

1 The Grand Jury charges:

2 GENERAL ALLEGATIONS

3 At all times relevant to this Indictment:

4 The Clinic and its Operations

5 1. Defendants MIKE MIKAELIAN ("MIKEALIAN") and ANJELIKA
6 SANAMIAN operated a clinic known as Lake Medical Group ("the
7 Clinic"), located at 2120 West 8th Street, in Los Angeles,
8 California, within the Central District of California.

9 2. The Clinic functioned as a "prescription mill" that
10 generated prescriptions for OxyContin that the Clinic's purported
11 "patients" did not need and submitted claims to Medicare and
12 Medi-Cal for services that were medically unnecessary, not
13 ordered by a doctor and/or not performed.

14 3. The Clinic used patient recruiters, or "Cappers," who
15 brought Medicare patients, Medi-Cal patients, and other
16 "patients" to the Clinic (the "recruited patients") in exchange
17 for cash or other inducements.

18 4. At the Clinic, the recruited patients were routinely
19 issued a prescription for 90 pills of OxyContin 80mg strength.

20 5. For Medicare and Medi-Cal patients, the Clinic also
21 ordered unnecessary medical tests, such as nerve conduction
22 velocity ("NCV") studies, electrocardiograms, ultrasounds, and
23 spirometry (a type of pulmonary test). Some of the tests were
24 performed; others were not. The Clinic further created falsified
25 medical paperwork for Medicare and Medi-Cal patients to provide a
26 false appearance of legitimacy for the Clinic, its OxyContin
27 prescriptions, and its billings to Medicare and Medi-Cal.

28 6. Through a company called A & A Billing Services

1 ("A & A"), owned by defendant ASHOT SANAMIAN and operated by
2 defendant ANJELIKA SANAMIAN, the Clinic billed Medicare Part B
3 and/or Medi-Cal for unnecessary office visits and tests, and for
4 tests and procedures that were not ordered by a doctor and/or not
5 performed as represented in the claims submitted to Medicare and
6 Medi-Cal.

7 7. After the OxyContin prescriptions were issued, "Runners"
8 employed by the Clinic took the recruited patients to pharmacies,
9 including pharmacies owned and/or operated by defendants THEODORE
10 CHANGKI YOON ("YOON"), PHIC LIM ("LIM"), also known as ("aka")
11 "PK," THEANA KHOU, MATTHEW CHO ("CHO"), PERRY TAN NGUYEN
12 ("NGUYEN"), and ELIZABETH DUC TRAN ("TRAN"), which filled the
13 prescriptions. The Runners, rather than the patients, took the
14 OxyContin and delivered it to defendant MIKAELIAN, who then sold
15 it on the streets.

16 8. For patients who had Medicare prescription drug coverage
17 (Medicare Part D), the pharmacies that dispensed the OxyContin
18 either billed the patient's prescription drug plan ("PDP") for
19 the OxyContin prescriptions they filled or were paid in cash by
20 the Runners and did not bill the PDP.

21 9. The Clinic also generated OxyContin prescriptions in the
22 names of individuals who never visited the Clinic or had visited
23 the Clinic once in the past. In these instances, using falsified
24 patient authorization forms, Runners took the prescriptions for
25 these "patients" to the pharmacies and paid the pharmacies in
26 cash for the OxyContin, which they then delivered to defendant
27 MIKAELIAN for resale on the streets.

28 10. For the less than two years that the Clinic operated, it

1 diverted approximately 10,000 bottles of OxyContin. Because the
2 Clinic almost exclusively prescribed 90 quantity pill bottles,
3 this equates to 900,000 OxyContin pills or more that were
4 diverted during the course of the scheme described herein.

5 11. During this same time period, the Clinic and its doctors
6 fraudulently billed Medicare approximately \$4.6 million for
7 medical services and billed Medi-Cal approximately \$1.6 million
8 for such services. Medicare Part B paid approximately
9 \$473,595.23 on those claims and Medi-Cal paid approximately
10 \$546,551.00 on those claims. In addition, Medicare Part D and
11 Medicare PDPs paid approximately \$2.7 million for OxyContin
12 prescribed by the Clinic and its doctors.

13 12. Defendants LIM, KHOU, and NGUYEN structured the deposits
14 of cash generated from the sale of OxyContin prescribed by the
15 Clinic and its doctors into their bank accounts by depositing the
16 cash in amounts of \$10,000 or less to evade bank reporting
17 requirements for transactions over \$10,000.

18 13. Defendants MIKAELIAN and ANJELIKA SANAMIAN used cash
19 proceeds of the conspiracy to gamble at casinos, to purchase
20 luxury goods, including automobiles and jewelry, and to buy
21 OxyContin.

22 Defendants and Their Co-Conspirators

23 14. Defendant MIKAELIAN was the administrator of the Clinic
24 and sold the OxyContin obtained via prescriptions issued at the
25 Clinic on the streets.

26 15. Defendant ANJELIKA SANAMIAN was the manager of the
27 Clinic, as well as the contact person and biller for Medicare and
28 Medi-Cal claims at the Clinic.

1 16. Defendant ASHOT SANAMIAN was a co-owner and CEO of A & A
2 and was also a Runner for the Clinic.

3 17. Co-conspirator Eleanor Santiago, MD ("Santiago") was a
4 medical doctor, licensed to practice medicine in California and
5 authorized to prescribe Schedule II narcotic drugs, who worked at
6 the Clinic throughout its operation. Co-conspirator Santiago was
7 the Medical Director of the Clinic.

8 18. Defendant MORRIS HALFON, MD ("HALFON") was a medical
9 doctor, licensed to practice medicine in California and
10 authorized to prescribe Schedule II narcotic drugs, who worked at
11 the Clinic from in or about late 2008 through in or about January
12 2010.

13 19. Defendant DAVID GARRISON ("GARRISON") was a physician's
14 assistant, licensed in California, who worked at the Clinic from
15 approximately the summer of 2009 until the Clinic closed in or
16 about February 2010.

17 20. Co-conspirator Julie Shishalovsky ("Shishalovsky") worked
18 at the Clinic as a medical assistant, receptionist, and office
19 manager from the fall of 2008 until the Clinic closed in or about
20 February 2010.

21 21. Defendant ELZA BUDAGOVA ("BUDAGOVA") was a medical
22 assistant at the Clinic from in or about December 2008 through in
23 or about December 2009. While at the Clinic, defendant BUDAGOVA
24 created medical files for patients purportedly seen by a doctor
25 or a physician's assistant at the Clinic.

26 22. Defendant LILIT MEKTERYAN ("MEKTERYAN") was an ultrasound
27 technician who worked at the Clinic from approximately January
28 2009 through approximately August 2009.

1 23. Defendants EDGAR HOVANNISYAN ("HOVANNISYAN"), KEITH
2 PULLAM, aka "Keith Pulman," aka "KMAC" ("PULLAM"), and co-
3 conspirator Miran Derderian ("Derderian") were Runners for the
4 Clinic during the Clinic's operation.

5 24. Co-conspirator David Smith, aka "Green Eyes" ("Smith")
6 and defendants PULLAM and ROSA GARCIA SUAREZ, aka "Maria"
7 ("SUAREZ"), were Cappers who recruited patients for the Clinic
8 during the Clinic's operation.

9 25. Defendant YOON was a pharmacist, licensed in California
10 to lawfully dispense prescribed Schedule II narcotic drugs.
11 Defendant YOON was the part-owner, officer, operator of, and/or
12 licensed pharmacist at Gemmel Pharmacy, Inc., including: (1)
13 Gemmel Pharmacy of Cucamonga, located in Cucamonga, California;
14 (2) Gemmel Pharmacy of Ontario, located in Ontario, California;
15 (3) Gemmel Pharmacy Rancho, located in Rancho Cucamonga;
16 California; (4) East L.A. Health Pharmacy ("East L.A."), located
17 in Los Angeles, California; and (5) B&B Pharmacy ("B&B"), located
18 in Bellflower, California (collectively the "Gemmel Pharmacies").
19 Defendant YOON also owned and operated Better Value Pharmacy
20 ("Better Value"), located in West Covina California. Defendant
21 YOON filled and caused to be filled prescriptions from the Clinic
22 at the Gemmel Pharmacies and Better Value Pharmacy, starting in
23 or about July 2009. Defendant YOON controlled a bank account
24 ending in 5701 at Nara Bank, a domestic financial institution
25 ("Nara Account 1"), from which he withdrew proceeds derived from
26 the sale of OxyContin and transferred them into a Gemmel
27 Pharmacy, Inc. bank account ending in 5471 at Wilshire State
28 Bank, a domestic financial institution ("Wilshire Account 1").

1 26. Defendant LIM was a pharmacist, licensed in California to
2 lawfully dispense prescribed Schedule II narcotic drugs.

3 Defendant LIM was the part-owner, officer, operator of, and/or
4 licensed pharmacist at the Gemmel Pharmacies, from which
5 defendant LIM filled and caused to be filled prescriptions from
6 the Clinic, starting in or about July 2009.

7 27. Defendants LIM and KHOU were the owners and operators of
8 Huntington Pharmacy, located in San Marino, California.

9 Defendant LIM filled and caused to be filled prescriptions from
10 the Clinic at Huntington Pharmacy starting in or about July 2009.

11 Defendants LIM and KHOU maintained control over accounts at Chase
12 Bank, a domestic financial institution, ending in 0725 ("Chase
13 Account 1"), 8303 ("Chase Account 2"), and 2674 ("Chase Account
14 3"), and at HSBC Bank, a domestic financial institution, ending
15 in 0993 ("HSBC Account 1"), into which defendants LIM and KHOU
16 deposited proceeds from the sale of OxyContin.

17 28. Defendant CHO was a pharmacist, licensed in California to
18 lawfully dispense prescribed Schedule II narcotic drugs.

19 Defendant CHO was the part-owner, officer, operator of, and/or
20 licensed pharmacist at the Gemmel Pharmacies, from which
21 defendant CHO filled and caused to be filled prescriptions from
22 the Clinic, starting in or about July 2009.

