauber, per our meeting today this email will memorialize
5 our agreement to terminate the medication management agreement
6 no later than April 30, 2013 . . . Again, it is with great
7 regret that we cannot continue to do business in CA with you due
8 to drastic financial difficulties caused by new regulations in
9 California. I look forward to doing business with you in the
10 future under better circumstances.

11 Overt Act No. 52: On or about July 23, 2013, defendant
12 TAUBER caused his office manager to email Drobot Jr. with "the final
13 invoice for Dr. Tauber's office." The attached invoice was for
14 \$15,000 per month for "Rx- Dec 2012," "Rx-Jan 2013," "Rx- Feb 2013,"
15 and "Rx-March 2013," for a total of \$60,000.

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COUNTS THREE THROUGH FIVE

[18 U.S.C. §§ 1341, 1346, 2(b)]

43. Paragraphs 1 through 30 and 33 through 35 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

A. THE SCHEME TO DEFRAUD

44. Beginning on a date unknown, but from no later than in or around 2009, and continuing through at least in or around 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, Drobot, defendants TAUBER and OBUKHOFF, and others known and unknown to the Grand Jury at various times, knowingly and with intent to defraud, devised, participated in, and executed a scheme to defraud patients of their right to honest services of their physicians' performance of duties as treating physicians and medical providers by soliciting, offering, accepting, and paying bribes and kickbacks to induce the referral of Kickback Tainted Surgeries and Services to Pacific Hospital and Affiliated Entities.

B. OPERATION OF THE SCHEME TO DEFRAUD

45. The fraudulent scheme operated, in substance, as set forth in paragraph 33 of this Indictment, focusing particularly on Tauber Referrals to defendant OBUKHOFF.

C. USE OF THE MAILS

46. On or about the following dates, within the Central District of California, and elsewhere, Drobot, defendants TAUBER and OBUKHOFF, and other co-schemers, for the purpose of executing the above-described scheme to defraud, willfully caused the following items to be placed in a post office and authorized depository for

1 mail matter to be delivered by the Postal Service, as set forth
2 below:

COUNT	APPROXIMATE DATE	MAILING
THREE	08/15/2012	The mailing of a claim for reimbursement from Pacific Hospital to United Healthcare in Atlanta, Georgia, for the hospital-billing component of medical care provided to patient S.R., based on a surgery performed by defendant OBUKHOFF at Pacific Hospital on or about July 31, 2012.
FOUR	10/26/2012	Check (#1883474186) from Zurich American Insurance Company, in the amount of \$84,631.19, to Pacific Hospital for reimbursement of the claim related to the hospital-billing component of the medical care provided to patient D.S., who defendant OBUKHOFF performed spinal surgery on at Pacific Hospital on or about August 7, 2012, based on a referral from defendant TAUBER.
FIVE	11/15/2012	Check number 403015419661 from the United States Treasury, in the amount of \$52,472.58, to Pacific Hospital, of which \$29,909.38 was in reimbursement of the claim related to the hospital-billing component of the medical care provided to patient O.C., who defendant OBUKHOFF performed spinal surgery on at Pacific Hospital on or about July 3, 2012, based on a referral from defendant TAUBER.

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COUNTS SIX THROUGH ELEVEN

[18 U.S.C. §§ 1343, 1346, 2(b)]

47. Paragraphs 1 through 30 and 33 through 35 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

A. THE SCHEME TO DEFRAUD

48. Beginning on a date unknown, but from no later than April 2010, and continuing through at least in or around August 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, Drobot, defendants TAUBER and OBUKHOFF, and others known and unknown to the Grand Jury, knowingly and with intent to defraud, devised, participated in, and executed a scheme to defraud patients of their right to honest services of their physicians' performance of duties as treating physicians and medical providers by soliciting, offering, accepting, and paying bribes and kickbacks to induce the referral of Kickback Tainted Surgeries and Services to Pacific Hospital and Affiliated Entities.

B. OPERATION OF THE SCHEME TO DEFRAUD

49. The fraudulent scheme operated, in substance, as set forth in paragraph 33 of this Indictment, focusing particularly on Tauber Referrals to defendant OBUKHOFF.

C. USE OF INTERSTATE WIRES

50. On or about the following dates, within the Central District of California, and elsewhere, Drobot, defendants TAUBER and OBUKHOFF, and other co-schemers, for the purpose of executing the above-described scheme to defraud, transmitted and caused the transmission of items by means of wire communication in interstate commerce, as set forth below:

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COUNT	APPROXIMATE DATE	INTERSTATE WIRE TRANSMISSION
SIX	8/03/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$80,000 from PSPM's 9511 First Citizens Bank Acct to the SO, M.D., APC Wells Fargo Bank Acct ending in 0489 in California ("defendant OBUKHOFF's 0489 WFB Acct").
SEVEN	8/31/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$47,413.60 from PSPM's 9511 First Citizens Bank Acct to defendant TAUBER's 3002 PacWest Bank Acct.
EIGHT	9/28/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$80,000 from PSPM's 9511 First Citizens Bank Acct to defendant OBUKHOFF's 0489 WFB Acct.
NINE	10/22/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$60,000 from PSPM's 9511 First Citizens Bank Acct to defendant OBUKHOFF's 0489 WFB Acct.
TEN	11/28/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$23,706.80 from PSPM's 9511 First Citizens Bank Acct to defendant TAUBER's 3002 PacWest Bank Acct.
ELEVEN	8/14/2013	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$71,120.40 from First Medical Management's First Citizens Bank Account ending in 7187 in California ("FMM's 7187 First Citizen's Bank Acct") to defendant TAUBER's 3002 PacWest Bank Acct.

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COUNTS TWELVE THROUGH FOURTEEN

[18 U.S.C. § 1952(a)(3); 18 U.S.C. § 2]

51. Paragraphs 1 through 30, 33 through 35, 46, and 50 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

52. On or about the dates set forth below, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, Drobot, defendants TAUBER and OBUKHOFF, and others, used, aided and abetted the use of, and willfully caused the use of, the mail and facilities in interstate commerce, with the intent to otherwise promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, namely, kickbacks and bribes in violation of California Business & Professions Code Section 650 and California Insurance Code Section 750, and thereafter performed, attempted to perform, and aided and abetted and willfully caused the performance of an act to promote, manage, establish, and carry on, and to facilitate the promotion, management, establishment, and carrying on of such unlawful activity as follows:

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COUNT	DATE	USE OF MAIL OR FACILITY IN INTERSTATE COMMERCE	ACTS PERFORMED THEREAFTER
TWELVE	6/29/12	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$23,706.80 from PSPM's 9511 First Citizens Bank Acct to defendant TAUBER's 3002 PacWest Bank Acct.	On or about November 15, 2012, defendants TAUBER and OBUKHOFF caused the mailing of check number 403015419661 from the United States Treasury to Pacific Hospital in the amount of \$52,472.58, of which \$29,909.38 was for reimbursement for the hospital-billing component of medical care provided to patient O.C., based on a surgery defendant OBUKHOFF performed at Pacific Hospital on or about July 3, 2012.
THIRTEEN	08/15/2012	The mailing of a claim for reimbursement from Pacific Hospital to United Healthcare in Atlanta, Georgia, for the hospital-billing component of the medical care provided to patient S.R., who defendant OBUKHOFF performed surgery on at Pacific Hospital on or about July 31, 2012.	Defendants TAUBER and OBUKHOFF caused the mailing of check PH 84869876 from United Healthcare Services, Inc., in the amount of \$30,574.65, to Pacific Hospital for reimbursement of the claim related to the hospital-billing component of the medical care provided to patient S.R., who defendant OBUKHOFF performed spinal surgery on at Pacific Hospital on or about July 31, 2012, based on a referral from Tauber.

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COUNT	DATE	USE OF MAIL OR FACILITY IN INTERSTATE COMMERCE	ACTS PERFORMED THEREAFTER
FOURTEEN	10/22/12	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$60,000 from PSPM's 9511 First Citizens Bank Acct to defendant OBUKHOFF's 0489 WFB Acct.	On or about October 26, 2012, defendants TAUBER and OBUKHOFF caused Zurich to pay Pacific Hospital \$84,631.19 for reimbursement of the claim related to the hospital-billing component of the medical care provided to patient D.S., who defendant OBUKHOFF performed spinal surgery on at Pacific Hospital on or about August 7, 2012, based on a referral from defendant TAUBER.

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COUNTS FIFTEEN THROUGH NINETEEN

[18 U.S.C. §§ 1341, 1346, 2(b)]

53. Paragraphs 1 through 30 and 36 through 42 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

A. THE SCHEME TO DEFRAUD

54. Beginning on an unknown date, but no later than in or about May 2008, and continuing through at least in or about April 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, defendant TAUBER, Drobot Jr., and others known and unknown to the Grand Jury at various times, knowingly and with intent to defraud, devised, participated in, and executed a scheme to defraud patients of their right to honest services of their physicians' performance of duties as treating physicians and medical providers by soliciting, offering, accepting, and paying bribes and kickbacks to induce the referral, purchasing, and/or ordering of Kickback Tainted Ancillary Services to APS and Affiliates.

B. OPERATION OF THE SCHEME TO DEFRAUD

55. The fraudulent scheme operated, in substance, as set forth in paragraph 40 of this Indictment.

C. USE OF THE MAILS

56. On or about the following dates, within the Central District of California, and elsewhere, defendant TAUBER, Drobot Jr., and other co-schemers, for the purpose of executing the above-described scheme to defraud, willfully caused the following items to be placed in a post office and authorized depository for mail matter to be delivered by the Postal Service, as set forth below:

COUNT	APPROXIMATE DATE	MAILING
FIFTEEN	6/27/2012	The mailing of a claim for reimbursement from APS Affiliate B to DOL-OWCP in London, Kentucky for toxicology testing in connection with patient S.G., for whom defendant TAUBER ordered UA/UDT on or about June 26, 2012.
SIXTEEN	11/20/2012	The mailing of a claim for reimbursement from APS Affiliate B to DOL-OWCP in London, Kentucky for toxicology testing for patient L.B., for whom defendant TAUBER caused toxicology testing to be performed on or about November 17, 2012.
SEVENTEEN	11/30/2012	The mailing of a claim for reimbursement from APS Affiliate B to DOL-OWCP in London, Kentucky for toxicology testing in connection with patient H.J., for whom defendant TAUBER ordered UA/UDT on or about November 28, 2012
EIGHTEEN	12/11/2012	The mailing of a claim for reimbursement from APS Affiliate B to DOL-OWCP in London, Kentucky for toxicology testing in connection with patient O.C., for whom defendant TAUBER ordered UA/UDT on or about December 8, 2012.
NINETEEN	12/21/2012	The mailing of a claim for reimbursement from APS Affiliate B to DOL-OWCP in London, Kentucky for toxicology testing in connection with patient R.R., for whom defendant TAUBER ordered UA/UDT on or about December 19, 2012.

