

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

THE PEOPLE OF THE STATE OF CALIFORNIA,  
Plaintiff,  
v.  
RONALD SELWYN GRUSD,  
*dob 05/06/46;*  
GONZALO ERNESTO PAREDES,  
*dob 02/06/56;*  
ALEXANDER KIEV MARTINEZ,  
*dob 12/19/77;*  
RUBEN MARCIAL MARTINEZ,  
*dob 09/16/56;*  
Defendants

CT No. SCD255519

DA No. ADY479

INDICTMENT

PC296 DNA TEST STATUS SUMMARY

Defendant	DNA Testing Requirements
GRUSD, RONALD SELWYN	DNA sample required upon conviction
PAREDES, GONZALO ERNESTO	DNA sample required upon conviction
MARTINEZ, ALEXANDER KIEV	DNA sample required upon conviction
MARTINEZ, RUBEN MARCIAL	DNA sample required upon conviction

The Grand Jury of the County of San Diego, State of California, accuses the Defendant(s) of committing, in the County of San Diego, State of California, before the finding of this Indictment, the following crime(s):

CHARGES

COUNT 1 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about December 16, 2012, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 2 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about December 28, 2012, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 3 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 13, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 4 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 18, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 5 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about June 7, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 6 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about June 10, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 7 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about June 11, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 8 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about June 20, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 9 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about August 30, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 10 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about September 4, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 11 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about September 9, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 12 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about September 12, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 13 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about September 17, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 14 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about December 11, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 15 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about December 17, 2013, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 16 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about March 11, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 17 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about May 1, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 18 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (AmTrust North America-EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 19 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ESIS Insurance-EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 20 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Berkshire Hathaway-EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 21 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Liberty Mutual Insurance-EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 22 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zenith Insurance-EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 23 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich North America Insurance-MRI), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 24 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Insurance Company of the West-MRI), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 25 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich North America-Shockwave), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 26 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Applied Risk Services--EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 27 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Liberty Mutual Insurance--Shockwave), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 28 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Meadowbrook Insurance--Shockwave), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 29 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund--EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 30 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund--Shockwave), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 31 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Claims--MRI), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 32 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Claims--Shockwave), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 33 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Claims--EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 34 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Tristar Risk Management--Shockwave), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 35 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 25, 2014 and November 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett Services--EMG/NCV), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 36 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about July 11, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 37 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about September 15, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 38 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about October 29, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 39 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about November 7, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 40 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about December 3, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 41 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about December 15, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## **CHARGES (cont'd)**

### **COUNT 42 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about December 17, 2014, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 43 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between January 23, 2015 and July 16, 2015, RONALD SELWYN GRUSD and GONZALO ERNESTO PAREDES, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform (compound creams) or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 44 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 4, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3327--\$8,500), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 45 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 4, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3328--\$7,400), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 46 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about March 4, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3329--\$8,400), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 47 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about April 6, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 48 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about April 10, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 49 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about May 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3445--\$6,000 to Desert Blue Moon); as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 50 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about May 27, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3447--\$3,300 to Line of Sight), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 51 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about July 16, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3510--\$2,500.00 to Line of Sight), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 52 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about July 16, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3520--\$5,000.00 to Line of Sight), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 53 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about July 16, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3518--\$9,500.00 to Desert Blue Moon) as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

**CHARGES (cont'd)**

**COUNT 54 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about July 16, 2015, RONALD SELWYN GRUSD, GONZALO ERNESTO PAREDES, ALEXANDER KIEV MARTINEZ, and RUBEN MARCIAL MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (#3519--\$9,500.00 to Desert Blue Moon), as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

---

---

THIS INDICTMENT, NUMBERED SCD255519, CONSISTS OF 54 COUNTS.

"A TRUE BILL"

**Bonnie M. Dumanis**

District Attorney, County of San Diego, State of California

---

Foreman of the Grand Jury

---

Deputy District Attorney

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

FILED

SAN

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO		For Court Use Only MAY 26 2016	
PEOPLE vs Alexander Kiev Martinez, et al Defendant		CLERK BY M. ALLEY	
PLEA OF GUILTY/NO CONTEST - FELONY		Court Number: SCD255519	DA Number: ADY479

I, the defendant in the above-entitled case, in support of my plea of Guilty/No Contest, personally declare as follows:

1. Of those charges now filed against me in this case, I plead GUILTY to the following offenses and admit the enhancements, allegations and prior convictions as follows:

COUNT	CHARGE	ENHANCEMENT/ALLEGATION
44	LC 3215	N/A
29	PC 550(b)(3)	N/A
PRIORS: (LIST ALLEGATION SECTION, CONVICTION DATE, COUNTY, CASE NUMBER, AND CHARGE)		

2. I have not been induced to enter this plea by any promise or representation of any kind, except: (State any agreement with the District Attorney.)  
See Attachment "A" attached hereto: Federal Plea Agreement in Case Number 15CR2821-BAS.