23 29. Defendant NGUYEN was a pharmacist, licensed in California
24 to lawfully dispense prescribed Schedule II narcotic drugs.

25 Defendant NGUYEN owned and operated St. Paul's Pharmacy ("St.
26 Paul's"), located in Huntington Park, California, from which
27 defendant NGUYEN filled and caused to be filled prescriptions
28 from the Clinic, starting in or about December 2008. Defendant

1 NGUYEN controlled bank accounts at Bank America, a domestic
2 financial institution, ending in 1213 ("Bank of America Account
3 1") and 1025 ("Bank of America Account 2"), into which defendant
4 NGUYEN deposited proceeds from the sale of OxyContin.

5 30. Defendant TRAN was a pharmacist, licensed in California
6 to lawfully dispense prescribed Schedule II narcotic drugs.
7 Defendant TRAN owned and operated Mission Pharmacy ("Mission"),
8 located in Panorama City and Fountain Valley, California, from
9 which defendant TRAN filled and caused to be filled prescriptions
10 from the Clinic, starting in or about August 2008.

11 OxyContin and CURES Data

12 31. OxyContin was a brand name for the generic drug
13 oxycodone, a Schedule II narcotic drug, and was manufactured by
14 Purdue Pharma L.P. ("Purdue") in Connecticut.

15 32. Purdue manufactured OxyContin in a controlled release
16 pill form in 10mg, 15mg, 20mg, 30mg, 40mg, 60mg, 80mg, and 160mg
17 doses. The 80mg pill was one of the strongest strength of
18 OxyContin produced in prescription form for the relevant period.

19 33. The dispensing of all Schedule II narcotic drugs was
20 monitored by law enforcement through the Controlled Substance
21 Utilization Review & Evaluation System ("CURES"). Pharmacies
22 dispensing Schedule II narcotic drugs were required to self-
23 report when such drugs were dispensed.

24 34. Based on CURES data, from on or about August 1, 2008,
25 through on or about February 10, 2010, doctors working at the
26 Clinic prescribed OxyContin approximately 10,833 times,
27 approximately 10,726 of which were for 80mg doses.

28 35. During this same time period, co-conspirator Santiago

1 prescribed OxyContin approximately 6,151 reported times, and
2 defendant HALFON prescribed OxyContin approximately 2,301
3 reported times.

4 36. Based on CURES data, from on or about August 1, 2008, to
5 on or about February 10, 2010, the Gemmel Pharmacies, Better
6 Value Pharmacy, Huntington Pharmacy, St. Paul's Pharmacy, and
7 Mission Pharmacy (collectively, the "Subject Pharmacies")
8 dispensed approximately 7,246 of the Clinic doctors' reported
9 prescriptions for OxyContin, or approximately 68% of the total
10 number of prescriptions issued from the Clinic.

11 The Medicare Program

12 37. Medicare was a federal health care benefit program,
13 affecting commerce, that provided benefits to persons who were
14 over the age of 65 or disabled. Medicare was administered by the
15 Centers for Medicare and Medicaid Services ("CMS"), a federal
16 agency under the United States Department of Health and Human
17 Services ("HHS"). Individuals who received benefits under
18 Medicare were referred to as Medicare "beneficiaries."

19 Medicare Part B

20 38. Medicare Part B covered, among other things, medically
21 necessary physician services and medically necessary outpatient
22 tests ordered by a physician.

23 39. Health care providers, including doctors and clinics,
24 could receive direct reimbursement from Medicare by applying to
25 Medicare and receiving a Medicare provider number. By signing
26 the provider application, the doctor agreed to abide by Medicare
27 rules and regulations, including the Anti-Kickback Statute (42
28 U.S.C. § 1320a-7b(b)), which prohibits the knowing and willful

1 payment of remuneration for the referral of Medicare patients.

2 40. To obtain payment for Part B services, an enrolled
3 physician or clinic, using its Medicare provider number, would
4 submit claims to Medicare, certifying that the information on the
5 claim form was truthful and accurate and that the services
6 provided were reasonable and necessary to the health of the
7 Medicare beneficiary.

8 41. Medicare Part B generally paid 80% of the Medicare
9 allowed amount for physician services and outpatient tests. The
10 remaining 20% was a co-payment for which the Medicare beneficiary
11 or a secondary insurer was responsible.

12 Medicare Part D

13 42. Medicare Part D provided coverage for outpatient
14 prescription drugs through qualified private insurance plans
15 that receive reimbursement from Medicare. Beneficiaries enrolled
16 under Medicare Part B could obtain Part D benefits by enrolling
17 with any one of many qualified PDPs.

18 43. To obtain payment for prescription drugs provided to such
19 Medicare beneficiaries, pharmacies would submit their claims for
20 payment to the beneficiary's PDP. The beneficiary would be
21 responsible for any deductible or co-payment required under his
22 PDP.

23 44. Medicare PDPs, including those offered by
24 UnitedHealthcare Insurance Company, Health Net Life Insurance
25 Company, Anthem Insurance Companies, and Unicare Life and Health
26 Insurance Company, are health care benefit programs, affecting
27 commerce, under which outpatient prescription drugs are provided
28 to Medicare beneficiaries.

1 45. Medicare PDPs commonly provided plan participants with
2 identification cards for use in obtaining prescription drugs.

3 The Medi-Cal Program

4 46. Medi-Cal was a health care benefit program, affecting
5 commerce, that provided reimbursement for medically necessary
6 health care services to indigent persons in California. Funding
7 for Medi-Cal was shared between the federal government and the
8 State of California.

9 47. The California Department of Health Care Services ("CAL-
10 DHCS") administered the Medi-Cal program. CAL-DHCS authorized
11 provider participation, determined beneficiary eligibility,
12 issued Medi-Cal cards to beneficiaries, and promulgated
13 regulations for the administration of the program.

14 48. Individuals who qualified for Medi-Cal benefits were
15 referred to as "beneficiaries."

16 49. Medi-Cal reimbursed physicians and other health care
17 providers for medically necessary treatment and services rendered
18 to Medi-Cal beneficiaries.

19 50. Health care providers, including doctors and pharmacies,
20 could receive direct reimbursement from Medi-Cal by applying to
21 Medi-Cal and receiving a Medi-Cal provider number.

22 51. To obtain payment for services, an enrolled provider,
23 using its unique provider number, would submit claims to Medi-Cal
24 certifying that the information on the claim form was truthful
25 and accurate and that the services provided were reasonable and
26 necessary to the health of the Medi-Cal beneficiary.

27 52. Medi-Cal provided coverage for the cost of some
28 prescription drugs, but Medi-Cal required preauthorization in

1 order to pay for oxycodone.

2 53. Medi-Cal provided coverage for medically necessary
3 ultrasound tests ordered by a physician, but it would not pay
4 separately for both an upper extremity study (ultrasound) and a
5 lower extremity study (ultrasound) performed on the same day.

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1 others would instruct the patients to sign intake forms provided
2 at the Clinic and indicate that they suffered from various
3 medical ailments. In many cases, the recruited patients would
4 sign such forms without completing them.

5 c. In some cases, the recruited patients would sign
6 forms authorizing the Clinic to obtain prescribed medications
7 from pharmacies for them and to do so without their presence.

8 d. After a recruited Medicare or Medi-Cal patient signed
9 the forms, defendants HALFON, GARRISON, co-conspirator Santiago,
10 or another individual working at the Clinic, would meet briefly
11 with the patient and issue a prescription for 90 pills of
12 OxyContin 80mg strength, regardless of the patient's medical
13 condition or history.

14 e. Defendants HALFON, GARRISON, BUDAVOGA, and co-
15 conspirator Santiago would write medical notes in the recruited
16 patients' medical files indicating that the recruited patients
17 required OxyContin for pain, when in fact, as these defendants
18 then well knew, there was no medical necessity justifying the use
19 of OxyContin by these recruited patients.

20 f. Defendants HALFON, GARRISON, BUDAGOVA, and co-
21 conspirator Santiago would also write and/or sign prescriptions
22 for Oxycontin for recruited patients who did not have Medicare or
23 Medi-Cal coverage ("cash patients") and for patients who never
24 actually visited the Clinic, in some cases pre-signing such
25 prescriptions. These cash patients were frequently individuals
26 whose identities had been stolen.

27 g. Defendants HALFON, GARRISON, BUDAGOVA, and co-
28 conspirator Santiago would also write and/or sign medical notes

1 indicating that cash patients had been examined at the Clinic and
2 required OxyContin for medical treatment, when in fact, as these
3 defendants then well knew, the patients had not been seen at the
4 Clinic on the date written in the medical notes and there was no
5 medical basis for the prescriptions of OxyContin for these
6 individuals.

7 h. One or more unknown co-conspirators would forge cash
8 patients' signatures on forms authorizing the Clinic to obtain
9 prescribed medications from pharmacies for them, without their
10 presence, or forge documentation indicating that the patient was
11 seen. These forms were maintained in the cash patient files at
12 the Clinic.

13 i. Defendants ASHOT SANAMIAN, HOVANNISYAN, PULLAM, and
14 co-conspirator Derderian, and other Runners would take recruited
15 patients and signed authorization forms, along with the OxyContin
16 prescriptions, to the Subject Pharmacies as well as other
17 pharmacies.

18 j. Defendants YOON, LIM, CHO, NGUYEN, TRAN, and others
19 known and unknown to the Grand Jury, would dispense or cause to
20 be dispensed the OxyContin to defendants ASHOT SANAMIAN,
21 HOVANNISYAN, co-conspirator Derderian, and other Runners, or to
22 the recruited patients, who would in turn give the OxyContin to
23 the Runners.