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COUNTS TWENTY THROUGH TWENTY-TWO

[18 U.S.C. §§ 1343, 1346, 2(b)]

57. Paragraphs 1 through 30 and 36 through 42 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

A. THE SCHEME TO DEFRAUD

58. Beginning on an unknown date, but no later than in or about May 2008, and continuing through at least in or about April 2013, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, defendant TAUBER, Drobot Jr., and others known and unknown to the Grand Jury at various times, knowingly and with intent to defraud, devised, participated in, and executed a scheme to defraud patients of their right to honest services of their physicians' performance of duties as treating physicians and medical providers by soliciting, offering, accepting, and paying kickbacks and bribes to induce the referral, purchasing, and ordering of Kickback Tainted Ancillary Services to APS and Affiliates.

B. OPERATION OF THE SCHEME TO DEFRAUD

59. The fraudulent scheme operated, in substance, as set forth in paragraph 40 of this Indictment.

C. USE OF INTERSTATE WIRES

60. On or about the following dates, within the Central District of California, and elsewhere, defendant TAUBER, Drobot Jr., and other co-schemers, for the purpose of executing the above-described scheme to defraud, transmitted and caused the transmission of items by means of wire communication in interstate commerce, as set forth below:

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COUNT	APPROXIMATE DATE	INTERSTATE WIRE TRANSMISSION
TWENTY	10/17/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$15,000 from IPM's 2122 City National Acct to defendant TAUBER's 3002 PacWest Bank Acct, in connection with the clearing of a check dated October 10, 2012.
TWENTY- ONE	11/19/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$15,000 from IPM's 2122 City National Acct to defendant TAUBER's 3002 PacWest Bank Acct, in connection with the clearing of a check dated November 10, 2012.
TWENTY- TWO	12/17/2012	Interstate wire through Federal Reserve Bank servers in Dallas, Texas, effectuating a transfer of \$15,000 from IPM's 2122 City National Acct to defendant TAUBER's 3002 PacWest Bank Acct, in connection with the clearing of a check dated December 10, 2012.

COUNTS TWENTY-THREE AND TWENTY-FOUR

[42 U.S.C. § 1320a-7b(b) (1) (A); 18 U.S.C. § 2]

61. Paragraphs 1 through 30 and 33 through 35 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

62. On or about the dates set forth below, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, defendant TAUBER knowingly and willfully solicited and received, and willfully caused to be solicited and received, remuneration, directly and indirectly, overtly and covertly, in cash and in kind, as identified below, in return for referring patients for the furnishing and arranging for the furnishing of items and services, that is, Kickback Tainted Surgeries and Services at Pacific Hospital, for which payment was made in whole and in part under a Federal health care program, namely, the FECA program:

COUNT	REFERRAL SOURCE / PATIENT	SURGEON / DATE OF SERVICE / KICKBACK TAINTED SURGERY OR SERVICE	REMUNERATION
TWENTY-THREE	Defendant TAUBER / Patient O.C.	Defendant OBUKHOFF / 07/03/2012 / Spinal Surgery	Rent check number 19864, dated June 15, 2012, in the amount of \$23,706.80, from PSPM to defendant TAUBER.
TWENTY-FOUR	Defendant TAUBER / Patient M.M.	Defendant OBUKHOFF / 08/02/2013 / Spinal Surgery	Rent check number 14812, dated August 2, 2013, in the amount of \$71,120.40, from FMM to defendant TAUBER.

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COUNT TWENTY-FIVE

[42 U.S.C. § 1320a-7b(b) (1) (A); 18 U.S.C. § 2]

63. Paragraphs 1 through 30 and 33 through 35 of this Indictment, including all subparagraphs, are re-alleged and incorporated by reference as if fully set forth herein.

64. On or about September 27, 2012, in Orange and Los Angeles Counties, within the Central District of California, and elsewhere, defendant OBUKHOFF knowingly and willfully solicited and received, and willfully caused to be solicited and received, remuneration, directly and indirectly, overtly and covertly, in cash and in kind, namely, check number 20064, in the amount of \$80,000, in return for referring patients for the furnishing and arranging for the furnishing of items and services, that is, Kickback Tainted Surgeries and Services at Pacific Hospital, including, a spinal surgery on patient O.C. on or about July 3, 2012, for which payment was made in whole and in part under a Federal health care program, namely, the FECA program.

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FORFEITURE ALLEGATION ONE

[18 U.S.C. §§ 982(a)(7), 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

65. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is hereby given to defendants TAUBER and OBUKHOFF (collectively, the "defendants") that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Sections 982(a)(7) and 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction under Count One or any of Counts Three through Fourteen of this Indictment.

66. Defendants shall forfeit to the United States the following property:

a. all right, title, and interest in any and all property, real or personal, that constitutes or is derived, directly or indirectly, from the gross proceeds traceable to the commission of any offense set forth in Count One or any of Counts Three through Fourteen of this Indictment; and

b. a sum of money equal to the total value of the property described in subparagraph a. If more than one defendant is found guilty under Count One or any of Counts Three through Fourteen of this Indictment, each such defendant found guilty shall be liable for the entire amount forfeited pursuant to that Count.

67. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 982(b), each defendant shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as a result of any act or omission of a defendant, the property described in the preceding paragraph, or any portion thereof (a) cannot be located upon the

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

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FORFEITURE ALLEGATION TWO

[18 U.S.C. §§ 982(a)(7), 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

68. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is hereby given to defendant TAUBER that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Sections 982(a)(7) and 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of defendant TAUBER's conviction under Count Two or any of Counts Fifteen through Twenty-Four of this Indictment.

69. Defendant TAUBER shall forfeit to the United States the following property:

a. all right, title, and interest in any and all property, real or personal, that constitutes or is derived, directly or indirectly, from the gross proceeds traceable to the commission of any offense set forth in Count Two or any of Counts Fifteen through Twenty-Four of this Indictment; and

b. a sum of money equal to the total value of the property described in subparagraph a.

70. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 982(b), defendant TAUBER shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as a result of any act or omission of defendant TAUBER, the property described in the preceding paragraph, or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the Court; (d) has been substantially diminished in

1 value; or (e) has been commingled with other property that cannot be
2 divided without difficulty.

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FORFEITURE ALLEGATION THREE

[18 U.S.C. §§ 982(a)(7), 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

71. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is hereby given to defendant OBUKHOFF that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Sections 982(a)(7) and 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of defendant OBUKHOFF's conviction under Count Twenty-Five of this Indictment.

72. Defendant OBUKHOFF shall forfeit to the United States the following property:

a. all right, title, and interest in any and all property, real or personal, that constitutes or is derived, directly or indirectly, from the gross proceeds traceable to the commission of any offense set forth in Count Twenty-Five of this Indictment; and

b. a sum of money equal to the total value of the property described in subparagraph a.

73. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 982(b), defendant OBUKHOFF shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as a result of any act or omission of defendant OBUKHOFF, the property described in the preceding paragraph, or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the

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1 jurisdiction of the Court; (d) has been substantially diminished in
2 value; or (e) has been commingled with other property that cannot be
3 divided without difficulty.

4 A TRUE BILL

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7 _____
Foreperson

8
9 TRACY L. WILKISON
10 Attorney for the United States,
Acting Under Authority Conferred
11 by 28 U.S.C. § 515

12 

13 LAWRENCE S. MIDDLETON
14 Assistant United States Attorney
Chief, Criminal Division

15 DENNISE D. WILLETT
16 Assistant United States Attorney
Chief, Santa Ana Branch Office

17 JOSEPH T. MCNALLY
18 Assistant United States Attorney
Deputy Chief, Santa Ana Branch Office

19 ASHWIN JANAKIRAM
20 Assistant United States Attorney
Major Frauds Section

21 SCOTT D. TENLEY
22 Assistant United States Attorney
23 Santa Ana Branch Office

EXHIBIT 2

1 TRACY L. WILKISON
Attorney for the United States,
2 Acting Under Authority Conferred
by 28 U.S.C. § 515
3 LAWRENCE S. MIDDLETON
Assistant United States Attorney
4 Chief, Criminal Division
JOSEPH T. MCNALLY (Cal. Bar No. 250289)
5 ASHWIN JANAKIRAM (Cal. Bar No. 277513)
SCOTT D. TENLEY (Cal. Bar No. 298911)
6 Assistant United States Attorneys
United States Courthouse
7 411 West Fourth Street
Santa Ana, California 92701
8 Telephone: (213) 894-2875
Facsimile: (714) 338-3561
9 Email: ashwin.janakiram@usdoj.gov

10 Attorneys for Plaintiff
UNITED STATES OF AMERICA

11 UNITED STATES DISTRICT COURT
12 FOR THE CENTRAL DISTRICT OF CALIFORNIA
13

14 UNITED STATES OF AMERICA,
15 Plaintiff,
16 v.
17 JACOB E. TAUBER,
18 Defendant.
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SA No. CR 18-140-JLS-1
PLEA AGREEMENT FOR
DEFENDANT JACOB E. TAUBER

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

26 DEFENDANT'S OBLIGATIONS

27 2. Defendant agrees to:

28 a. At the earliest opportunity requested by the USAO and

1 provided by the Court, appear and plead guilty to count two of the
2 indictment in United States v. Jacob E. Tauber and Serge Obukhoff, SA
3 CR 18-140-JLS, which charges defendant with Conspiracy, in violation
4 of 18 U.S.C. § 371.

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

6 c. Abide by all agreements regarding sentencing contained
7 in this agreement.

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

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

15 f. Be truthful at all times with Pretrial Services, the
16 United States Probation Office, and the Court.

17 g. Pay the applicable special assessments at or before
18 the time of sentencing unless defendant lacks the ability to pay and
19 prior to sentencing submits a completed financial statement on a form
20 to be provided by the USAO.

21 h. Not seek the discharge of any restitution obligation,
22 in whole or in part, in any present or future bankruptcy proceeding.