3. I am entering my plea freely and voluntarily, without fear or threat to me or anyone closely related to me.

4. I understand that a plea of No Contest is the same as a plea of Guilty for all purposes.

5. I am sober and my judgment is not impaired. I have not consumed any drug, alcohol or narcotic within the past 24 hours.

CONSTITUTIONAL RIGHTS

6a. I understand that I have the right to be represented by a lawyer at all stages of the proceedings. I can hire my own lawyer or the Court will appoint a lawyer for me if I cannot afford one.

I understand that as to all charges, allegations and prior convictions filed against me, and as to any facts that may be used to increase my sentence, now or in the future, I also have the following constitutional rights, which I now give up to enter my plea of guilty/no contest:

6b. I have the right to a speedy and public trial by jury. I now give up this right.

6c. I have the right to confront and cross-examine all the witnesses against me. I now give up this right.

6d. I have the right to remain silent (unless I choose to testify on my own behalf). I now give up this right.

6e. I have the right to present evidence in my behalf and to have the court subpoena my witnesses at no cost to me. I now give up this right.

Defendant:  
Alexander Kiev Martinez

CASE NUMBER:  
SCD555519

CONSEQUENCES OF PLEA OF GUILTY OR NO CONTEST

7a. I understand that I may receive this maximum punishment as a result of my plea: 5y 8mo years imprisonment or imprisonment plus a term of mandatory supervision; \$80,000 fine; and 5 years parole or post-release community supervision, with return to custody for every violation of a condition thereof. If I am not sentenced to imprisonment, I may be granted probation for a period up to 5 years or the maximum term of imprisonment, whichever is greater. As conditions of probation I may be given up to a year in jail custody, plus the fine, and any other conditions deemed reasonable by the Court. I understand that if I violate any condition of probation I can be sentenced to imprisonment for the maximum term as stated above.

AM

7b. I understand that I must pay a restitution fine (\$200 - \$10,000), that I will also be subject to a suspended fine in the same amount, and that I must pay full restitution to all victims.

AM

7c. I understand that my conviction in this case will be a serious/violent felony ("strike") resulting in mandatory denial of probation, substantially increased penalties, and a term in State Prison in any future felony case.

AM

7d. I understand that if I am not a U.S. citizen, this plea of Guilty/No Contest <sup>will</sup> result in my removal/deportation, exclusion from admission to the U.S. and denial of naturalization. Additionally, if this plea is to an "Aggravated Felony" listed on the back of this form, then I will be deported, excluded from admission to the U.S., and denied naturalization.

AM

7e. I understand that my plea of Guilty or No Contest in this case could result in revocation of my probation, mandatory supervision, parole or post-release supervision in other cases, and consecutive sentences.

AM

7f. My attorney has explained to me that other possible consequences of this plea may be:  
(Circle applicable consequences.)

AM

- (1) Consecutive sentences
- (2) Loss of driving privileges
- (3) Commitment to Youth Authority
- (4) Lifetime registration as an arson / sex offender
- (5) Registration as a narcotic / gang offender
- (6) Cannot possess firearms or ammunition
- (7) Blood test and saliva sample
- (8) Priorable (increased punishment for future offenses)

- (9) Prison prior
- (10) Mandatory imprisonment
- (11) Mandatory State Prison
- (12) Presumptive imprisonment
- (13) Presumptive State Prison
- (14) Sexually Violent Predator Law
- (15) Possible/Mandatory hormone suppression treatment
- (16) Reduced conduct/work credits

- a. Limited local credits (290/serious/prior)
- b. Violent Felony (No credit or max. 15%)
- c. Prior Strike(s) (No credit to max. 20%)
- d. Murder on/after 6/3/98 (No credit)
- (17) Loss of public assistance
- (18) AIDS education program
- (19) Other: \_\_\_\_\_

AM

8. (Appeal Rights) I give up my right to appeal the following: 1) denial of my 1538.5 motion, 2) issues related to strike priors (under PC sections 867(b)-(1) and 1170.12), and 3) any sentence stipulated herein.