24 k. For cash patients, patients who had Medi-Cal only,
25 and, in some instances, patients who had Medicare Part D
26 coverage, defendants ASHOT SANAMIAN, HOVANNISYAN, co-conspirator
27 Derderian, and other Runners would pay the pharmacy the retail
28 price of the OxyContin, approximately \$900-\$1300 per

1 prescription, in cash. For some Medicare Part D patients,
2 pharmacists dispensed the OxyContin, including defendants YOON,
3 LIM, CHO, and NGUYEN, and the pharmacies billed the patients'
4 PDP. For those patients, defendants ASHOT SANAMIAN, HOVANNISYAN,
5 co-conspirator Derderian, and the other Runners would either pay
6 the co-payment amount or obtain the OxyContin without charge.

7 l. Clinic employees, including defendants Mikaelian and
8 ANJELIKA SANAMIAN, were also prescribed OxyContin by the Clinic's
9 doctors and these prescriptions were filled by paying cash at the
10 Subject Pharmacies.

11 m. However, to conceal the full extent of their
12 OxyContin sales, pharmacies owned and/or operated by defendants
13 YOON, LIM, CHO, NGUYEN, and TRAN, would not always bill the PDP
14 and would not report all the OxyContin prescriptions issued by
15 the Clinic to CURES.

16 n. Once the OxyContin was dispensed, defendants ASHOT
17 SANAMIAN, HOVANNISYAN, PULLAM, YOON, co-conspirator Derderian,
18 and others known and unknown to the Grand Jury would give the
19 OxyContin to defendant MIKAELIAN.

20 o. Defendant MIKAELIAN and others known and unknown to
21 the Grand Jury would then sell the OxyContin for between
22 approximately \$23 and \$27 per pill.

23 p. To dispose of cash proceeds generated from the sales
24 of OxyContin without drawing scrutiny, defendant YOON deposited
25 and caused to be deposited proceeds from the sales of OxyContin
26 into bank accounts in amounts less than \$10,000 and, for at least
27 one account then transferred the money into a Gemmel Pharmacy,
28 Inc. bank account at a different bank.

1 q. To dispose of cash proceeds generated from the
2 proceeds of OxyContin without drawing scrutiny, defendants LIM,
3 KHOU, NGUYEN, and would structure deposits of cash proceeds from
4 the sale of OxyContin by regularly depositing the cash proceeds
5 in amounts of \$10,000 or less to evade bank reporting
6 requirements.

7 r. Defendants MIKAELIAN and ANGELIKA SANAMIAN would use
8 proceeds from the sale of OxyContin to gamble at casinos, to
9 purchase automobiles and jewelry, and to buy more OxyContin.

10 C. OVERT ACTS

11 57. In furtherance of the conspiracy, and to accomplish its
12 object, defendants MIKAELIAN, ANJELIKA SANAMIAN, ASHOT SANAMIAN,
13 HALFON, GARRISON, HOVANNISYAN, PULLAM, BUDAGOVA, YOON, LIM, KHOU,
14 CHO, NGUYEN, and TRAN, along with co-conspirators Santiago,
15 Derderian, and Smith, together with others known and unknown to
16 the Grand Jury, committed and willfully caused others to commit
17 the following overt acts, among others, in the Central District
18 of California and elsewhere:

19 DEFENDANT MIKAELIAN

20 Overt Act No. 1: On or about November 2, 2009, defendant
21 MILAELIAN knowingly diverted and sold 17 bottles of OxyContin
22 80mg (approximately 1530 pills) to a confidential government
23 informant ("CI-1").

24 Overt Act No. 2: On or about December 10, 2009, defendant
25 MIKAELIAN knowingly diverted and sold five bottles of OxyContin
26 80mg (approximately 450 pills) to CI-1.

27 Overt Act No. 3: On or about December 5, 2009, defendant
28 MIKAELIAN inserted approximately \$31,300 in cash into slot

1 machines at San Manuel Bingo & Casino in Highland, California.

2 Overt Act No. 4: On or about January 18, 2010, defendant
3 MIKAELIAN inserted approximately \$33,400 in cash into slot
4 machines at San Manuel Bingo & Casino in Highland, California.

5 Overt Act No. 5: On or about February 10, 2010, defendant
6 MIKAELIAN inserted approximately \$24,820 in cash into slot
7 machines at San Manuel Bingo & Casino in Highland, California.

8 DEFENDANT ANJELIKA SANAMIAN

9 Overt Act No. 6: On or about November 21, 2008, defendant
10 ANJELIKA SANAMIAN obtained a Clinic prescription for OxyContin
11 for herself and caused St. Paul's to dispense 90 pills of
12 OxyContin 80 mg on that prescription.

13 Overt Act No. 7: On or about April 4, 2009, defendant
14 ANJELIKA SANAMIAN obtained a Clinic prescription for OxyContin
15 for herself and caused Mission Pharmacy to dispense 90 pills of
16 OxyContin 80 mg on that prescription.

17 Overt Act No. 8: On or about February 10, 2010, defendant
18 ANJELIKA SANAMIAN inserted approximately \$11,000 in cash into
19 slot machines at San Manuel Bingo & Casino in Highland,
20 California.

21 Overt Act No. 9: On or about February 26, 2010, defendant
22 ANJELIKA SANAMIAN inserted approximately \$50,540 in cash into
23 slot machines at Wynn Las Vegas in Las Vegas, Nevada.

24 DEFENDANT ASHOT SANAMIAN

25 Overt Act No. 10: On or about June 16, 2009, defendant
26 ASHOT SANAMIAN obtained 90 pills of OxyContin 80mg from Pacific
27 Side Pharmacy, in Huntington Beach, California, in the name of
28 recruited patient A.D.

1 Overt Act No. 11: On or about June 16, 2009, defendant
2 ASHOT SANAMIAN obtained 90 pills of OxyContin 80mg from Med
3 Center Pharmacy, in Van Nuys, California, in the name of
4 recruited patient D.A.

5 Overt Act No. 12: On or about September 18, 2009, defendant
6 ASHOT SANAMIAN paid approximately \$1,290 to Colonial Pharmacy for
7 90 pills labeled OxyContin 80mg in the name of recruited patient
8 J.T.

9 Overt Act No. 13: On or about September 18, 2009, defendant
10 ASHOT SANAMIAN obtained 90 pills labeled OxyContin 80mg from
11 Huntinton Pharmacy in San Marino, California, in the name of
12 recruited patient D.O.

13 Overt Act No. 14: On or about September 18, 2009, defendant
14 ASHOT SANAMIAN obtained 90 pills of OxyContin 80mg from Huntinton
15 Pharmacy, San Marino, California, in the name of recruited
16 patient A.A.

17 Co-Conspirator Santiago

18 Overt Act No. 15: On or about December 16, 2008, co-
19 conspirator SANTIAGO issued a prescription for 90 pills of
20 OxyContin 80mg in the name of recruited patient R.H.

21 Overt Act No. 16: On or about March 26, 2009, co-
22 conspirator Santiago allowed a prescription for 90 pills of
23 OxyContin 80mg in the name of recruited patient A.A. to be issued
24 in co-conspirator Santiago's name and thereafter signed the
25 patient's chart.

26 DEFENDANT GARRISON

27 Overt Act No. 17: On or about March 3, 2009, defendant
28 GARRISON wrote medical notes in co-conspirator Derderian's

1 medical chart and prescribed, under co-conspirator Santiago's
2 prescription, 90 pills of OxyContin 80mg in co-conspirator
3 Derderian's name.

4 Overt Act No. 18: On or about March 26, 2009, defendant
5 GARRISON wrote medical notes in recruited patient A.A.'s medical
6 chart and prescribed, under co-conspirator Santiago's
7 prescription, 90 pills of OxyContin 80mg in the name of recruited
8 patient A.A.

9 Overt Act No. 19: On or about May 18, 2009, defendant
10 GARRISON wrote medical notes in recruited patient R.H.'s medical
11 chart and prescribed, under co-conspirator Santiago's
12 prescription, 90 pills of OxyContin 80mg in the name of recruited
13 patient R.H.

14 Overt Act No. 20: On or about August 3, 2009, defendant
15 GARRISON wrote medical notes in recruited patient V.F.'s medical
16 chart and prescribed, under co-conspirator Santiago's
17 prescription, 90 pills of OxyContin 80mg in the name of recruited
18 patient V.F.

19 Overt Act No. 21: On or about January 13, 2010, defendant
20 GARRISON saw recruited patient C.P. and prescribed, under a
21 Clinic doctor's prescription, 90 pills of OxyContin 80mg in the
22 name of recruited patient C.P.

23 DEFENDANT HALFON

24 Overt Act No. 22: On or about April 16, 2009, defendant
25 HALFON issued a prescription of 90 pills of OxyContin 80mg in the
26 name of recruited patient G.G.

27 Overt Act No. 23: On or about June 23, 2009, defendant
28 HALFON issued a prescription of 90 pills of OxyContin 80mg in the

1 name of recruited patient G.G.

2 Overt Act No. 24: On or about July 14, 2009, defendant
3 HALFON issued a prescription of 90 pills of OxyContin 80mg in the
4 name of recruited patient G.G.

5 DEFENDANT HOVANNISYAN

6 Overt Act No. 25: On or about September 28, 2009, defendant
7 HOVANNISYAN picked up OxyContin at Mission Pharmacy and delivered
8 the OxyContin to defendant MIKAELIAN.

9 Overt Act No. 26: On or about September 28, 2009, defendant
10 HOVANNISYAN picked up OxyContin at Avalon Pharmacy in Wilmington,
11 California, and delivered the OxyContin to defendant MIKAELIAN.

12 Overt Act No. 27: On or about October 26, 2009, defendant
13 HOVANNISYAN picked up OxyContin dispensed in the names of
14 recruited Clinic patients at Better Value Pharmacy, in West
15 Covina, California, and delivered the OxyContin to defendant
16 MIKAELIAN.

17 Overt Act No. 28: On a date unknown, but between in and
18 about September 2008, and in and about May 2009, defendant
19 HOVANNISYAN accompanied recruited patients to a pharmacy in order
20 to obtain OxyContin.