23 i. Defendant understands and acknowledges that as a
24 result of pleading guilty pursuant to this agreement, defendant will
25 be excluded from Medicare, Medicaid, and all Federal health care
26 programs. Defendant agrees to complete and execute all necessary
27 documents provided by the United States Department of Health and
28 Human Services, or any other department or agency of the federal

1 government, to effectuate this exclusion within 60 days of receiving
2 the documents. This exclusion will not affect defendant's right to
3 apply for and receive benefits as a beneficiary under any Federal
4 health care program, including Medicare and Medicaid.

5 3. Defendant further agrees:

6 i. Truthfully to disclose to law enforcement
7 officials, at a date and time to be set by the USAO, the location of,
8 defendant's ownership interest in, and all other information known to
9 defendant about, all monies, properties, and/or assets of any kind,
10 derived from or acquired as a result of, or used to facilitate the
11 commission of, defendant's illegal activities, and to forfeit all
12 right, title, and interest in and to such items, specifically
13 including all right, title, and interest in and to all United States
14 currency, property and assets, which defendant admits constitutes the
15 proceeds of defendant's illegal activity and were used to facilitate
16 defendant's criminal activity in violation of 18 U.S.C. §§ 371,
17 including the objects of the conspiracy (the "Forfeitable Property").

18 b. To withdraw any claim defendant may have submitted to
19 any federal agency in any administrative forfeiture proceedings
20 commenced by that agency with respect to the Forfeitable Property.
21 Defendant further waives his rights, if any, to any initial or
22 further notice relative to any administrative forfeiture proceedings.
23 Defendant understands, acknowledges, and agrees that the Forfeitable
24 Property shall, at the sole election of the United States of America,
25 be administratively forfeited to the United States of America without
26 any further notice.

27 c. To the entry, as part of defendant's guilty plea, of a
28 personal money judgment of forfeiture against defendant in the amount

1 of five hundred twenty five thousand dollars (\$525,000), which sum
2 defendant admits defendant obtained, received and possessed as a
3 result of violations of 18 U.S.C. §§ 371, and which judgment
4 defendant agrees can be enforced against assets owned by defendant.
5 Defendant agrees to pay the personal money judgment of forfeiture as
6 follows:

7 (i) Within sixty (60) days of the entry of
8 defendant's guilty plea, defendant shall pay \$500,000 by delivering
9 to the USAO a cashier's check payable to the government entity
10 identified in writing by the USAO; and

11 (ii) At least thirty (30) days before defendant's
12 sentencing, defendant shall pay \$25,000 by delivering to the USAO a
13 cashier's check payable to the government entity identified in
14 writing by the USAO.

15 d. The parties agree that defendant will not receive any
16 credit towards his forfeiture obligation herein based on any amounts
17 defendant pays or paid in connection with the resolution of any civil
18 claims, voluntary asset turnovers, or administrative forfeitures
19 initiated prior to the effective date of this agreement.

20 Notwithstanding the foregoing, the parties agree that the amount
21 forfeited under this agreement shall be credited towards any court
22 ordered restitution imposed against defendant, and that any
23 restitution payment defendant makes in the above-captioned case shall
24 be credited towards his forfeiture obligation.

25 e. To refrain from contesting the forfeiture (by filing a
26 claim, statement of interest, petition for an ancillary proceeding,
27 petition for remission or otherwise) of the Forfeitable Property in
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1 any administrative or judicial proceeding, or assisting any other
2 person or entity in falsely contesting the forfeiture of the
3 Forfeitable Property in any administrative or judicial proceeding.

4 f. To take all steps necessary to pass to the United
5 States of America clear title to the Forfeitable Property, including,
6 without limitation, the execution of consent judgments of forfeiture,
7 the entry of any additional money judgments of forfeiture, the
8 identification of all monies, properties and assets of any kind owned
9 and/or controlled by defendant, the liquidation of any item of the
10 Forfeitable Property in the manner required by the United States of
11 America in its sole discretion, the transmission of any item of the
12 Forfeitable Property to the United States of America upon request by
13 the USAO and the completion of any other legal documents required for
14 the transfer of title to the Forfeitable Property to the United
15 States of America.

16 g. To prevent the disbursement of the Forfeitable
17 Property without the authorization of the USAO, if such disbursements
18 are within defendant's direct or indirect control.

19 h. To the Court's entry of an order of forfeiture at or
20 before sentencing with respect to the Forfeitable Property and to the
21 forfeiture of the Forfeitable Property. Defendant knowingly and
22 voluntarily waives (i) the requirements of Federal Rules of Criminal
23 Procedure 32.2 and 43(a) regarding notice of the forfeiture in the
24 charging instrument, announcement of the forfeiture at sentencing,
25 and incorporation of the forfeiture in the judgment; (ii) all
26 constitutional and statutory challenges in any manner (including by
27 direct appeal, habeas corpus, or any other means) to any forfeiture
28 carried out in accordance with this agreement on any grounds; and

1 (iii) all constitutional, legal and equitable defenses to the
2 forfeiture of the Forfeitable Property in any proceeding on any
3 grounds including, without limitation, that the forfeiture
4 constitutes an excessive fine or punishment. Defendant also
5 acknowledges and understands that the forfeiture of the Forfeitable
6 Property is part of the sentence that may be imposed in this case and
7 waives any failure by the Court to advise defendant of this, pursuant
8 to Rule 11(b)(1)(J), at the time defendant's guilty plea is accepted.

9 4. Defendant further agrees to cooperate fully with the USAO,
10 Federal Bureau of Investigation, United States Postal Service-Office
11 of Inspector General, IRS-Criminal Investigation, and California
12 Department of Insurance, and, as directed by the USAO, any other
13 federal, state, local, or foreign prosecuting, enforcement,
14 administrative, or regulatory authority. This cooperation requires
15 defendant to:

16 a. Respond truthfully and completely to all questions
17 that may be put to defendant, whether in interviews, before a grand
18 jury, or at any trial or other court proceeding.

19 b. Attend all meetings, grand jury sessions, trials or
20 other proceedings at which defendant's presence is requested by the
21 USAO or compelled by subpoena or court order.

22 c. Produce voluntarily all documents, records, or other
23 tangible evidence relating to matters about which the USAO, or its
24 designee, inquires.

25 d. If requested to do so by the USAO, act in an
26 undercover capacity to the best of defendant's ability in connection
27 with criminal investigations by federal, state, local, or foreign law
28 enforcement authorities, in accordance with the express instructions

1 of those law enforcement authorities. Defendant agrees not to act in
2 an undercover capacity, tape record any conversations, or gather any
3 evidence except after a request by the USAO and in accordance with
4 express instructions of federal, state, local, or foreign law
5 enforcement authorities.

6 5. For purposes of this agreement: (1) "Cooperation
7 Information" shall mean any statements made, or documents, records,
8 tangible evidence, or other information provided, by defendant
9 pursuant to defendant's cooperation under this agreement; and
10 (2) "Plea Information" shall mean any statements made by defendant,
11 under oath, at the guilty plea hearing and the agreed to factual
12 basis statement in this agreement.

13 THE USAO'S OBLIGATIONS

14 6. The USAO agrees to:

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

16 b. Abide by all agreements regarding sentencing contained
17 in this agreement.

18 c. At the time of sentencing, move to dismiss the
19 remaining counts of the indictment as against defendant. Defendant
20 agrees, however, that at the time of sentencing the Court may
21 consider any dismissed charges in determining the applicable
22 Sentencing Guidelines range, the propriety and extent of any
23 departure from that range, and the sentence to be imposed.

24 d. Except for criminal tax violations (including
25 conspiracy to commit such violations chargeable under 18 U.S.C.
26 § 371), not further criminally prosecute defendant for violations
27 arising out of defendant's conduct described in the agreed-to factual
28 basis set forth in paragraph 17 below and in the attached Exhibit A.

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

9 e. Subject to paragraph 19, at the time of sentencing,
10 provided that defendant demonstrates an acceptance of responsibility
11 for the offense up to and including the time of sentencing, recommend
12 a two-level reduction in the applicable Sentencing Guidelines offense
13 level, pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary,
14 move for an additional one-level reduction if available under that
15 section.

16 f. Recommend that defendant be sentenced to a term of
17 imprisonment no higher than the low end of the applicable Sentencing
18 Guidelines range, provided that the offense level used by the Court
19 to determine that range is 19 or higher. For purposes of this
20 agreement, the low end of the Sentencing Guidelines range is that
21 defined by the Sentencing Table in U.S.S.G. Chapter 5, Part A,
22 without regard to reductions in the term of imprisonment that may be
23 permissible through the substitution of community confinement or home
24 detention as a result of the offense level falling within Zone B or
25 Zone C of the Sentencing Table.

26 7. The USAO further agrees:

27 a. Not to offer as evidence in its case-in-chief in the
28 above-captioned case or any other criminal prosecution that may be

1 brought against defendant by the USAO, or in connection with any
2 sentencing proceeding in any criminal case that may be brought
3 against defendant by the USAO, any Cooperation Information.
4 Defendant agrees, however, that the USAO may use both Cooperation
5 Information and Plea Information: (1) to obtain and pursue leads to
6 other evidence, which evidence may be used for any purpose, including
7 any criminal prosecution of defendant; (2) to cross-examine defendant
8 should defendant testify, or to rebut any evidence offered, or
9 argument or representation made, by defendant, defendant's counsel,
10 or a witness called by defendant in any trial, sentencing hearing, or
11 other court proceeding; and (3) in any criminal prosecution of
12 defendant for false statement, obstruction of justice, or perjury.

13 b. Not to use Cooperation Information against defendant
14 at sentencing for the purpose of determining the applicable guideline
15 range, including the appropriateness of an upward departure, or the
16 sentence to be imposed, and to recommend to the Court that
17 Cooperation Information not be used in determining the applicable
18 guideline range or the sentence to be imposed. Defendant
19 understands, however, that Cooperation Information will be disclosed
20 to the probation office and the Court, and that the Court may use
21 Cooperation Information for the purposes set forth in U.S.S.G
22 § 1B1.8(b) and for determining the sentence to be imposed.

23 c. In connection with defendant's sentencing, to bring to
24 the Court's attention the nature and extent of defendant's
25 cooperation.