AM

9. (Harvey Waiver) The sentencing judge may consider my prior criminal history and the entire factual background of the case, including any unfiled, dismissed or stricken charges or allegations or cases when granting probation, ordering restitution or imposing sentence.

AM

10. (Blakely waiver) I understand that as to any fact in aggravation that may be used to increase my sentence on any count or allegation to the upper or maximum term provided by law, I have the constitutional rights listed in paragraphs 8b-8e. I now give up those rights and agree that the sentencing judge may determine the existence or non-existence of any fact in aggravation, either at the initial sentencing or at any future sentencing in the event my probation is revoked.

AM

11. (Cruz Waiver) Negotiated Disposition pursuant to PC 1192.5: I understand that If pending sentencing I am arrested for or commit another crime, violate any condition of my release, or willfully fail to appear for my probation interview or my sentencing hearing, the sentence portion of this agreement will be cancelled. I will be sentenced unconditionally, and I will not be allowed to withdraw my guilty/no contest plea(s).

AM

12. (Arbuckle Waiver) I give up my right to be sentenced by the judge who accepts this plea.

AM

13. (Probation Report) I give up my right to a full probation report before sentencing.

AM



## AGGRAVATED FELONIES

ANY CONVICTION OF A NON-CITIZEN FOR AN "AGGRAVATED FELONY" AS DEFINED UNDER 8 U.S.C. 1101(a)(43), WILL RESULT IN REMOVAL/DEPORTATION, EXCLUSION, AND DENIAL OF NATURALIZATION.

"AGGRAVATED FELONIES" include, but are not limited to, the following crimes and any attempt or conspiracy to commit such crimes, even if the conviction is a misdemeanor under state law: [The only exception to the applicability of state misdemeanors is where the offense (as listed below) specifically requires a felony conviction.]

1. ANY CRIME OF VIOLENCE\*  
(Includes any offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any felony offense that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense. (18 U.S.C. §16).)
2. BURGLARY (Except vehicle or vessel unless used as a residence.) \*
3. CHILD PORNOGRAPHY OFFENSES
4. CONTROLLED SUBSTANCES:
  - a) FELONY POSSESSION OF ANY CONTROLLED SUBSTANCE.
  - b) MISDEMEANOR POSSESSION OF ANY CONTROLLED SUBSTANCE when the defendant has previously been convicted of any drug related offense.
  - c) POSSESSION FOR SALE OF ANY CONTROLLED SUBSTANCE
  - d) SALE OF ANY CONTROLLED SUBSTANCE
  - e) TRANSPORTATION OF ANY CONTROLLED SUBSTANCE
  - f) MANUFACTURE/DISTRIBUTION OF ANY CONTROLLED SUBSTANCE AND CULTIVATION OF MARIJUANA
5. FELONY D.U.I. (Any type.)\*
6. FAILURE TO APPEAR ON A FELONY CASE
7. FORGERY \*
8. FRAUD (Where loss to victim or victims exceeds \$10,000.)
9. MONEY LAUNDERING (If amount over \$10,000.)
10. MURDER
11. PERJURY/SUBORNATION of Perjury or Bribery of a Witness\*
12. PIMPING/PANDERING/OPERATING A PROSTITUTION BUSINESS
13. RAPE
14. RECEIVING STOLEN PROPERTY \*
15. ROBBERY \*
16. SEXUAL ABUSE OF A MINOR (Touching is not required, e.g.: Indecent Exposure.)
17. THEFT (Any type or amount)\*
18. TRAFFICKING IN FIREARMS AND EXPLOSIVES.
19. TRAFFICKING IN VEHICLES WITH ALTERED VINS\*
20. DEMAND FOR OR RECEIPT OF RANSOM

\* Where the term imposed is at least one year, whether or not any or all of that term is stayed or suspended at the time of sentencing.