21 Co-Conspirator Derderian

22 Overt Act No. 29: On a date unknown, but between in and
23 about September 2008, and in and about May 2009, co-conspirator
24 Derderian accompanied recruited patients to a pharmacy in order
25 to obtain OxyContin.

26 DEFENDANT PULLAM

27 Overt Act No. 30: On or about December 8, 2008, defendant
28 PULLAM obtained a prescription in his own name for 90 pills of

1 OxyContin 80mg from co-conspirator Santiago.

2 Overt Act No. 31: On or about January 7, 2009, defendant
3 PULLAM obtained a prescription in his own name for 90 pills of
4 OxyContin 80mg strength from co-conspirator Santiago.

5 Overt Act No. 32: On or about January 13, 2010, defendant
6 PULLAM paid recruited patient C.P. \$300 for 90 pills of OxyContin
7 80mg.

8 Co-Conspirator Smith

9 Overt Act No. 33: On or about January 13, 2010, co-
10 conspirator Smith offered to pay recruited patient C.P. \$500 to
11 obtain a prescription for OxyContin using patient C.P.'s Medicare
12 Part D coverage.

13 Overt Act No. 34: On or about January 13, 2010, co-
14 conspirator Smith wrote "back pain" on recruited patient C.P.'s
15 medical intake form at the Clinic.

16 Overt Act No. 35: On or about June 18, 2009, co-conspirator
17 Smith offered to pay recruited patient E.D. \$30 to go to the
18 Clinic and receive a prescription for OxyContin.

19 Overt Act No. 36: On or about December 16, 2008, co-
20 conspirator Smith offered to pay recruited patient R.H. between
21 \$50 and \$100 to go to the Clinic and receive a prescription for
22 OxyContin.

23 DEFENDANT BUDAGOVA

24 Overt Act Nos. 37-41: On or about July 6, 2009, August 5,
25 2009, September 1, 2009, September 29, 2009, and October 19,
26 2009, defendant BUDAGOVA wrote fabricated information in
27 recruited patient L.H.'s medical chart.

28 Overt Act Nos. 42-43: On or about April 6, 2009, and August

1 20, 2009, defendant BUDAGOVA wrote fabricated information in
2 recruited patient R.H.'s medical chart.

3 Overt Act Nos. 44-46: On or about June 16, 2009, July 27,
4 2009, and August 24, 2009, defendant BUDAGOVA wrote fabricated
5 information in recruited patient G.M.'s medical chart.

6 Overt Act Nos. 47-48: On or about September 14, 2009, and
7 October 13, 2009, defendant BUDAGOVA wrote fabricated information
8 in recruited patient E.D.'s medical chart.

9 DEFENDANT YOON

10 Overt Act No. 49: On or about June 28, 2009, defendant YOON
11 dispensed or caused to be dispensed 90 pills of OxyContin 80mg in
12 the name of recruited patient G.G.

13 Overt Act No. 50: Between on or about June 30, 2009, and on
14 or about October 19, 2009, defendant YOON dispensed or caused to
15 be dispensed five bottles of 90 pills each of OxyContin 80mg to
16 defendant MIKAELIAN.

17 Overt Act No. 51: Between on or about August 30, 2009, and
18 on or about September 17, 2009, defendant YOON dispensed or
19 caused to be dispensed three bottles of 90 pills each of
20 OxyContin 80mg to co-conspirator Smith.

21 Overt Act No. 52: Between on or about September 18, 2009,
22 and on or about December 23, 2009, defendant YOON dispensed or
23 caused to be dispensed four bottles of 90 pills each of OxyContin
24 80mg in the name of recruited patient E.D.

25 Overt Act No. 53: On or about November 11, 2009, defendant
26 YOON knowingly dispensed or caused to be dispensed 90 pills each
27 of OxyContin 80mg to defendant MEKTERYAN.

28 Overt Act No. 54: On or about November 12, 2009, defendant

1 YOON dispensed or caused to be dispensed 90 pills each of
2 OxyContin 80mg to defendant HOVANNISYAN.

3 Overt Act No. 55: On or about September 14, 2009, defendant
4 YOON wrote check number 10004 payable to Gemmel Pharmacy, Inc. in
5 the amount of \$28,000 from Nara Account 1.

6 Overt Act No. 56: On or about September 14, 2009, defendant
7 YOON deposited or caused to be deposited check number 10004
8 payable to Gemmel Pharmacy, Inc. in the amount of \$28,000 from
9 Nara Account 1 into Wilshire Account 1.

10 Overt Act No. 57: On or about September 22, 2009, defendant
11 YOON wrote check number 10001 payable to Gemmel Pharmacy, Inc. in
12 the amount of \$14,000 from Nara Account 1.

13 Overt Act No. 58: On or about September 22, 2009, defendant
14 YOON deposited or caused to be deposited check number 10001
15 payable to Gemmel Pharmacy, Inc. in the amount of \$14,000 from
16 Nara Account 1 into Wilshire Account 1.

17 Overt Act No. 59: On or about October 22, 2009, defendant
18 YOON wrote check number 10005 payable to Gemmel Pharmacy, Inc. in
19 the amount of \$17,000 from Nara Account 1.

20 Overt Act No. 60: On or about October 23, 2009, defendant
21 YOON deposited or caused to be deposited check number 10005
22 payable to Gemmel Pharmacy, Inc. in the amount of \$17,000 from
23 Nara Account 1 into Wilshire Account 1.

24 Overt Act No. 61: On or about December 8, 2009, defendant
25 YOON wrote check number 10010 payable to Gemmel Pharmacy, Inc. in
26 the amount of \$13,000 from Nara Account 1.

27 Overt Act No. 62: On or about December 8, 2009, defendant
28 YOON deposited or caused to be deposited check number 10010

1 payable to Gemmel Pharmacy, Inc. in the amount of \$13,000 from
2 Nara Account 1 into Wilshire Account 1.

3 DEFENDANT LIM

4 Overt Act Nos. 63-65: On or about July 17, 2009, August 21,
5 2009, and September 18, 2009, defendant LIM dispensed or caused
6 to be dispensed three bottles of 90 pills each of OxyContin 80mg
7 in the name of recruited patient G.G.

8 Overt Act Nos 66-67: On or about July 27, 2009, and
9 September 18, 2009, defendant LIM dispensed or caused to be
10 dispensed two bottles of 90 pills each of OxyContin 80mg in the
11 name of recruited patient A.A.

12 Overt Act Nos. 68-69: On or about July 28, 2009, and
13 September 18, 2009, defendant LIM dispensed or caused to be
14 dispensed two bottles of 90 pills each of OxyContin 80mg in the
15 name of recruited patient D.O.

16 Overt Act No. 70: On or about November 27, 2009, defendant
17 LIM dispensed or caused to be dispensed 90 pills of OxyContin
18 80mg in the name of recruited patient D.P.

19 DEFENDANT KHOU

20 Overt Act No. 71: On or about August 4, 2009, defendant
21 KHOU made or caused two separate deposits of cash in the amounts
22 of \$1,662 and \$9,000 into Chase Account 1.

23 Overt Act No. 72: On or about August 5, 2009, defendant
24 KHOU made or caused three separate deposits of cash in the
25 amounts \$2,377, \$8,000, and \$8,040 into Chase Account 1.

26 Overt Act No. 73: On or about August 6, 2009, defendant
27 KHOU made or caused three separate deposits of cash in the
28 amounts of \$2,000, \$2,726, and \$8,000 into Chase Account 1.

1 Overt Act No. 74: On or about September 5, 2009, defendant
2 KHOU made or caused four separate deposits of cash in the amounts
3 of \$3,741 and \$9,000 into Chase Account 1, \$9,000 into Chase
4 Account 2, and \$7,000 into Chase Account 3.

5 Overt Act No. 75: On or about September 24, 2009, defendant
6 KHOU made or caused two separate deposits of cash in the amounts
7 of \$9,000 into Chase Account 1 and \$9,000 into Chase Account 2.

8 Overt Act No. 76: On or about September 25, 2009, defendant
9 KHOU deposited or caused to be deposited cash in the amount of
10 \$9,000 into Chase Account 1.

11 Overt Act No. 77: On or about September 26, 2009, defendant
12 KHOU made or caused three separate cash deposits in the amounts
13 of \$4,000 and \$4,320 into Chase Account 1 and \$9,000 into Chase
14 Account 2.

15 Overt Act No. 78: On or about October 13, 2009, defendant
16 KHOU deposited or caused to be deposited cash in the amount of
17 \$9,000 into HSBC Account 1.

18 Overt Act No. 79: On or about October 14, 2009, defendant
19 KHOU deposited or caused to be deposited cash in the amount of
20 \$9,000 into HSBC Account 1.

21 Overt Act No. 80: On or about October 15, 2009, defendant
22 KHOU deposited or caused to be deposited cash in the amount of
23 \$9,000 into HSBC Account 1.

24 Overt Act No. 81: On or about October 16, 2009, defendant
25 KHOU deposited or caused to be deposited cash in the amount of
26 \$9,800 into HSBC Account 1.

27 DEFENDANT CHO

28 Overt Act No. 82-86: On or about July 15, 2009, August 11,

1 2009, August 21, 2009, September 18, 2009, and November 18, 2009,
2 defendant CHO dispensed or caused to be dispensed five bottles of
3 90 pills each of OxyContin 80mg strength to recruited patient
4 R.H.

5 Overt Act No. 87-91: On or about July 6, 2009, August 6,
6 2009, September 1, 2009, September 28, 2009, and November 18,
7 2009, defendant CHO dispensed or caused to be dispensed five
8 bottles of 90 pills each of OxyContin 80mg strength to recruited
9 patient J.M.

10 Overt Act No. 92-96: On or about July 10, 2009, August 6,
11 2009, September 1, 2009, September 28, 2009, and November 18,
12 2009, defendant CHO dispensed or caused to be dispensed five
13 bottles of 90 pills each of OxyContin 80mg to recruited patient
14 T.M.

15 Overt Act No. 97: On or about August 18, 2009, defendant
16 CHO dispensed or caused to be dispensed one bottle of 90 pills
17 each of OxyContin 80mg strength to recruited patient E.D.