26 d. If the USAO determines, in its exclusive judgment,
27 that defendant has both complied with defendant's obligations under
28 paragraphs 2 through 4 above and provided substantial assistance to

1 law enforcement in the prosecution or investigation of another
2 ("substantial assistance"), to move the Court pursuant to U.S.S.G.
3 § 5K1.1 to fix an offense level and corresponding guideline range
4 below that otherwise dictated by the sentencing guidelines, and to
5 recommend a term of imprisonment within this reduced range.

6 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

7 8. Defendant understands the following:

8 a. Any knowingly false or misleading statement by
9 defendant will subject defendant to prosecution for false statement,
10 obstruction of justice, and perjury and will constitute a breach by
11 defendant of this agreement.

12 b. Nothing in this agreement requires the USAO or any
13 other prosecuting, enforcement, administrative, or regulatory
14 authority to accept any cooperation or assistance that defendant may
15 offer, or to use it in any particular way.

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

21 d. The USAO's determination whether defendant has
22 provided substantial assistance will not depend in any way on whether
23 the government prevails at any trial or court hearing in which
24 defendant testifies or in which the government otherwise presents
25 information resulting from defendant's cooperation.

26 NATURE OF THE OFFENSE

27 9. Defendant understands that for defendant to be guilty of
28 the crime charged in count two of the indictment, that is,

1 conspiracy, in violation of Title 18, United States Code, Section
2 371, the following must be true: (1) between in or about May 2008 and
3 in or about April 2013, there was an agreement between two or more
4 persons to commit violations of Title 18, United States Code,
5 Sections 1341, 1343, and 1346 (Honest Services Mail and Wire Fraud);
6 and Title 42, United States Code, Section 1320a-7b(b) (1)
7 (Solicitation/Receipt of Kickbacks in Connection with a Federal
8 Health Care Program)); (2) the defendant became a member of the
9 conspiracy knowing of at least one of its objects and intending to
10 help accomplish it; and (3) one of the members of the conspiracy
11 performed at least one overt act for the purpose of carrying out the
12 conspiracy.

13 10. Defendant understands that Honest Services Mail and Wire
14 Fraud, in violation of Title 18, United States Code, Sections 1341
15 and 1346, and 1343 and 1346, each an object of the conspiracy charged
16 in count two of the indictment, has the following elements: (1) the
17 defendant devised or participated in a scheme or plan to deprive a
18 patient of his or her right to honest services; (2) the scheme or
19 plan included payments of bribes and kickbacks to medical
20 professionals in exchange for medical services or items; (3) the
21 medical professionals owed a fiduciary duty to the patients; (4) the
22 defendant acted with the intent to defraud by depriving the patients
23 of their right of honest services of the medical professionals; (5)
24 the defendant's act was material, that is, it had a natural tendency
25 to influence, or was capable of influencing, a patient's acts; and
26 (6) the defendant used, or caused someone to use, the mails and a
27 wire communication to carry out or attempt to carry out the scheme or
28 plan.

1 11. Defendant understands that Receipt of Kickbacks in
2 Connection with a Federal Health Care Program, in violation of Title
3 42, United States Code, Sections 1320a-7b(b)(1), an object of the
4 conspiracy charged in count two of the indictment, has the following
5 elements: (1) defendant knowingly and willfully received
6 remuneration, directly or indirectly, in cash or in kind, from
7 another person; (2) the remuneration was given to induce defendant to
8 refer an individual for the furnishing or arranging for the
9 furnishing of any item or service for which payment may be made in
10 whole or in part under a Federal health care program; and (3)
11 defendant knew that such payment of remuneration was illegal.

12 PENALTIES AND RESTITUTION

13 12. Defendant understands that the statutory maximum sentence
14 that the Court can impose for a violation of Title 18, United States
15 Code, Section 371, as charged in count two of the indictment, is:
16 five years' imprisonment, a three-year period of supervised release;
17 a fine of \$250,000 or twice the gross gain or gross loss resulting
18 from the offense, whichever is greater; and a mandatory special
19 assessment of \$100.

20 13. Defendant understands that defendant will be required to
21 pay full restitution to the victims of the offense to which defendant
22 is pleading guilty. Defendant agrees that, in return for the USAO's
23 compliance with its obligations under this agreement, the Court may
24 order restitution to persons other than the victims of the offense to
25 which defendant is pleading guilty and in amounts greater than those
26 alleged in the count to which defendant is pleading guilty. In
27 particular, defendant agrees that the Court may order restitution to
28 any victim of any of the following for any losses suffered by that

1 victim as a result: (a) any relevant conduct, as defined in U.S.S.G.
2 § 1B1.3, in connection with the offenses to which defendant is
3 pleading guilty; and (b) any charges not prosecuted pursuant to this
4 agreement as well as all relevant conduct, as defined in U.S.S.G.
5 § 1B1.3, in connection with those charges.

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

15 15. Defendant understands that, by pleading guilty, defendant
16 may be giving up valuable government benefits and valuable civic
17 rights, such as the right to vote, the right to possess a firearm,
18 the right to hold office, and the right to serve on a jury.
19 Defendant understands that once the court accepts defendant's guilty
20 plea, it will be a federal felony for defendant to possess a firearm
21 or ammunition. Defendant understands that the conviction in this
22 case may also subject defendant to various other collateral
23 consequences, including but not limited to revocation of probation,
24 parole, or supervised release in another case, mandatory exclusion
25 from providing services for any federal health care benefit program
26 for at least five years, and suspension or revocation of a
27 professional license. Defendant understands that unanticipated
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1 collateral consequences will not serve as grounds to withdraw
2 defendant's guilty plea.

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

13 FACTUAL BASIS

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

23 SENTENCING FACTORS

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

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

8 19. Pursuant U.S.S.G. § 1B1.2(a), defendant and the USAO
9 stipulate and agree to the following applicable Sentencing Guidelines
10 factors, based on the application of U.S.S.G. § 2B4.1:

11 Base Offense Level:	8	[U.S.S.G. § 2B4.1(a)(2)]
12 Specific Offense 13 Characteristics		
14 Value of Improper Benefit 15 Conferred to Pacific Hospital (between \$250K and \$550K):	+12	[U.S.S.G. § 2B4.1(b)(1)(G)]
16 Abuse of Position of Trust:	+2	[U.S.S.G. § 3B1.3]
17 Acceptance of Responsibility:	-3	[U.S.S.G. § 3E1.1(a)]
18 Total offense level:	19	

19 The USAO will agree to a two-level downward adjustment for acceptance
20 of responsibility (and, if applicable, move for an additional one-
21 level downward adjustment under U.S.S.G. § 3E1.1(b)) only if the
22 conditions set forth in paragraphs 2 through 4 are met and if
23 defendant has not committed, and refrains from committing, acts
24 constituting obstruction of justice within the meaning of U.S.S.G. §
25 3C1.1, as discussed below. Subject to paragraph 33 below, defendant
26 and the USAO agree not to seek or argue, either orally or in writing,
27 that any other specific offense characteristics, adjustments, or
28 departures relating to the offense level be imposed. Defendant

1 agrees, however, that if, after signing this agreement but prior to
2 sentencing, defendant were to commit an act, or the USAO were to
3 discover a previously undiscovered act committed by defendant prior
4 to signing this agreement, which act, in the judgment of the USAO,
5 constituted obstruction of justice within the meaning of U.S.S.G.
6 § 3C1.1, the USAO would be free to seek the enhancement set forth in
7 that section and to argue that defendant is not entitled to a
8 downward adjustment for acceptance of responsibility under U.S.S.G. §
9 3E1.1.

10 20. Defendant understands that there is no agreement as to
11 defendant's criminal history or criminal history category.

12 21. Defendant and the USAO reserve the right to argue for a
13 sentence outside the sentencing range established by the Sentencing
14 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
15 (a)(2), (a)(3), (a)(6), and (a)(7).

16 WAIVER OF STATUTE OF LIMITATIONS

17 22. Having been fully advised by defendant's attorney regarding
18 application of the statute of limitations to the offense to which
19 defendant is pleading guilty, defendant hereby knowingly,
20 voluntarily, and intelligently waives, relinquishes, and gives up:
21 (a) any right that defendant might have not to be prosecuted for the
22 offense to which defendant is pleading guilty because of the
23 expiration of the statute of limitations for the offense prior to the
24 filing of the indictment alleging that offense; and (b) any defense,
25 claim, or argument defendant could raise or assert that prosecution
26 of the offense to which defendant is pleading guilty is barred by the
27 expiration of the applicable statute of limitations, pre-indictment
28 delay, or any speedy trial violation.

1 appeal defendant's conviction on the offense to which defendant is
2 pleading guilty.

3 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

4 25. Defendant agrees that, provided the Court imposes a term of
5 imprisonment within the total statutory maximum, defendant gives up
6 the right to appeal all of the following: (a) the procedures and
7 calculations used to determine and impose any portion of the
8 sentence; (b) the term of imprisonment imposed by the Court; (c) the
9 fine imposed by the court, provided it is within the statutory
10 maximum; (d) the amount and terms of any restitution order; (e) the
11 term of probation or supervised release imposed by the Court,
12 provided it is within the statutory maximum; and (f) any of the
13 following conditions of probation or supervised release imposed by
14 the Court: the conditions set forth in General Orders 318, 01-05,
15 and/or 05-02 of this Court; the drug testing conditions mandated by
16 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug use
17 conditions authorized by 18 U.S.C. § 3563(b)(7).

18 26. Defendant also gives up any right to bring a post-
19 conviction collateral attack on the conviction or sentence, including
20 any order of restitution, except a post-conviction collateral attack
21 based on a claim of ineffective assistance of counsel, a claim of
22 newly discovered evidence, or an explicitly retroactive change in the
23 applicable Sentencing Guidelines, sentencing statutes, or statutes of
24 conviction.

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

28

1 RESULT OF WITHDRAWAL OF GUILTY PLEA

2 28. Defendant agrees that if, after entering a guilty plea
3 pursuant to this agreement, defendant seeks to withdraw and succeeds
4 in withdrawing defendant's guilty plea on any basis other than a
5 claim and finding that entry into this plea agreement was
6 involuntary, then (a) the USAO will be relieved of all of its
7 obligations under this agreement, including in particular its
8 obligations regarding the use of Cooperation Information; (b) in any
9 investigation, criminal prosecution, or civil, administrative, or
10 regulatory action, defendant agrees that any Cooperation Information
11 and any evidence derived from any Cooperation Information shall be
12 admissible against defendant, and defendant will not assert, and
13 hereby waives and gives up, any claim under the United States
14 Constitution, any statute, or any federal rule, that any Cooperation
15 Information or any evidence derived from any Cooperation Information
16 should be suppressed or is inadmissible; and (c) should the USAO
17 choose to pursue any charge that was not filed as a result of this
18 agreement, then (i) any applicable statute of limitations will be
19 tolled between the date of defendant's signing of this agreement and
20 the filing commencing any such action; and (ii) defendant waives and
21 gives up all defenses based on the statute of limitations, any claim
22 of pre-indictment delay, or any speedy trial claim with respect to
23 any such action, except to the extent that such defenses existed as
24 of the date of defendant's signing this agreement.