## CHARGES (cont'd)

### COUNT 2 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (York Risk Services--pain assessment), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 3 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Insurance Company of the West--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 4 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Insurance Company of the West--pain assessment), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 5 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Insurance Company of the West--EKG), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 6 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Insurance Company of the West--echo), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 7 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Insurance Company of the West--AIM study), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 8 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ESIS Insurance--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 9 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Hartford Insurance--ADL), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 10 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Hartford Insurance--EKG), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 11 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Hartford Insurance--echo), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 12 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 13 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund--pain assessment), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 14 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (AmTrust North America--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 15 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 16 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett--pain assessment), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 17 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett--AIM study), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 18 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zenith Insurance--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 19 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zenith Insurance--echo), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 20 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich North America Insurance--ADL), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 21 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich North America Insurance--pain assessment), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 22 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Preferred Employer Insurance--EKG), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 23 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Preferred Employer Insurance--echo), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 24 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Claims--EKG), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 25 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Claims--echo), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 26 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between June 23, 2014 and November 27, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Claims--AIM study), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 27 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about September 18, 2014, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 28 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about January 23, 2015, AMIR OBAIDULLAH KHAN, FARHAT FATIMA KHAN, and ALEXANDER KIEV MARTINEZ, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 29 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 17, 2014 and April 1, 2015, AMIR OBAIDULLAH KHAN and FARHAT FATIMA KHAN, did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform (NCVs) or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

THIS INDICTMENT, NUMBERED SCD255520, CONSISTS OF 29 COUNTS.

"A TRUE BILL"

**Bonnie M. Dumanis**

District Attorney, County of San Diego, State of California

---

Foreman of the Grand Jury

---

Deputy District Attorney

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

FILED

SAN DIEGO SUPERIOR COURT

For Court Use Only

MAY 23 2016

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO		PEOPLE vs Alexander Kiev Martinez, Defendant	
PEOPLE vs Alexander Kiev Martinez, Defendant		CLERK OF THE SUPERIOR COURT BY M. ALLEY	
PLEA OF GUILTY/NO CONTEST - FELONY		Court Number: SCD255520 DA Number: ADY480	

I, the defendant in the above-entitled case, in support of my plea of Guilty/No Contest, personally declare as follows:

1. Of those charges now filed against me in this case, I plead GUILTY to the following offenses and admit the enhancements, allegations and prior convictions as follows:

COUNT	CHARGE	ENHANCEMENT/ALLEGATION
27	LC 3215	N/A
13	PC 550(b)(3)	N/A
PRIORS: (LIST ALLEGATION SECTION, CONVICTION DATE, COUNTY, CASE NUMBER, AND CHARGE)		

2. I have not been induced to enter this plea by any promise or representation of any kind, except: (State any agreement with the District Attorney.)  
See Attachment "A": Federal Plea Agreement in Case Number 15CR2821-BAS.

3. I am entering my plea freely and voluntarily, without fear or threat to me or anyone closely related to me.

4. I understand that a plea of No Contest is the same as a plea of Guilty for all purposes.

5. I am sober and my judgment is not impaired. I have not consumed any drug, alcohol or narcotic within the past 24 hours.

CONSTITUTIONAL RIGHTS

6a. I understand that I have the right to be represented by a lawyer at all stages of the proceedings. I can hire my own lawyer or the Court will appoint a lawyer for me if I cannot afford one.

I understand that as to all charges, allegations and prior convictions filed against me, and as to any facts that may be used to increase my sentence, now or in the future, I also have the following constitutional rights, which I now give up to enter my plea of guilty/no contest:

6b. I have the right to a speedy and public trial by jury. I now give up this right.

6c. I have the right to confront and cross-examine all the witnesses against me. I now give up this right.

6d. I have the right to remain silent (unless I choose to testify on my own behalf). I now give up this right.

6e. I have the right to present evidence in my behalf and to have the court subpoena my witnesses at no cost to me. I now give up this right.

Defendant:  
Alexander Klev Martinez

CASE NUMBER:  
SCD555520

### CONSEQUENCES OF PLEA OF GUILTY OR NO CONTEST

7a. I understand that I may receive this maximum punishment as a result of my plea: 5y 8mo years imprisonment or imprisonment plus a term of mandatory supervision; \$60,000 fine; and 4 years parole or post-release community supervision, with return to custody for every violation of a condition thereof. If I am not sentenced to imprisonment, I may be granted probation for a period up to 5 years or the maximum term of imprisonment, whichever is greater. As conditions of probation I may be given up to a year in jail custody, plus the fine, and any other conditions deemed reasonable by the Court. I understand that if I violate any condition of probation I can be sentenced to imprisonment for the maximum term as stated above.