18 DEFENDANT NGUYEN

19 Overt Act No. 98: On or about November 21, 2008, defendant
20 NGUYEN dispensed or caused to be dispensed 90 pills of OxyContin
21 80mg to defendant MIKAELIAN.

22 Overt Act No. 99: On or about November 21, 2008, defendant
23 NGUYEN dispensed or caused to be dispensed 90 pills of OxyContin
24 80mg to defendant ANJELIKA SANAMIAN.

25 Overt Act No. 100-104: On or about March 20, 2009, April 16,
26 2009, June 23, 2009, July 16, 2009, and August 27, 2009,
27 defendant NGUYEN dispensed or caused to be dispensed five bottles
28 of 90 pills of OxyContin 80mg to recruited patient G.G.

1 Overt Act No. 105: On or about January 28, 2009, defendant
2 NGUYEN made or caused two separate deposits of cash in the amount
3 of \$10,000 into Bank of America Account 1 and \$10,000 into Bank
4 of America Account 2.

5 Overt Act No. 106: On or about August 19, 2009, defendant
6 NGUYEN made or caused two separate deposits of cash in the
7 amounts \$9,000 and \$10,000 into Bank of America Account 1.

8 DEFENDANT TRAN

9 Overt Act No. 107: On or about December 4, 2008, defendant
10 TRAN dispensed or caused to be dispensed 90 pills of OxyContin
11 80mg to recruited patient B.H.

12 Overt Act No. 108-111: On or about March 26, 2009, May 30,
13 2009, June 25, 2009, and July 17, 2009, defendant TRAN dispensed
14 or caused to be dispensed four bottles of 90 pills each of
15 OxyContin 80mg strength to defendant HOVANNISYAN.

16 Overt Act No. 112-114: On or about November 8, 2008, April
17 4, 2009, and July 2, 2009, defendant TRAN dispensed or caused to
18 be dispensed three bottles of 90 pills each of OxyContin 80mg to
19 defendant ANGELIKA SANAMIAN.

20 Overt Act No. 115-116: On or about December 19, 2008 and
21 April 6, 2009, defendant TRAN dispensed or caused to be dispensed
22 two bottles of 90 pills each of OxyContin 80mg to defendant
23 MIKAELIAN.

24 Overt Act No. 117: On or about April 2, 2009, defendant TRAN
25 dispensed or caused to be dispensed one bottle of 90 pills of
26 OxyContin 80mg to co-conspirator Derderian.

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1 COUNT TWO

2 [18 U.S.C. § 1349]

3 58. The Grand Jury hereby repeats and re-alleges paragraphs 1
4 through 53, and Overt Acts Nos. 35 through 48 as set forth in
5 paragraph 60 of this First Superseding Indictment, as though
6 fully set forth herein.

7 A. OBJECT OF THE CONSPIRACY

8 59. Beginning in or about August 2008, and continuing until
9 in or about February 2010, within the Central District of
10 California and elsewhere, defendants ANJELIKA SANAMIAN, SUAREZ,
11 MEKTERYAN, and BUDAGOVA, together with co-conspirators Santiago,
12 Shishalovsky, and Smith, and others known and unknown to the
13 Grand Jury, knowingly combined, conspired, and agreed to execute
14 a scheme to defraud a health care benefit program, namely
15 Medicare Part B and Medi-Cal, in violation of 18 U.S.C. § 1347.

16 B. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE
17 ACCOMPLISHED

18 60. The object of the conspiracy was carried out, and to be
19 carried out, in substance, as set forth in paragraphs 1 through
20 13 and 56 of this First Superseding Indictment and as follows:

21 a. Defendant ANGELIKA SANAMIAN would recruit or instruct
22 others to recruit doctors, including co-conspirator Santiago, to
23 work at the Clinic.

24 b. Co-conspirator Santiago and the other doctors would
25 submit provider applications to Medicare and Medi-Cal and obtain
26 Medicare and/or Medi-Cal provider numbers that enabled the Clinic
27 to submit claims in their names.

28 c. The provider applications would designate defendant

1 ANJELIKA SANAMIAN as the contact person and A & A as the billing
2 entity for Santiago and other Clinic doctors.

3 d. Co-conspirator Santiago and others at the Clinic would
4 write orders for unnecessary medical tests and procedures for the
5 recruited patient who were Medicare and Medi-Cal beneficiaries.

6 e. Unknown individuals at the Clinic would perform tests
7 on recruited patients before any medical examination was
8 conducted or following a cursory examination that did not provide
9 a basis for performing the tests.

10 f. Defendant MEKTERYAN would perform unnecessary
11 ultrasound tests on recruited patients.

12 g. Defendants ANJELIKA SANAMIAN, MEKTERYAN, BUDAGOVA, and
13 co-conspirator Shishalovsky would create false clinical records
14 to make it appear as if legitimate and necessary medical services
15 had been performed on the recruited patients.

16 h. Defendant ANJELIKA SANAMIAN, through A & A, would
17 submit false and fraudulent claims to Medicare and Medi-Cal
18 related to the recruited patients for medical services that were
19 not medically necessary and/or not performed as represented in
20 the claims, including:

21 i. Claims for office visits with physicians that
22 either did not take place or were shorter and more superficial
23 than represented in the claims;

24 ii. Claims for NCVs, electrocardiograms,
25 ultrasounds, and other tests and procedures that were not in fact
26 performed:

27 iii. Claims for ultrasounds purportedly performed
28 one or a few days apart, on dates when the beneficiary was not in

1 fact at the Clinic to be tested.

2 iv. Claims for tests and procedures that had not
3 been ordered by a physician.

4 i. Medicare Part B and Medi-Cal would pay some of the false
5 and fraudulent claims.

6 C. OVERT ACTS

7 61. In furtherance of the conspiracy, and to accomplish its
8 object, defendants ANJELIKA SANAMIAN, SUAREZ, BUDAGOVA, and
9 MEKTERYAN, together with co-conspirators Santiago and
10 Shishalovsky and others known and unknown to the Grand Jury,
11 committed and willfully caused others to commit Overt Act Nos. 35
12 through 48 as set forth in paragraph 57 of this Indictment, and
13 the following overt acts, among others, in the Central District
14 of California and elsewhere:

15 Recruited Patient B.H.

16 Overt Act No. 117: On or about April 12, 2009, co-
17 conspirator Shishalovsky confirmed recruited patient B.H.'s
18 Medicare and Medi-Cal eligibility.

19 Overt Act No. 118: On or about April 29, 2009, defendant
20 ANJELIKA SANAMIAN submitted a claim to Medicare for services
21 allegedly provided to recruited patient B.H. on March 5, 2009,
22 specifically, a Level 3 (approximately 30 minute face-to-face)
23 office visit with co-defendant Halfon, a duplex scan, and
24 venipuncture.

25 Recruited Patient D.P.

26 Overt Act No. 119: On or about June 25, 2009, co-
27 conspirator Shishalovsky confirmed recruited patient D.P.'s
28 Medicare and Medi-Cal eligibility.

1 Overt Act No. 120: On or about July 7, 2009, defendant
2 ANJELIKA SANAMIAN submitted a claim to Medicare for services
3 allegedly provided to recruited patient D.P. on June 25, 2009,
4 including a Level 3 office visit with defendant HALFON, a duplex
5 scan ultrasound, an ECG, and an NCV.

6 Overt Act No. 121: On or before July 7, 2009, defendant
7 ANJELIKA SANAMIAN submitted a claim to Medicare for services
8 allegedly provided to recruited patient D.P. on June 26, 2009,
9 specifically, a duplex scan (lower) ultrasound test.

10 Overt Act No. 122: On or about September 1, 2009, defendant
11 ANJELIKA SANAMIAN submitted a claim to Medicare for services
12 allegedly provided to recruited patient D.P. on August 27, 2009,
13 including a Level 3 office visit with defendant HALFON, an
14 amplitude and latency study, and an NCV.

15 Recruited Patient E.D.

16 Overt Act No. 123: On or about June 18, 2009, co-
17 conspirator Shishalovsky confirmed recruited patient E.D.'s Medi-
18 Cal eligibility.

19 Overt Act No. 124: On or before July 13, 2009, defendant
20 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
21 allegedly provided to recruited patient E.D. on June 18, 2009,
22 including a Level 3 office visit with co-conspirator Santiago, an
23 EKG, ultrasounds and a breathing capacity test.

24 Overt Act No. 125: On or before July 13, 2009, defendant
25 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
26 allegedly provided to recruited patient E.D. on June 19, 2009,
27 including an NCV.

28 Overt Act No. 126: On or before September 8, 2009,

1 defendant ANJELIKA SANAMIAN submitted a claim to Medi-Cal for
2 services allegedly provided to recruited patient E.D. on August
3 14, 2009, including a Level 3 office visit with co-conspirator
4 Santiago, an EKG, and pulmonary function tests.

5 Overt Act No. 127: On or about September 14, 2009,
6 defendant MEKTERYAN created or altered an ultrasound test result
7 for recruited patient E.D.

8 Overt Act No. 128: On or about September 14, 2009,
9 defendant BUDAGOVA wrote fabricated information in recruited
10 patient E.D.'s medical chart.

11 Overt Act No. 129: On or before October 5, 2009, defendant
12 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
13 allegedly provided to recruited patient E.D. on September 14,
14 2009, specifically, a Level 3 office visit with co-conspirator
15 Santiago, and an extremity study (ultrasound).

16 Overt Act No. 130: On or before October 5, 2009, defendant
17 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
18 allegedly provided to recruited patient E.D. on September 15,
19 2009, specifically an extremity study (ultrasound).

20 Overt Act No. 131: On or about October 13, 2009, defendant
21 BUDAGOVA wrote fabricated information in recruited patient E.D.'s
22 medical chart.

23 Overt Act No. 132: On or before November 9, 2009, defendant
24 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
25 allegedly provided to recruited patient E.D. on October 13, 2009,
26 specifically an extremity study (ultrasound).