25 EFFECTIVE DATE OF AGREEMENT

26 29. This agreement is effective upon signature and execution of
27 all required certifications by defendant, defendant's counsel, and an
28 Assistant United States Attorney.

BREACH OF AGREEMENT

1
2 30. Defendant agrees that if defendant, at any time after the
3 effective date of this agreement, knowingly violates or fails to
4 perform any of defendant's obligations under this agreement ("a
5 breach"), the USAO may declare this agreement breached. For example,
6 if defendant knowingly, in an interview, before a grand jury, or at
7 trial, falsely accuses another person of criminal conduct or falsely
8 minimizes defendant's own role, or the role of another, in criminal
9 conduct, defendant will have breached this agreement. All of
10 defendant's obligations are material, a single breach of this
11 agreement is sufficient for the USAO to declare a breach, and
12 defendant shall not be deemed to have cured a breach without the
13 express agreement of the USAO in writing. If the USAO declares this
14 agreement breached, and the Court finds such a breach to have
15 occurred, then:

16 a. If defendant has previously entered a guilty plea
17 pursuant to this agreement, defendant will not be able to withdraw
18 the guilty plea.

19 b. The USAO will be relieved of all its obligations under
20 this agreement; in particular, the USAO: (i) will no longer be bound
21 by any agreements concerning sentencing and will be free to seek any
22 sentence up to the statutory maximum for the crime to which defendant
23 has pleaded guilty; and (ii) will no longer be bound by any agreement
24 regarding the use of Cooperation Information and will be free to use
25 any Cooperation Information in any way in any investigation, criminal
26 prosecution, or civil, administrative, or regulatory action.

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

3 d. In any investigation, criminal prosecution, or civil,
4 administrative, or regulatory action: (i) defendant will not assert,
5 and hereby waives and gives up, any claim that any Cooperation
6 Information was obtained in violation of the Fifth Amendment
7 privilege against compelled self-incrimination; and (ii) defendant
8 agrees that any Cooperation Information and any Plea Information, as
9 well as any evidence derived from any Cooperation Information or any
10 Plea Information, shall be admissible against defendant, and
11 defendant will not assert, and hereby waives and gives up, any claim
12 under the United States Constitution, any statute, Rule 410 of the
13 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
14 Criminal Procedure, or any other federal rule, that any Cooperation
15 Information, any Plea Information, or any evidence derived from any
16 Cooperation Information or any Plea Information should be suppressed
17 or is inadmissible.

18 31. Following the Court's finding of a knowing breach of this
19 agreement by defendant, should the USAO choose to pursue any charge
20 that was not filed as a result of this agreement, then:

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

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

1 regarding the sentence defendant will receive, except that it will be
2 within the statutory maximum.

3 NO ADDITIONAL AGREEMENTS

4 35. Defendant understands that, except as set forth in this
5 agreement, there are no promises, understandings, or agreements
6 between the USAO and defendant or defendant's attorney, and that no
7 additional promise, understanding, or agreement may be entered into
8 unless in a writing signed by all parties or on the record in court.

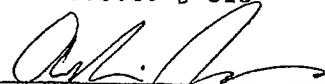
9 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

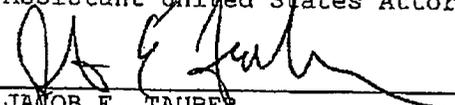
10 36. The parties agree that this agreement will be considered
11 part of the record of defendant's guilty plea hearing as if the
12 entire agreement had been read into the record of the proceeding.

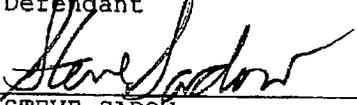
13 AGREED AND ACCEPTED

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

16 TRACY L. WILKISON
17 Attorney for the United States,
18 Acting Under Authority Conferred
19 by 28 U.S.C. § 515

19 
20 _____ Date 10/21/2018
21 ASHWIN JANAKIRAM
22 Assistant United States Attorney

21 
22 _____ Date 9/12/18
23 JACOB E. TAUBER
24 Defendant

23 
24 _____ Date 9/17/18
25 STEVE SADOW
26 Attorney for Defendant
27 JACOB E. TAUBER
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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 charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.



JACOB E. TAUBER
Defendant

9/12/18

Date

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CERTIFICATION OF DEFENDANT'S ATTORNEY

I am JACOB E. TAUBER'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.



STEVE SADOW
Attorney for Defendant
JACOB E. TAUBER

9/17/18
Date

1 **EXHIBIT A**

2 **STATEMENT OF FACTS**

3 Relevant Entities

4 Pacific Hospital of Long Beach ("Pacific Hospital"), was a
5 hospital located in Long Beach, California, specializing in
6 surgeries, particularly spinal and orthopedic surgeries. Along with
7 others, Michael D. Drobot ("Drobot") owned and/or operated Pacific
8 Hospital at all relevant times. Drobot and his co-conspirators also
9 controlled Pacific Specialty Physician Management, Inc. ("PSPM"),
10 which was a corporation headquartered in Newport Beach, California,
11 that was used to enter into contractual arrangements with referral
12 sources to disguise and conceal illegal kickback payments.

13 California Pharmacy Management LLC ("CPM") and Industrial
14 Pharmacy Management LLC ("IPM") were limited liability companies,
15 headquartered in Newport Beach, California, that operated and managed
16 a pharmaceutical dispensing program in medical clinics for
17 physicians. Drobot and Michael R. Drobot Jr. ("Drobot Jr.") owned
18 and/or operated CPM. Drobot principally owned and controlled IPM
19 until approximately 2010, when Drobot Jr. assumed ownership and
20 control of IPM.

21 Advanced Practice Services, Inc., doing business as Advance
22 Pharmacy Services ("APS"), was a "marketing" entity owned and
23 controlled by Drobot Jr. that steered ancillary service referrals,
24 purchases, and orders involving magnetic resonance imaging ("MRIs"),
25 toxicology testing, and durable medical equipment ("DME") to business
26 affiliates that paid APS for generating such business, including APS
27 Affiliate A, which was a DME provider, and APS Affiliate B, which was

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1 a laboratory that performed toxicology testing (collectively, "APS
2 Affiliates.")

3 The Kickback Arrangements

4 Defendant was an orthopedic surgeon based in Beverly Hills and
5 Glendale, California, who, during the relevant time period, performed
6 primarily non-spinal surgeries and generally referred spinal
7 surgeries to other surgeons. At all relevant times, defendant owed a
8 fiduciary duty to his patients. Beginning no later than May 2008 and
9 continuing through at least April 2013, defendant, along with Drobot,
10 Drobot Jr., and others, agreed to participate and did, in fact,
11 knowingly participate in two distinct illegal arrangements to pay and
12 receive kickbacks in exchange for referring surgeries and other
13 patient-related services to Pacific Hospital and APS Affiliates.

14 First, Drobot Jr. paid defendant kickbacks and bribes for the
15 referral of ancillary services, such as MRIs, toxicology, and DME
16 (collectively, the "Kickback Tainted Ancillary Services"). As Drobot
17 Jr. and defendant had entered into a pharmaceutical dispensing
18 agreement starting in January 2005, Drobot Jr. and defendant used
19 that agreement as vehicle to pay and disguise kickbacks and bribes
20 for Kickback Tainted Ancillary Services. To this end, CPM/IPM had no
21 publicly disclosed relationship with APS, and defendant's pharmacy
22 agreement, as written, would not account for compensation from
23 CPM/IPM to defendant for referring, purchasing, and ordering DME,
24 MRIs, and toxicology testing for his patients. In reality, however,
25 defendant would receive monthly payments from IPM -- purportedly for
26 dispensed medications -- that would, in fact, take into account
27 defendant's expected or actual referrals, purchases, and orders of
28 the Kickback Tainted Ancillary Services.

1 For example, based on defendant's August 2011 arrangement with
2 Drobot Jr. concerning toxicology business for APS and APS Affiliate
3 B, Drobot Jr. caused IPM to increase defendant's monthly payments
4 under the pharmacy agreement -- purportedly for the dispensing of
5 pharmaceuticals -- from \$8,000 to \$15,000 monthly. In other
6 instances, in exchange for defendant's promise to use APS Affiliate A
7 for DME, Drobot Jr. did not adversely adjust defendant's monthly
8 payments under the pharmacy agreement that would have otherwise been
9 lowered if the value of Kickback Tainted Ancillary Services to APS
10 Affiliates was not considered.

11 Second, no later than in or about May 2010, Drobot Jr.
12 introduced defendant to Drobot to arrange for kickbacks and bribes to
13 be paid to defendant to incentivize him to refer his patients
14 potentially requiring spinal surgeries to Pacific Hospital. Starting
15 in October 2010, illegal kickback and bribe payments from Drobot,
16 through PSPM, were provided to defendant under the guise of a
17 sublease agreement, which purported to sublease defendant's entire
18 Beverly Hills office to PSPM, when, in reality, defendant, Drobot,
19 and other co-conspirators agreed and understood that PSPM would use
20 only a fraction of the office space on a frequency ranging from once
21 per week to twice per month for a spinal surgeon linked to Pacific
22 Hospital to examine spinal surgery candidates referred by defendant.
23 Justin Paquette, initially, and later, co-defendant Serge Obukhoff
24 visited defendant's Beverly Hills office to conduct the surgical
25 consults. Defendant understood that these surgeons had financial
26 incentives to perform any resulting surgeries at Pacific Hospital,
27 including the fact that PSPM paid the otherwise applicable rent for
28 Paquette and co-defendant Obukhoff with no legal basis for doing so,

1 such that a surgical referral to either of the surgeons was
2 tantamount to a referral to Pacific Hospital. Defendant further
3 understood that -- to incentivize defendant to refer patients to
4 these surgeons -- the sublease payments he received far exceeded the
5 fair market value of the space PSPM, Paquette, or co-defendant
6 Obukhoff actually used or intended to use for any purpose.

7 Defendant and his co-conspirators knew that the payment of
8 bribes and kickbacks for the referral of patients and ordering of
9 ancillary services was illegal. Defendant and his co-conspirators
10 further understood that the respective contractual arrangements
11 referenced above were used as a vehicle to disguise and conceal
12 illegal kickback and bribe payments. Defendant knew that had he
13 stopped referring patients to Pacific Hospital or ordering ancillary
14 services through APS, the payments under these contractual
15 arrangements would have ended. Moreover, the payment of kickbacks
16 for the referral of patients and ordering of ancillary services were
17 material to health care benefit programs and patients. Finally, the
18 use of interstate wires and mailings to execute essential parts of the
19 scheme was foreseeable to defendant; and interstate wires and mailings
20 were, in fact, used to execute essential parts of the scheme, including
21 bribe and kickback payments to defendant and his co-conspirators.

22 Between May 2008 and April 2013, CPM/IPM paid defendant at least
23 \$900,000, a portion of which represented kickback and bribe payments
24 for ancillary services, including approximately \$126,000 paid for
25 toxicology referrals to APS Affiliate B. In turn, PSPM and
26 affiliated entities paid defendant at least \$782,000 under the
27 aforementioned sublease agreement for the Beverly Hills office, based
28 on monthly payments of \$23,706.80, while the fair market value of

1 PSPM's actual and intended use of the office did not exceed \$11,500
2 per month.

3 In furtherance of the conspiracy and to accomplish its objects,
4 defendant and his co-conspirators committed various overt acts within
5 the Central District of California, and elsewhere, as set forth in
6 count two of the indictment in United States v. Jacob E. Tauber and
7 Serge Obukhoff, SA CR 18-140-JLS.

8 These stipulated facts are not meant to indicate that defendant
9 provided any patients with substandard medical care or that any
10 treatment he provided or prescribed was not medically necessary.

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EXHIBIT 3

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

CRIMINAL MINUTES - ARRAIGNMENT

Case Number: 8:18-CR-00140(A)-JLS

Recorder: CS 10/29/2018

Date: 10/29/2018

Present: The Honorable Douglas F. McCormick, U.S. Magistrate Judge

Court Clerk: Nancy Boehme

Assistant U.S. Attorney: Jennifer Waier

United States of America v.	Attorney Present for Defendant(s)	Language	Interpreter
SERGE OBUKHOFF Bond	Michael H. Artan and Glen Jonas Retained		

PROCEEDINGS: ARRAIGNMENT OF DEFENDANT(S) AND ASSIGNMENT OF CASE .

Defendant is arraigned.

Defendant is given a copy of the First Superseding Indictment.

Defendant acknowledges receipt of a copy and waives reading thereof.

Defendant pleads not guilty to all counts in the First Superseding Indictment.

All dates previously set remain.

Trial estimate: 8-10 days.

Defendant to remain on bond under same terms and conditions.

PIA: 00:06
Initials of Deputy Clerk: nb NB

Alex Padilla
California Secretary of State

Business Search - Entity Detail

The California Business Search is updated daily and reflects work processed through Monday, January 7, 2019. Please refer to document [Processing Times](#) for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity. Not all images are available online.

C2544707 SERGE OBUKHOFF, MD, PROFESSIONAL CORPORATION

Registration Date: 07/17/2003
Jurisdiction: CALIFORNIA
Entity Type: DOMESTIC STOCK
Status: ACTIVE
Agent for Service of Process: STEVEN R DORFMAN
 6420 WILSHIRE BLVD, # 800
 LOS ANGELES CA 90048
Entity Address: 9033 WILSHIRE BLVD, # 401
 BEVERLY HILLS CA 90211
Entity Mailing Address: PO BOX 2060
 SANTA MONICA CA 90406

A Statement of Information is due EVERY year beginning five months before and through the end of July.

Document Type	↓↑ File Date	↓↑ PDF
SI-NO CHANGE	05/29/2018	
SI-COMPLETE	05/31/2017	
RESTATED REGISTRATION	04/29/2010	
REGISTRATION	07/17/2003	

* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code [section 2114](#) for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to [Name Availability](#).
- If the image is not available online, for information on ordering a copy refer to [Information Requests](#).

EXHIBIT 4

2544707

FILED
in the office of the Secretary of State
of the State of California

JUL 17 2003

Kevin Sully
EVIN SHELLEY, Secretary of State

ARTICLES OF INCORPORATION

Article I

The name of the corporation is: **SERGE OBUKHOV, MD, PROFESSIONAL CORPORATION**

Article II

The purpose of the corporation is to engage in the profession of medicine and any other lawful activities (other than the banking or trust company business) not prohibited to a corporation engaging in such profession by applicable laws and regulations.

Article III

This corporation is a professional corporation within the meaning of Part 4, Division 3, Title 1, California Corporations Code.

Article IV

The name in the State of California of this corporation's initial agent for service of process is:

Business Filings Incorporated

Article V

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is two thousand (2,000).

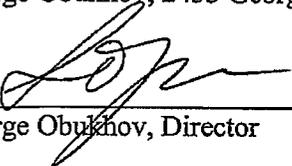
Article VI

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

Article VII

The initial director of the professional corporation will be:

Serge Obukhov, 2433 George Washington Way, 31208, Richland, WA 99352



Serge Obukhov, Director

INDIVIDUAL ACKNOWLEDGEMENT

I hereby declare that I am the person who executed the foregoing Articles of Incorporation which execution is my act and deed.



Signature
Name: Serge Obukhov

SERGE OBUKHOV, MD, PROFESSIONAL CORPORATION

EXHIBIT 5

A0705157

NEED

C 2544707
RESTATED ARTICLES OF INCORPORATION

FILED
In the Office of the Secretary of State
of the State of California

APR 29 2010

The undersigned certify that:

1. They are the **president** and the **secretary**, respectively, of *Serge Obukhov, MD, Professional Corporation*, a California corporation.

2. The Articles of Incorporation of this corporation are amended and restated to read as follows:

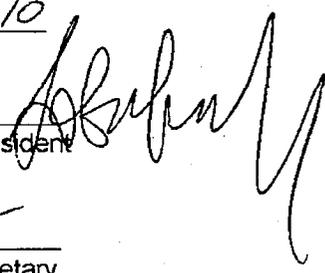
The name of the corporation is Serge Obukhoff, MD, Professional Corporation

3. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the board of directors.

4. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902, California Corporations Code. The total number of outstanding shares of the corporation is 2,000. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: 04/24/10

Serge Obukhoff, President 

Lucy Obukhoff, Secretary 

EXHIBIT 6



**State of California
Secretary of State**

S

Statement of Information

(Domestic Stock and Agricultural Cooperative Corporations)

FEES (Filing and Disclosure): \$25.00.

If this is an amendment, see instructions.

IMPORTANT – READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FN04893

FILED

In the office of the Secretary of State
of the State of California

MAY-31 2017

This Space for Filing Use Only

1. CORPORATE NAME

SERGE OBUKHOFF, MD, PROFESSIONAL CORPORATION

2. CALIFORNIA CORPORATE NUMBER

C2544707

No Change Statement (Not applicable if agent address of record is a P.O. Box address. See instructions.)

3. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement of information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 17.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 4 and 5 cannot be P.O. Boxes.)

4. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY	STATE	ZIP CODE
9033 WILSHIRE BLVD, # 401, BEVERLY HILLS, CA 90211			
5. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
9033 WILSHIRE BLVD, # 401, BEVERLY HILLS, CA 90211			
6. MAILING ADDRESS OF CORPORATION, IF DIFFERENT THAN ITEM 4	CITY	STATE	ZIP CODE
PO BOX 2060, SANTA MONICA, CA 90406			

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

7. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY	STATE	ZIP CODE
DENNIS OBUKHOFF	9033 WILSHIRE BLVD, # 401, BEVERLY HILLS, CA 90211			
8. SECRETARY	ADDRESS	CITY	STATE	ZIP CODE
LUCY OBUKHOFF	9033 WILSHIRE BLVD, # 401, BEVERLY HILLS, CA 90211			
9. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY	STATE	ZIP CODE
SERGE OBUKHOFF	9033 WILSHIRE BLVD, # 401, BEVERLY HILLS, CA 90211			

Names and Complete Addresses of All Directors, Including Directors Who are Also Officers (The corporation must have at least one director. Attach additional pages, if necessary.)

10. NAME	ADDRESS	CITY	STATE	ZIP CODE
SERGE OBUKHOFF	9033 WILSHIRE BLVD, # 401, BEVERLY HILLS, CA 90211			
11. NAME	ADDRESS	CITY	STATE	ZIP CODE
12. NAME	ADDRESS	CITY	STATE	ZIP CODE

13. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 15 must be completed with a California street address, a P.O. Box address is not acceptable. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 15 must be left blank.

14. NAME OF AGENT FOR SERVICE OF PROCESS
STEVEN R DORFMAN

15. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
6420 WILSHIRE BLVD, # 800, LOS ANGELES, CA 90048			

Type of Business

16. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
MEDICAL CONSULTING

17. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

05/31/2017 SERGE OBUKHOFF OWNER
DATE TYPE/PRINT NAME OF PERSON COMPLETING FORM TITLE SIGNATURE

EXHIBIT 7



**State of California
Secretary of State**

S

Statement of Information

(Domestic Stock and Agricultural Cooperative Corporations)

FEEs (Filing and Disclosure): \$25.00.

If this is an amendment, see instructions.

IMPORTANT – READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FX09037

FILED

In the office of the Secretary of State
of the State of California

MAY-29 2018

This Space for Filing Use Only

1. CORPORATE NAME

SERGE OBUKHOFF, MD, PROFESSIONAL CORPORATION

2. CALIFORNIA CORPORATE NUMBER

C2544707

No Change Statement (Not applicable if agent address of record is a P.O. Box address. See instructions.)

3. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement of information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 17.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 4 and 5 cannot be P.O. Boxes.)

4. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY	STATE	ZIP CODE
5. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
6. MAILING ADDRESS OF CORPORATION, IF DIFFERENT THAN ITEM 4	CITY	STATE	ZIP CODE

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

7. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY	STATE	ZIP CODE
8. SECRETARY	ADDRESS	CITY	STATE	ZIP CODE
9. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY	STATE	ZIP CODE

Names and Complete Addresses of All Directors, Including Directors Who are Also Officers (The corporation must have at least one director. Attach additional pages, if necessary.)