27 Recruited Patient R.H.

28 Overt Act No. 133: On or about January 8, 2009, co-

1 conspirator Shishalovsky confirmed recruited patient R.H.'s
2 Medi-Cal eligibility.

3 Overt Act No. 134: On or before March 16, 2009, defendant
4 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
5 allegedly provided to recruited patient R.H. on March 3, 2009,
6 including a Level 3 office visit with co-conspirator Santiago.

7 Overt Act No. 135: On or about April 6, 2009, co-
8 conspirator Santiago approved the ordering of an NCV for
9 recruited patient R.H., a Medi-Cal beneficiary.

10 Overt Act No. 136: On or about April 6, 2009, defendant
11 BUDAGOVA wrote fabricated information in recruited patient R.H.'s
12 medical chart.

13 Overt Act No. 137: On or before April 27, 2009, defendant
14 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
15 allegedly provided to recruited patient R.H. on April 6, 2009,
16 specifically, a Level 3 office visit with co-conspirator
17 Santiago, an NCV, and ultrasound tests.

18 Overt Act No. 138: On or before April 27, 2009, defendant
19 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
20 allegedly provided to recruited patient R.H. on April 7, 2009,
21 specifically a visceral vascular study.

22 Overt Act No. 139: On or about August 20, 2009, defendant
23 BUDAGOVA wrote fabricated information in recruited patient R.H.'s
24 medical chart.

25 Overt Act No. 140: On or before September 8, 2009,
26 defendant ANJELIKA SANAMIAN submitted a claim to Medi-Cal for
27 services allegedly provided to recruited patient R.H. on August
28 20, 2009, specifically, a lower extremity study (ultrasound).

1 Recruited Patient L.H.

2 Overt Act No. 141: On or about June 9, 2009, defendant
3 MEKTERYAN created or altered an ultrasound test result for
4 recruited patient L.H.

5 Overt Act No. 142: On or before October 5, 2009, defendant
6 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
7 allegedly provided to recruited patient L.H. on June 9, 2009,
8 including Level 3 office visit with co-conspirator Santiago, an
9 EKG, and extremity study (ultrasound).

10 Overt Act No. 143: On or before October 5, 2009, defendant
11 ANJELIKA SANAMIAN submitted a claim to Medi-Cal for services
12 allegedly provided to recruited patient L.H. on June 10, 2009,
13 specifically, an extremity study (ultrasound).

14 Additional Acts

15 Overt Act No. 144: On or about August 19, 2009, defendant
16 SUAREZ promised a confidential government informant (hereinafter
17 "CI2"), a Medi-Cal beneficiary, \$30 to go to the Clinic for
18 unnecessary medical care.

19 Overt Act No. 145: On or about September 29, 2009,
20 defendant SUAREZ informed an undercover officer that defendant
21 SUAREZ would pay the undercover officer \$10 for each "patient"
22 profile the undercover officer referred to the Clinic and \$40 for
23 the use of the undercover officer's Medi-Cal card.

24 Overt Act No. 146: On or about May 8, 2009, co-conspirator
25 Smith promised recruited patient R.B., a Medi-Cal beneficiary,
26 \$25 to go to the Clinic.

27 Overt Act No. 147: On or about May 8, 2009, co-conspirator
28 Smith instructed recruited patient R.B., a Medi-Cal beneficiary,

1 to "come back" to the Clinic another time for more money.

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1 and/or operated by defendants YOON, LIM, CHO, and NGUYEN.

2 b. The pharmacies, including the Gemmel Pharmacies,
3 Better Value Pharmacy, Huntington Pharmacy, and St. Paul's
4 Pharmacy, owned and/or operated by defendants YOON, LIM, CHO, and
5 NGUYEN, would submit or cause to be submitted claims to the PDPs
6 for the OxyContin they dispensed to fill the prescriptions.

7 c. The PDPs and Medicare Part D would pay some of the
8 claims submitted.

9 C. OVERT ACTS

10 65. In furtherance of the conspiracy, and to accomplish its
11 object, defendants MIKAELIAN, ASHOT SANAMIAN, HOVANNISYAN,
12 PULLAM, YOON, LIM, CHO, NGUYEN, together with co-conspirators
13 Derderian and Smith, and others known and unknown to the Grand
14 Jury, committed and willfully caused others to commit Overt Act
15 Nos. 28 and 29, 33, and 35 through 48, 117 and 119, as set forth
16 in paragraphs 57 and 61, of this First Superseding Indictment and
17 the following overt acts, among others, in the Central District
18 of California and elsewhere:

19 Overt Act No. 148: On an unknown date after August 2008,
20 and before on or about May 6, 2009, defendant MIKAELIAN paid
21 B.H., a recruited Medicare/Medi-Cal patient, \$400 in order to
22 obtain a prescription for OxyContin.

23 Overt Act No. 149: On or about December 12, 2008, defendant
24 NGUYEN dispensed or caused to be dispensed from St. Paul's 90
25 pills of OxyContin 80mg to recruited Medicare Part D beneficiary
26 D.P.

27 Overt Act No. 150: On or about December 18, 2008, defendant
28 NGUYEN dispensed or caused to be dispensed 90 pills of OxyContin

1 80mg to recruited Medicare Part D beneficiary B.H.

2 Overt Act Nos. 151-153: On or about May 4, 2009, June 3,
3 2009, and July 2, 2009, defendant YOON dispensed or caused to be
4 dispensed from Better Value three bottles of 90 pills each of
5 OxyContin 80mg to recruited Medicare Part D beneficiary S.D.

6 Overt Act No. 154: On or about July 2, 2009, defendant LIM
7 dispensed or caused to be dispensed from Huntington Pharmacy 90
8 pills of OxyContin 80mg to recruited Medicare Part D beneficiary
9 D.N.

10 Overt Act No. 155: On or about September 18, 2009,
11 defendant ASHOT SANAMIAN provided Colonial Pharmacy, in Arcadia,
12 California, with multiple PDP cards and other identifying
13 information belonging to recruited patients at the Clinic.

14 Overt Act Nos. 156-157: On or about October 29, 2009 and
15 December 9, 2009, defendant CHO dispensed or caused to be
16 dispensed from B&B Pharmacy 90 pills of OxyContin 80mg strength
17 to Medicare Part D beneficiary L.J.

18 Overt Act No. 158: On or about January 13, 2010, defendant
19 PULLAM paid recruited patient C.P. \$7 to cover recruited patient
20 C.P.'s Medicare Part D co-payment.

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COUNTS FOUR THROUGH NINE

[31 U.S.C. §§ 5324(a)(3), (d)(2); 18 U.S.C. § 2]

66. The Grand Jury hereby repeats and re-alleges paragraph 1 through 53, 56, and Overt Act Nos. 63 through 81 of paragraph 57 of this First Superseding Indictment, as though fully set forth herein.

67. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendants LIM and KHOU, each aiding and abetting the other, knowingly, and for the purpose of evading the reporting requirements of Section 5313(a) of Title 31, United States Code, and the regulations promulgated thereunder, structured, assisted in structuring, and caused to be structured, the following transactions with Chase Bank, a domestic financial institution, as part of a pattern of illegal activity involving more than \$100,000 in a 12-month period, and while violating another law of the United States:

COUNT	DATE	TRANSACTION
FOUR	08/04/2009	Cash deposits in the amounts of \$1,662 and \$9,000 into Chase Account 1
FIVE	08/05/2009	Cash deposits in the amounts of \$2,377, \$8,000, and \$8,040 into Chase Account 1
SIX	08/06/2009	Cash deposits in the amounts of \$2,000, \$2,726, and \$8,000 into Chase Account 1
SEVEN	09/05/2009	Cash deposits in the amounts of \$3,741 and \$9,000 into Chase Account 1, \$9,000 into Chase Account 2, and \$7,000 into Chase Account 3
EIGHT	09/24/2009	Cash deposits in the amounts of \$9,000 into Chase Account 1 and \$9,000 into Chase Account 2

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COUNT	DATE	TRANSACTION
NINE	09/26/2009	Cash deposits in the amounts of \$4,000 and \$4,320 into Chase Account 1 and \$9,000 into Chase Account 2

COUNTS TEN THROUGH FOURTEEN

[31 U.S.C. §§ 5324(a)(3), (d)(2); 18 U.S.C. § 2]

68. The Grand Jury hereby repeats and re-alleges paragraph 1 through 53, 56, and Overt Act Nos. 98 through 106 of paragraph 57 of this First Superseding Indictment, as though fully set forth herein.

69. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendant NGUYEN, aided and abetted by others known and unknown to the Grand Jury, knowingly, and for the purpose of evading the reporting requirements of Section 5313(a) of Title 31, United States Code, and the regulations promulgated thereunder, structured, assisted in structuring, and caused to be structured, the following transactions with Bank of America, a domestic financial institution, as part of a pattern of illegal activity involving more than \$100,000 in a 12-month period, and while violating another law of the United States:

COUNT	DATE	TRANSACTION
TEN	01/28/2009	Cash deposits in the amounts of \$10,000 into Bank of America Account 1 and \$10,000 into Bank of America Account 2
ELEVEN	06/02/2009	Cash deposits in the amounts of \$10,000 into Bank of America Account 1 and \$9,500 into Bank of America Account 2
TWELVE	06/03/2009	Cash deposits in the amounts of \$9,000 and \$10,000 into Bank of America Account 1
THIRTEEN	07/28/2009	Cash deposits in the amounts of \$10,000, \$10,000, and \$4,550 into Bank of America Account 1

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<u>COUNT</u>	<u>DATE</u>	<u>TRANSACTION</u>
FOURTEEN	08/19/2009	Cash deposits in the amounts of \$9,000 and \$10,000 into Bank of America Account 1

COUNTS FIFTEEN THROUGH TWENTY-TWO

[18 U.S.C. §§ 1957(a), 2]

70. The Grand Jury hereby repeats and re-alleges paragraph 1 through 53, 56, and Overt Act Nos. 49 and 62 of paragraph 57 of this First Superseding Indictment, as though fully set forth herein.

71. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendant YOON, together with others known and unknown to the Grand Jury, knowing that the funds involved represented the proceeds of some form of unlawful activity, knowingly conducted, attempted to conduct, and caused others to conduct, the following monetary transactions in criminally derived property of a value greater than \$10,000, which property, in fact, was derived from specified unlawful activity, namely, the distribution and diversion of oxycodone in the form of OxyContin, a Schedule II narcotic drug, in violation of Title 18, United States Code Sections 841(a)(1), and 841(b)(1)(C):

COUNT	DATE	MONETARY TRANSACTION
FIFTEEN	09/14/2009	Withdrawal of \$28,000 from Nara Account 1 by means of Check #10004 payable to Gemmel Pharmacy, Inc.
SIXTEEN	09/22/2009	Withdrawal of \$24,000 from Nara Account 1 by means of Check #10001 payable to Gemmel Pharmacy, Inc.
SEVENTEEN	10/22/2009	Withdrawal of \$17,000 from Nara Account 1 by means of Check #10005 payable to Gemmel Pharmacy, Inc.
EIGHTEEN	12/08/2009	Withdrawal of \$13,000 from Nara Account 1 by means of Check #10010 payable to Gemmel Pharmacy, Inc.

COUNT	DATE	MONETARY TRANSACTION
NINETEEN	01/06/2010	Withdrawal of \$13,000 from Nara Account 1 by means of Check #10013 payable to Gemmel, Inc.
TWENTY	01/21/2010	Withdrawal of \$23,000 from Nara Account 1 by means of Check #10014 payable to Gemmel Pharmacy, Inc.
TWENTY-ONE	01/28/2010	Withdrawal of \$17,000 from Nara Account 1 by means of Check #10015 payable to Gemmel Pharmacy, Inc.
TWENTY-TWO	02/12/2010	Withdrawal of \$21,000 from Nara Account 1 by means of Check #10016 payable to Gemmel Pharmacy, Inc.

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COUNTS TWENTY-THREE THROUGH TWENTY-SIX

[18 U.S.C. §§ 1957(a), 2]

72. The Grand Jury hereby repeats and re-alleges paragraph 1 through 53, 56, and Overt Act Nos. 1 and 5 of paragraph 57 of this First Superseding Indictment, as though fully set forth herein.

73. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendant MIKAELIAN, together with others known and unknown to the Grand Jury, knowing that the funds involved represented the proceeds of some form of unlawful activity, knowingly conducted, attempted to conduct, and caused others to conduct, the following monetary transactions in criminally derived property of a value greater than \$10,000, which property, in fact, was derived from specified unlawful activity, namely the distribution and diversion of oxycodone in the form of OxyContin, a Schedule II narcotic drug, in violation of Title 18, United States Code Sections 841(a)(1), and 841(b)(1)(C):

COUNT	DATE	MONETARY TRANSACTION
TWENTY-THREE	02/23/2010	\$63,000 cash payment to Keyes Audi in Van Nuys, California
TWENTY-FOUR	04/09/2010	\$40,000 cash payment to Rusnack Pasadena in Pasadena, California
TWENTY-FIVE	04/19/2010	\$25,000 cash payment to Rusnack Pasadena in Pasadena, California
TWENTY-SIX	04/20/2010	\$44,500 cash payment to Rusnack Pasadena in Pasadena, California

FORFEITURE ALLEGATION I

[21 U.S.C. § 853]

[Conspiracy to Distribute Controlled Substances]

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2
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4 1. The Grand Jury incorporates and realleges all of the
5 allegations contained in the Introductory Allegations and Count
6 One above as though fully set forth in their entirety here for
7 the purpose of alleging forfeiture pursuant to the provisions of
8 Title 21, United States Code, Section 853.

9 2. Each defendant convicted under Count One of this First
10 Superseding Indictment shall forfeit to the United States the
11 following property:

12 a. All right, title, and interest in any and all
13 property --

14 (1) constituting, or derived from, any proceeds
15 obtained, directly or indirectly, as a result of any such
16 offense;

17 (2) any property used, or intended to be used, in
18 any manner or part, to commit, or to facilitate the commission of
19 any such offense; and

20 b. A sum of money equal to the total value of the
21 property described in paragraph 2.a. If more than one defendant
22 is found guilty of Count One, each such defendant shall be
23 jointly and severally liable for the entire amount ordered
24 forfeited pursuant to that count.

25 3. Pursuant to Title 21, United States Code, Section
26 853(p), each defendant shall forfeit substitute property, up to
27 the value of the total amount described in paragraph 2, if, as
28 the result of any act or omission of said defendant, the property

1 described in paragraph 2, or any portion thereof (a) cannot be
2 located upon the exercise of due diligence; (b) has been
3 transferred, sold to, or deposited with a third party; (c) has
4 been placed beyond the jurisdiction of the court; (d) has been
5 substantially diminished in value; or (e) has been commingled
6 with other property which cannot be divided without difficulty.

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FORFEITURE ALLEGATION II

[18 U.S.C. § 981(a)(1)(C); 28 U.S.C. § 2461(c); 21 U.S.C. § 853]

[Conspiracy to Commit Healthcare Fraud]

1. The Grand Jury incorporates and realleges all of the allegations contained in the Introductory Allegations and Counts Two and Three above as though fully set forth in their entirety here for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C); Title 28, United States Code, Section 2461(c); and Title 21, United States Code, Section 853.

2. Each defendant convicted of any of the offenses charged in Counts Two or Three of this First Superseding Indictment, shall forfeit to the United States the following property:

a. All right, title, and interest in any and all property, real or personal, which constitutes or is derived from proceeds traceable to such offenses; and

b. A sum of money equal to the total amount of proceeds derived from each such offense for which the defendant is convicted. If more than one defendant is found guilty of Counts Two or Three, each such defendant shall be jointly and severally liable for the entire amount ordered forfeited pursuant to that count.

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section

1 2461(c), each defendant shall forfeit substitute property, up to
2 the total value of the property described in paragraph 2 above,
3 if, by any act or omission of said defendant, the property
4 described in paragraph 2, or any portion thereof, (a) cannot be
5 located upon the exercise of due diligence; (b) has been
6 transferred or sold to, or deposited with, a third party; (c) has
7 been placed beyond the jurisdiction of the court; (d) has been
8 substantially diminished in value; or (e) has been commingled
9 with other property that cannot be divided without difficulty.
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1 FORFEITURE ALLEGATION III

2 [31 U.S.C. § 5317]

3 [Structuring]

4 1. The Grand Jury incorporates and realleges all of the
5 allegations contained in the Introductory Allegations and Counts
6 Four through Fourteen above as though fully set forth in their
7 entirety here for the purpose of alleging forfeiture pursuant to
8 the provisions of Title 31, United States Code, Section 5317.
9

10 2. Defendants LIM, KHOU, and NGUYEN, if convicted of any of
11 the offenses charged in Counts Four through Fourteen of this
12 First Superseding Indictment, shall forfeit to the United States
13 the following property:

14 a. All right, title, and interest in any and all
15 property involved in the offense committed in violation of Title
16 31, United States Code, Section 5324(a)(3), for which the
17 defendant is convicted, and all property traceable to such
18 property, including the following:

19 (1) all money or other property that was the
20 subject of each transaction committed in violation of Title 31,
21 United States Code, Section 5324(a)(3);
22

23 (2) all property traceable to money or property
24 described in paragraph 2.a.(1).
25

26 b. A sum of money equal to the total amount of money
27 involved in the offense committed in violation of Title 31,
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1 United States Code, Section 5324(a)(3), for which each defendant
2 is convicted. If more than one defendant is found guilty of any
3 counts Four through Fourteen, each such defendant shall be
4 jointly and severally liable for the entire amount ordered
5 forfeited pursuant to that count.
6

7 3. Pursuant to Title 21, United States Code, Section
8 853(p), as incorporated by Title 31, United States Code, Section
9 5317, each defendant shall forfeit substitute property, up to the
10 value of the total amount described in paragraph 2, if, as the
11 result of any act or omission of said defendant, the property
12 described in paragraph 2, or any portion thereof (a) cannot be
13 located upon the exercise of due diligence; (b) has been
14 transferred, sold to, or deposited with a third party; (c) has
15 been placed beyond the jurisdiction of the court; (d) has been
16 substantially diminished in value; or (e) has been commingled
17 with other property which cannot be divided without difficulty.
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1 FORFEITURE ALLEGATION IV

2 [18 U.S.C. § 982(a)(1)]

3 [Money Laundering]

4 1. The Grand Jury incorporates and realleges all of the
5 allegations contained in the Introductory Allegations and Counts
6 Fifteen through Twenty-Six above as though fully set forth in
7 their entirety here for the purpose of alleging forfeiture
8 pursuant to the provisions of Title 18, United States Code,
9 Section 982(a)(1).
10

11 2. Defendants YOON and MIKAELIAN, if convicted of any of
12 the offenses charged in Counts Fifteen through Twenty-Six of this
13 First Superseding Indictment, shall forfeit to the United States
14 the following property:
15

16 a. All right, title, and interest in any and all
17 property involved in each offense committed in violation of Title
18 18, United States Code, Section 1957, or conspiracy to commit
19 such offense, for which the defendant is convicted, and all
20 property traceable to such property, including the following:

21 (1) all money or other property that was the
22 subject of each transaction committed in violation of Title 18,
23 United States Code, Section 1957;

24 (2) all commissions, fees, and other property
25 constituting proceeds obtained as a result of those violations;

26 (3) all property used in any manner or part to
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1 commit or to facilitate the commission of those violations; and

2 (4) all property traceable to money or property
3 described in this paragraph 2.a.(1) to 2.a.(3).