10. NAME	ADDRESS	CITY	STATE	ZIP CODE
11. NAME	ADDRESS	CITY	STATE	ZIP CODE
12. NAME	ADDRESS	CITY	STATE	ZIP CODE

13. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 15 must be completed with a California street address, a P.O. Box address is not acceptable. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 15 must be left blank.

14. NAME OF AGENT FOR SERVICE OF PROCESS

15. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL CITY STATE ZIP CODE

Type of Business

16. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION

17. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

05/29/2018 SERGE OBUKHOFF OWNER
DATE TYPE/PRINT NAME OF PERSON COMPLETING FORM TITLE SIGNATURE

EXHIBIT 8

MEDICAL BOARD OF CALIFORNIA LICENSING DETAILS FOR: A 65490

NAME: OBUKHOFF, SERGE
LICENSE TYPE: PHYSICIAN AND SURGEON A
PRIMARY STATUS: LICENSE RENEWED & CURRENT
SCHOOL NAME: SECOND MOSCOW N. I. PIROGOV STATE MEDICAL INSTITUTE
GRADUATION YEAR: 1979
ADDRESS OF RECORD (REQUIRED)
 SUITE 401
 9033 WILSHIRE BLVD
 BEVERLY HILLS CA 90211
 LOS ANGELES COUNTY

ISSUANCE DATE

JUNE 5, 1998

EXPIRATION DATE

JUNE 30, 2020

CURRENT DATE / TIME
 JANUARY 8, 2019
 2:38:39 PM

PUBLIC RECORD ACTIONS

- > ADMINISTRATIVE DISCIPLINARY ACTIONS (NO RECORDS)
- > COURT ORDER (NO RECORDS)
- > MISDEMEANOR CONVICTION (NO RECORDS)
- > PROBATIONARY LICENSE (NO RECORDS)
- > FELONY CONVICTION (NO RECORDS)
- > MALPRACTICE JUDGMENT (NO RECORDS)
- > HOSPITAL DISCIPLINARY ACTION (NO RECORDS)
- > ISSUED WITH PUBLIC LETTER OF REPRIMAND (NO RECORDS)
- > ADMINISTRATIVE CITATION ISSUED (NO RECORDS)
- > ACTION TAKEN BY OTHER STATE/FEDERAL GOV (NO RECORDS)
- > ARBITRATION AWARD (NO RECORDS)
- > MALPRACTICE SETTLEMENTS (NO RECORDS)

PUBLIC DOCUMENTS

- > DOCUMENTS (NO RECORDS)

SURVEY INFORMATION

THE FOLLOWING INFORMATION IS SELF-REPORTED BY THE LICENSEE AND HAS NOT BEEN VERIFIED BY THE BOARD.

ARE YOU RETIRED?	NO
ACTIVITIES IN MEDICINE	RESEARCH - 1-9 HOURS OTHER - 1-9 HOURS ADMINISTRATION - 1-9 HOURS PATIENT CARE - 30-39 HOURS TEACHING - NONE
PATIENT CARE PRACTICE LOCATION	ZIP - 90211 COUNTY - NOT IDENTIFIED
PATIENT CARE SECONDARY PRACTICE LOCATION	NOT IDENTIFIED

TELEMEDICINE PRACTICE LOCATION	NOT IDENTIFIED
TELEMEDICINE SECONDARY PRACTICE LOCATION	NOT IDENTIFIED
CURRENT TRAINING STATUS	NOT IN TRAINING
AREAS OF PRACTICE	NEUROLOGICAL SURGERY - PRIMARY
BOARD CERTIFICATIONS	AMERICAN BOARD OF NEUROLOGICAL SURGERY - NEUROLOGICAL SURGERY
POSTGRADUATE TRAINING YEARS	9+ YEARS
CULTURAL BACKGROUND	DECLINED TO DISCLOSE
FOREIGN LANGUAGE PROFICIENCY	DECLINED TO DISCLOSE
GENDER	DECLINED TO DISCLOSE

EXHIBIT 9

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA (Southern Division - Santa Ana)
CRIMINAL DOCKET FOR CASE #: 8:18-cr-00140-JLS-2**

Case title: USA v. Tauber et al

Date Filed: 07/12/2018

Assigned to: Judge Josephine L. Staton

Defendant (2)

Serge Obukhoff

represented by **Glen T Jonas**

Jonas and Driscoll LLP
1108 Sartori Avenue Suite 320
Torrance, CA 90501
213-683-2033
Fax: 310-218-4980
Email: glenjonas@aol.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Retained

Michael H Artan

Law Office of Michael H Artan PC
One Wilshire Boulevard Suite 2200
Los Angeles, CA 90017
213-688-0370
Fax: 213-627-9201
Email: michaelartan@yahoo.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Retained

Pending Counts

18:371: Conspiracy
(1)

18:371: CONSPIRACY
(1s)

18:1341, 1346, 2(b) MAIL FRAUD
INVOLVING DEPRIVATION OF
HONEST SERVICES; AIDING AND
ABETTING AND CAUSING AN ACT TO
BE DONE
(2s-4s)

18:1341,1346,2(b): Mail Fraud Involving
Deprivation of Honest Services; Aiding and
Abetting and Causing an Act to be Done
(3-5)

Disposition

18:1343, 1346 2(b) WIRE FRAUD
INVOLVING DEPRIVATION OF
HONEST SERVICES; AIDING AND
ABETTING AND CAUSING AN ACT TO
BE DONE
(5s-10s)

18:1343,1346,2(b): Wire Fraud Involving
Deprivation of Honest Services; Aiding and
Abetting and Causing an Act to be Done
(6-11)

18:1952(a)(3); 2: USE OF AN
INTERSTATE FACILITY IN AID OF
UNLAWFUL ACTIVITY; AIDING AND
ABETTING AND CAUSING AN ACT TO
BE DONE
(11s-13s)

18:1952(a)(3);18:2: Use of an Interstate
Facility in Aid of Unlawful Activity; Aiding
and Abetting and Causing and Act to be
Done
(12-14)

42:1320a-7b(b)(1)(A): SOLICITING AND
RECEIVING ILLEGAL
REMUNERATIONS FOR HEALTH CARE
REFERRALS
(14s)

42:1320a-7b(b)(1)(A); 2: SOLICITING
AND RECEIVING ILLEGAL
REMUNERATIONS FOR HEALTH CARE
REFERRALS: AIDING AND ABETTING
AND CAUSING AN ACT TO BE DONE
(15s)

18:1341, 1346, 2(b) MAIL FRAUD
INVOLVING DEPRIVATION OF
HONEST SERVICES; AIDING AND
ABETTING AND CAUSING AN ACT TO
BE DONE
(16s-20s)

18:1343, 1346 2(b) WIRE FRAUD
INVOLVING DEPRIVATION OF
HONEST SERVICES; AIDING AND
ABETTING AND CAUSING AN ACT TO
BE DONE
(21s-22s)

18:1952(a)(3); 2: USE OF AN
INTERSTATE FACILITY IN AID OF
UNLAWFUL ACTIVITY; AIDING AND
ABETTING AND CAUSING AN ACT TO
BE DONE
(23s-24s)

42:1320a-7b(b)(1)(A),18:2: Soliciting and Receiving Illegal Remunerations for Health Care Referrals; Aiding and Abetting and Causing an Act to be Done
(25)

Highest Offense Level (Opening)

Felony

Terminated Counts

None

Disposition

Highest Offense Level (Terminated)

None

Complaints

None

Disposition

Plaintiff

USA

represented by **Ashwin Janakiram**
AUSA - Office of the US Attorney
General Crimes Section
312 North Spring Street Suite 1100
Los Angeles, CA 90012
213-894-2875
Fax: 213-894-6269
Email: ashwin.janakiram@usdoj.gov
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: Assistant US Attorney

Joseph Timothy McNally
AUSA - Office of US Attorney
Santa Ana Division
411 West Fourth Street 8th Floor
Santa Ana, CA 92701
714-338-3500
Fax: 714-338-3708
Email: joseph.mcnally@usdoj.gov
ATTORNEY TO BE NOTICED

Scott D Tenley
AUSA - Office of US Attorney
Santa Ana Branch Office
411 West Fourth Street 8th Floor
Santa Ana, CA 92701
714-338-2829
Fax: 714-338-3561
Email: scott.tenley@usdoj.gov