4 b. A sum of money equal to the total amount of money
5 involved in each offense committed in violation of Title 18,
6 United States Code, Section 1957, or conspiracy to commit such
7 offense, for which a defendant is convicted.
8

9 3. Pursuant to Title 21, United States Code, Section
10 853(p), as incorporated by Title 18, United States Code, Section
11 982, each defendant shall forfeit substitute property, up to the
12 total value of the property described in paragraph 2 above, if,
13 by any act or omission of said defendant, the property described
14 in paragraph 2, or any portion thereof, (a) cannot be located
15 upon the exercise of due diligence; (b) has been transferred or
16 sold to, or deposited with, a third party; (c) has been placed
17 beyond the jurisdiction of the court;
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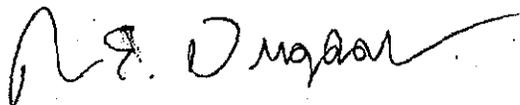
1 (d) has been substantially diminished in value; or (e) has been
2 commingled with other property that cannot be divided without
3 difficulty.

4 A TRUE BILL

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6 151

7 Foreperson

8 ANDRÉ BIROTTE JR.
9 United States Attorney

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11
12 ROBERT E. DUGDALE
13 Assistant United States Attorney
14 Chief, Criminal Division

15 RICHARD E. ROBINSON
16 Assistant United States Attorney
17 Chief, Major Frauds Section

18 CONSUELO S. WOODHEAD
19 Assistant United States Attorney
20 Deputy Chief, Major Frauds Section

21 LANA MORTON-OWENS
22 Assistant United States Attorney
23 Major Frauds Section

24 GRANT B. GELBERG
25 Special Assistant United States Attorney
26 Major Frauds Section

United States District Court
Central District of California

UNITED STATES OF AMERICA vs.

Docket No. CR 11-00922 (A) DDP (18)

Defendant MATTHEW CHO
akas: None

Social Security No. █ █ █ █
(Last 4 digits)

JUDGMENT AND PROBATION/COMMITMENT ORDER

In the presence of the attorney for the government, the defendant

MONTH	DAY	YEAR
Oct.	05	2015

COUNSEL

Stanley I. Greenberg, retained.

(Name of Counsel)

PLEA

GUILTY, and the court being satisfied that there is a factual basis for the plea.

NOLO CONTENDERE

NOT GUILTY

FINDING

There being a finding/verdict of

GUILTY, defendant has been convicted as charged of the offense(s) of:

21 U.S.C. § 846 and 21 U.S.C. § 841(b)(1)(C): Conspiracy to Distribute Controlled Substances (OxyContin) as charged in Count 1 of the First Superseding Indictment.

JUDGMENT AND PROBATION/COMMITMENT ORDER

The Court asked whether there was any reason why judgment should not be pronounced. Because no sufficient cause to the contrary was shown, or appeared to the Court, the Court adjudged the defendant guilty as charged and convicted and ordered that: Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant is hereby committed to the custody of the Bureau of Prisons to be imprisoned for a term of:

Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant, Matthew Cho, is hereby committed on Count 1 of the First Superseding Indictment to the custody of the Bureau of Prisons for a period of **time served** and, therefore, the defendant is forthwith placed on supervised release for a term of 3 years under the following terms and conditions:

1. The defendant shall comply with the rules and regulations of the United States Probation Office, General Order 05-02, and General Order 01-05, including the three special conditions delineated in General Order 01-05.
2. During the period of community supervision, the defendant shall pay the special assessment and fine in accordance with this judgment's orders pertaining to such payment.
3. Starting on November 15, 2015, the defendant shall participate for a period of eight (8) months in a home detention program which includes electronic monitoring and shall observe all rules of such program, as directed by the Probation Officer. The defendant shall pay the costs of electronic monitoring in accordance with the current procedures and rate. The defendant may go to work, school, interviews, religious services and medical appointments for himself and his children.

USA vs. MATTHEW CHO

Docket No.: CR 11-00922 (A) DDP (18)

- 4. The defendant shall not be employed in any position that requires licensing and/or certification by any local, state, or federal agency without the prior written approval of the Probation Officer.
- 5. The defendant shall cooperate in the collection of a DNA sample from the defendant.
- 6. The defendant shall apply monies received from income tax refunds, lottery winnings, inheritance, judgments, and any anticipated or unexpected financial gains to the outstanding Court-ordered financial obligation.

The drug testing condition mandated by statute is suspended based on the Court's determination that the defendant poses a low risk of future substance abuse.

FINE: It is ordered that the defendant shall pay to the United States a total fine of \$5,000, which shall bear interest as provided by law. The fine shall be paid within 30 days of the date of this order. The defendant shall comply with General Order No. 01-05.

SPECIAL ASSESSMENT: It is ordered that the defendant shall pay to the United States a special assessment of \$100, which is due immediately.

SENTENCING FACTORS: The sentence is based upon the factors set forth in 18 U.S.C. § 3553, including the applicable sentencing range set forth in the guidelines.

The court has found that the property identified in the preliminary order of forfeiture is subject to forfeiture. The preliminary order is incorporated by reference into this judgment and is final as to defendant.

In addition to the special conditions of supervision imposed above, it is hereby ordered that the Standard Conditions of Probation and Supervised Release within this judgment be imposed. The Court may change the conditions of supervision, reduce or extend the period of supervision, and at any time during the supervision period or within the maximum period permitted by law, may issue a warrant and revoke supervision for a violation occurring during the supervision period.

October 5, 2015

Date



United States District Judge

It is ordered that the Clerk deliver a copy of this Judgment and Probation/Commitment Order to the U.S. Marshal or other qualified officer.

Clerk, U.S. District Court

October 5, 2015

Filed Date

By John A. Chambers

Deputy Clerk

USA vs. MATTHEW CHO

Docket No.: CR 11-00922 (A) DDP (18)

The defendant shall comply with the standard conditions that have been adopted by this court (set forth below).

STANDARD CONDITIONS OF PROBATION AND SUPERVISED RELEASE

While the defendant is on probation or supervised release pursuant to this judgment:

1. The defendant shall not commit another Federal, state or local crime;
2. the defendant shall not leave the judicial district without the written permission of the court or probation officer;
3. the defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
4. the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
5. the defendant shall support his or her dependents and meet other family responsibilities;
6. the defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
7. the defendant shall notify the probation officer at least 10 days prior to any change in residence or employment;
8. the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
9. the defendant shall not frequent places where controlled substances are illegally sold, used, distributed or administered;
10. the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
11. the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
12. the defendant shall notify the probation officer within 72 hours of being arrested or questioned by a law enforcement officer;
13. the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
14. as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to conform the defendant's compliance with such notification requirement;
15. the defendant shall, upon release from any period of custody, report to the probation officer within 72 hours;
16. and, for felony cases only: not possess a firearm, destructive device, or any other dangerous weapon.

The defendant will also comply with the following special conditions pursuant to General Order 01-05 (set forth

USA vs. MATTHEW CHO

Docket No.: CR 11-00922 (A) DDP (18)

STATUTORY PROVISIONS PERTAINING TO PAYMENT AND COLLECTION OF FINANCIAL SANCTIONS

The defendant shall pay interest on a fine or restitution of more than \$2,500, unless the court waives interest or unless the fine or restitution is paid in full before the fifteenth (15th) day after the date of the judgment pursuant to 18 U.S.C. §3612(f)(1). Payments may be subject to penalties for default and delinquency pursuant to 18 U.S.C. §3612(g). Interest and penalties pertaining to restitution, however, are not applicable for offenses completed prior to April 24, 1996.

If all or any portion of a fine or restitution ordered remains unpaid after the termination of supervision, the defendant shall pay the balance as directed by the United States Attorney's Office. 18 U.S.C. §3613.

The defendant shall notify the United States Attorney within thirty (30) days of any change in the defendant's mailing address or residence until all fines, restitution, costs, and special assessments are paid in full. 18 U.S.C. §3612(b)(1)(F).

The defendant shall notify the Court through the Probation Office, and notify the United States Attorney of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay a fine or restitution, as required by 18 U.S.C. §3664(k). The Court may also accept such notification from the government or the victim, and may, on its own motion or that of a party or the victim, adjust the manner of payment of a fine or restitution pursuant to 18 U.S.C. §3664(k). See also 18 U.S.C. §3572(d)(3) and for probation 18 U.S.C. §3563(a)(7).

Payments shall be applied in the following order:

1. Special assessments pursuant to 18 U.S.C. §3013;
2. Restitution, in this sequence:
 - Private victims (individual and corporate),
 - Providers of compensation to private victims,
 - The United States as victim;
3. Fine;
4. Community restitution, pursuant to 18 U.S.C. §3663(c); and
5. Other penalties and costs.

USA vs. MATTHEW CHO

Docket No.: CR 11-00922 (A) DDP (18)

SPECIAL CONDITIONS FOR PROBATION AND SUPERVISED RELEASE

As directed by the Probation Officer, the defendant shall provide to the Probation Officer: (1) a signed release authorizing credit report inquiries; (2) federal and state income tax returns or a signed release authorizing their disclosure and (3) an accurate financial statement, with supporting documentation as to all assets, income and expenses of the defendant. In addition, the defendant shall not apply for any loan or open any line of credit without prior approval of the Probation Officer.

The defendant shall maintain one personal checking account. All of defendant's income, "monetary gains," or other pecuniary proceeds shall be deposited into this account, which shall be used for payment of all personal expenses. Records of all other bank accounts, including any business accounts, shall be disclosed to the Probation Officer upon request.

The defendant shall not transfer, sell, give away, or otherwise convey any asset with a fair market value in excess of \$500 without approval of the Probation Officer until all financial obligations imposed by the Court have been satisfied in full.

These conditions are in addition to any other conditions imposed by this judgment.

RETURN

I have executed the within Judgment and Commitment as follows:

Defendant delivered on _____ to _____

Defendant noted on appeal on _____

Defendant released on _____

Mandate issued on _____

Defendant's appeal determined on _____

Defendant delivered on _____ to _____

at _____

the institution designated by the Bureau of Prisons, with a certified copy of the within Judgment and Commitment.

United States Marshal

By