ATTORNEY TO BE NOTICED
Designation: Assistant US Attorney

Date Filed	#	Docket Text
07/12/2018	1	INDICTMENT Filed as to Jacob E Tauber (1) count(s) 1-2, 3-5, 6-11, 12-14, 15-19, 20-22, 23-24, Serge Obukhoff (2) count(s) 1, 3-5, 6-11, 12-14, 25. Offense occurred in LA. (mhe) (Entered: 07/17/2018)
07/12/2018	3	CASE SUMMARY filed by AUSA Ashwin Janakiran as to Defendant Serge Obukhoff; defendants Year of Birth: 1956 (mhe) (Entered: 07/17/2018)
07/12/2018	4	NOTICE of Related Case(s) filed by Plaintiff USA as to Defendant Jacob E Tauber, Serge Obukhoff Related Case(s): 8:14CR34 (mhe) (Entered: 07/17/2018)
07/12/2018	5	MEMORANDUM filed by Plaintiff USA as to Defendant Jacob E Tauber, Serge Obukhoff. Re Magistrate Judge Jacqueline Chooljian, Magistrate Judge Patrick J. Walsh, Magistrate Judge Sheri Pym, Magistrate Judge Michael Wilner, Magistrate Judge Jean Rosenbluth, Magistrate Judge Alka Sagar, Magistrate Judge Douglas McCormick, and Magistrate Judge Rozella Oliver (mhe) (Entered: 07/17/2018)
07/12/2018	6	MEMORANDUM filed by Plaintiff USA as to Defendant Jacob E Tauber, Serge Obukhoff. This criminal action, being filed on 7/12/18, was pending in the U. S. Attorneys Office before the date on which Judge Andre Birotte Jr began receiving criminal matters, it was not pending in the U. S. Attorneys Office before the date on which Judge Michael W. Fitzgerald began receiving criminal matters(mhe) (Entered: 07/17/2018)
07/18/2018	7	ORDER RE TRANSFER PURSUANT TO GENERAL ORDER 16-05 Related Case filed. Related Case No: SACR14-00034 JLS. Case, as to Defendant Jacob E Tauber, Serge Obukhoff, transferred from Judge David O. Carter to Judge Josephine L. Staton for all further proceedings. The case number will now reflect the initials of the transferee Judge SACR18-00140 JLS. Signed by Judge Josephine L. Staton. (lwag) (Entered: 07/18/2018)
08/13/2018	10	MINUTES OF POST-INDICTMENT ARRAIGNMENT: held before Magistrate Judge Douglas F. McCormick as to Defendant Serge Obukhoff (2) Count 1,3-5,6-11,12-14,25. Defendant arraigned. Defendant entered not guilty plea to all counts as charged. Attorney: Michael H Artan,Glen T Jonas for Serge Obukhoff. Case assigned to Judge Josephine L. Staton. Court orders bail set for Serge Obukhoff (2) \$500,000 AB, see bond for conditions. Appointment of Counsel held before Magistrate Judge Douglas F. McCormick as to Defendant Serge Obukhoff.(Jury Trial set for 10/9/2018 09:00 AM before Judge Josephine L. Staton., Status Conference set for 10/9/2018 09:00 AM before Judge Josephine L. Staton.) Court orders defendant to report to the U.S. Marshal's Office forthwith for processing. Counsel are referred to the assigned judge's trial/discovery order located on the Court's website, Judges' Procedures and Schedules. Court Smart: 8/13/18. (mat) (Entered: 08/14/2018)
08/13/2018	11	STATEMENT OF DEFENDANT'S CONSTITUTIONAL RIGHTS filed by Defendant Serge Obukhoff (mat) (Entered: 08/14/2018)
08/13/2018	12	DESIGNATION AND APPEARANCE OF COUNSEL; filed by Michael H Artan appearing for Serge Obukhoff. (mat) (Entered: 08/14/2018)
08/13/2018	13	DESIGNATION AND APPEARANCE OF COUNSEL; filed by Glen T Jonas appearing for Serge Obukhoff.(mat) (Entered: 08/14/2018)
08/13/2018	14	DECLARATION RE: PASSPORT filed by Defendant Serge Obukhoff, declaring that I have been issued a passport or other travel document(s), but they are not currently in my possession. I will surrender any passport or other travel document(s) issued to me, to the

		U.S. Pretrial Services Agency by the deadline imposed. I will not apply for a passport or other travel document during the pendency of this case. (mat) (Entered: 08/14/2018)
08/13/2018	15	PASSPORT RECEIPT from U. S. Pretrial Services as to Defendant Serge Obukhoff. USA passport was received on 8/13/18. Re: Declaration re Passport (CR-37), 14 . (mat) (Entered: 08/14/2018)
08/15/2018	16	ORDER RE CRIMINAL PROCEEDINGS for cases assigned to Judge Josephine L. Staton. (tg) (Entered: 08/15/2018)
08/16/2018	17	BOND AND CONDITIONS OF RELEASE filed as to Defendant Serge Obukhoff conditions of release: \$500,000 approved by Magistrate Judge Michael R. Wilner. (mat) (Entered: 08/20/2018)
08/16/2018	19	AFFIDAVIT OF SURETIES (Property) in the amount of \$500,000 by surety: Lucy Obukhoff for Bond and Conditions (CR-1) 17 for property located at: Malibu California, 90265; Certified copy of Deed of Trust Original ; filed by Defendant Serge Obukhoff. Approved by Magistrate Judge Michael R. Wilner. (mat) (Entered: 08/20/2018)
08/16/2018	20	AFFIDAVIT OF SURETIES (Property) in the amount of \$500,000 by surety: Serge Obukhoff for Bond and Conditions (CR-1) 17 for property located at: Malibu California, 90265; Certified copy of Deed of Trust Original ; filed by Defendant Serge Obukhoff. Approved by Magistrate Judge Michael R. Wilner. (mat) (Entered: 08/20/2018)
08/16/2018	21	Original Short Form Deed of Trust filed by Serga and Lucy Obukhoff located at Malibu California. 90265 as reflected on instrument number 20180823021 naming the Clerk of Court as Beneficiary therein on the property re defendant Serge Obukhoff. (Attachments: # 1 LOT BOOK REPORT, # 2 Certification of Trust, # 3 Appraisal) (mat) (Entered: 08/20/2018)
08/20/2018	18	STIPULATION for Order PROTECTIVE ORDER filed by Plaintiff USA as to Defendant Jacob E Tauber, Serge Obukhoff (Attachments: # 1 Proposed Order)(Janakiram, Ashwin) (Entered: 08/20/2018)
08/21/2018	22	PROTECTIVE ORDER 18 by Judge Josephine L. Staton as to Defendant Jacob E Tauber, Serge Obukhoff. (es) (Entered: 08/21/2018)
08/28/2018	24	EX PARTE APPLICATION to Modify Conditions of Release Filed by Defendant Serge Obukhoff. (Attachments: # 1 Proposed Order Modifying Conditions of Release) (Artan, Michael) (Entered: 08/28/2018)
08/29/2018	25	MEMORANDUM in Opposition to EX PARTE APPLICATION to Modify Conditions of Release 24 filed by Plaintiff USA as to Defendant Serge Obukhoff. (Janakiram, Ashwin) (Entered: 08/29/2018)
08/30/2018	26	Notice of Appearance or Withdrawal of Counsel: for attorney Scott D Tenley counsel for Plaintiff USA. Adding Scott D. Tenley as counsel of record for USA for the reason indicated in the G-123 Notice. Filed by Plaintiff USA. (Attorney Scott D Tenley added to party USA(pty:pla))(Tenley, Scott) (Entered: 08/30/2018)
08/30/2018	27	Notice of Appearance or Withdrawal of Counsel: for attorney Joseph Timothy McNally counsel for Plaintiff USA. Adding Joseph T. McNally as counsel of record for USA for the reason indicated in the G-123 Notice. Filed by Plaintiff USA. (Attorney Joseph Timothy McNally added to party USA(pty:pla))(McNally, Joseph) (Entered: 08/30/2018)
08/30/2018	28	MINUTES (IN CHAMBERS) ORDER DENYING EX PARTE APPLICATION (DOC. 24) by Judge Josephine L. Staton as to Serge Obukhoff (2). (es) (Entered: 08/30/2018)
09/08/2018	29	STIPULATION to Continue Trial Date from October 9, 2018 to April 9, 2019 filed by

		Plaintiff USA as to Defendant Serge Obukhoff (Attachments: # 1 Proposed Order Continuing Trial Date and Findings Regarding Excludable Time Periods Pursuant to Speedy Trial Act)(Tenley, Scott) (Entered: 09/08/2018)
09/18/2018	30	ORDER CONTINUING TRIAL DATE AND FINDINGS REGARDING EXCLUDABLE TIME PERIODS PURSUANT TO SPEEDY TRIAL ACT by Judge Josephine L. Staton as to Defendant Serge Obukhoff. FOR GOOD CAUSE SHOWN: The Trial in this matter is continued to April 9, 2019, 9:00 AM. The Status Conference is continued to March 29, 2019, 11:30 AM. (es) (Entered: 09/19/2018)
10/04/2018	37	FIRST SUPERSEDING INDICTMENT Filed as to Serge Obukhoff (2) count(s) 1s, 2s-4s, 5s-10s, 11s-13s, 14s, 15s, 16s-20s, 21s-22s, 23s-24s. (es) (Entered: 10/10/2018)
10/04/2018	38	CASE SUMMARY filed by AUSA Ashwin Janakiram as to Defendant Serge Obukhoff; defendants Year of Birth: 1956 (es) (Entered: 10/10/2018)
10/04/2018	39	MEMORANDUM filed by Plaintiff USA as to Defendant Serge Obukhoff in re Magistrate Judge Jacqueline Chooljian, Patrick J. Walsh, Sheri Pym, Michael Wilner, Jean Rosenbluth, Alka Sagar, Douglas McCormick, Rozella Oliver, Gail Standish, Steve Kim, John Early, and Shashi H. Kewalramani. (es) (Entered: 10/10/2018)
10/04/2018	40	MEMORANDUM filed by Plaintiff USA as to Defendant Serge Obukhoff In re: Judge Andre Birotte Jr and Michael W. Fitzgerald. (es) (Entered: 10/10/2018)
10/26/2018	49	Summons Returned Executed on 10/28/2018 as to Serge Obukhoff. (jp) (Entered: 10/26/2018)
10/29/2018	51	MINUTES OF ARRAIGNMENT ON First SUPERSEDING Indictment held before Magistrate Judge Douglas F. McCormick as to Defendant Serge Obukhoff. Defendant enters plea of Not Guilty to all counts as charged. Defendant to remain on bond under same terms and conditions. Court Smart: 10/29/18. (mat) (Entered: 10/30/2018)
10/29/2018	52	STATEMENT OF CONSTITUTIONAL RIGHTS filed by Defendant Serge Obukhoff (mat) (Entered: 10/30/2018)
02/20/2019	56	STIPULATION to Continue Trial Date from April 9, 2019 to October 29, 2019 filed by Plaintiff USA as to Defendant Serge Obukhoff (Attachments: # 1 Proposed Order Continuing Trial Date and Findings Regarding Excludable Time Periods Pursuant to Speedy Trial Act)(Tenley, Scott) (Entered: 02/20/2019)
02/22/2019	57	ORDER CONTINUING TRIAL DATE AND FINDINGS REGARDING EXCLUDABLE TIME PERIODS PURSUANT TO SPEEDY TRIAL ACT by Judge Josephine L. Staton as to Defendant Serge Obukhoff, re Stipulation to Continue Trial Dates 56 . THEREFORE, FOR GOOD CAUSE SHOWN: The Trial in this matter is continued from 4/9/2019 at 9:00 AM., to 10/29/2019 09:00 AM. The Status Conference hearing is continued to 10/18/2019 at 08:30 AM. **NOTE: CHANGES MADE BY THE COURT** (jp) (Entered: 02/22/2019)

PACER Service Center			
Transaction Receipt			
03/14/2019 13:51:23			
PACER Login:	Odlegal94612:2536794:0	Client Code:	AFU-Jacob Tauber et. al.
Description:	Docket Report	Search Criteria:	8:18-cr-00140-JLS End date: 3/14/2019

Billable Pages:	5	Cost:	0.50
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