7b. I understand that I must pay a restitution fine (\$200 - \$10,000), that I will also be subject to a suspended fine in the same amount, and that I must pay full restitution to all victims.

7c. I understand that my conviction in this case will be a serious/violent felony ("strike") resulting in mandatory denial of probation, substantially increased penalties, and a term in State Prison in any future felony case.

7d. I understand that if I am not a U.S. citizen, this plea of Guilty/No Contest ~~may~~ <sup>will</sup> result in my removal/deportation, exclusion from admission to the U.S. and denial of naturalization. Additionally, if this plea is to an "Aggravated Felony" listed on the back of this form, then I will be deported, excluded from admission to the U.S., and denied naturalization.

7e. I understand that my plea of Guilty or No Contest in this case could result in revocation of my probation, mandatory supervision, parole or post-release supervision in other cases, and consecutive sentences.

7f. My attorney has explained to me that other possible consequences of this plea may be:  
(Circle applicable consequences.)

- (1) Consecutive sentences
- (2) Loss of driving privileges
- (3) Commitment to Youth Authority
- (4) Lifetime registration as an arson / sex offender
- (5) Registration as a narcotic / gang offender
- (6) Cannot possess firearms or ammunition
- (7) Blood test and saliva sample
- (8) Priors (increased punishment for future offenses)

- (9) Prison prior
- (10) Mandatory imprisonment
- (11) Mandatory State Prison
- (12) Presumptive Imprisonment
- (13) Presumptive State Prison
- (14) Sexually Violent Predator Law
- (15) Possible/Mandatory hormone suppression treatment
- (16) Reduced conduct/work credits

- a. Limited local credits (290/serious/prior)
- b. Violent Felony (No credit or max. 15%)
- c. Prior Strike(s) (No credit to max. 20%)
- d. Murder on/after 8/3/98 (No credit)
- (17) Loss of public assistance
- (18) AIDS education program
- (19) Other: \_\_\_\_\_

8. **(Appeal Rights)** I give up my right to appeal the following: 1) denial of my 1538.5 motion, 2) issues related to strike priors (under PC sections 667(b)-(l) and 1170.12), and 3) any sentence stipulated herein.

9. **(Harvey Waiver)** The sentencing judge may consider my prior criminal history and the entire factual background of the case, including any unfiled, dismissed or stricken charges or allegations or cases when granting probation, ordering restitution or imposing sentence.

10. **(Blakely waiver)** I understand that as to any fact in aggravation that may be used to increase my sentence on any count or allegation to the upper or maximum term provided by law, I have the constitutional rights listed in paragraphs 6b-6e. I now give up those rights and agree that the sentencing judge may determine the existence or non-existence of any fact in aggravation, either at the initial sentencing or at any future sentencing in the event my probation is revoked.

11. **(Cruz Waiver)** Negotiated Disposition pursuant to PC 1192.5: I understand that if pending sentencing I am arrested for or commit another crime, violate any condition of my release, or willfully fail to appear for my probation interview or my sentencing hearing, the sentence portion of this agreement will be cancelled. I will be sentenced unconditionally, and I will not be allowed to withdraw my guilty/no contest plea(s).

12. **(Arbuckle Waiver)** I give up my right to be sentenced by the judge who accepts this plea.

13. **(Probation Report)** I give up my right to a full probation report before sentencing.

Defendant: Alexander Kiev Martinez CASE NUMBER: SCD555520

14. (Evidence Disposal Waiver) I give up my interest in all non-biological property/evidence impounded during the investigation of this case except \_\_\_\_\_ and acknowledge that if I listed any property here, I must also file a claim with the impounding agency within 60 days after pronouncement of judgment or my ability to make a claim will expire.

(Signature)

PLEA

15. I now plead Guilty/No Contest and admit the charges, convictions and allegations described in paragraph #1, above. I admit that on the dates charged, I: (Describe facts as to each charge and allegation) See Attachment "A" for factual basis: Federal Plea Agreement in Case Number 15CR2821-BAS.

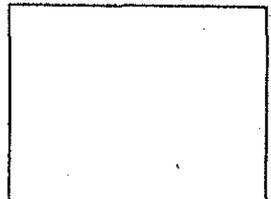
(Signature)

16. I declare under penalty of perjury that I have read, understood, and initialed each item above and any attached addendum, and everything on the form and any attached addendum is true and correct.

(Signature)

Dated: 4/12/16 Defendant's Signature

Defendant's Address: 1474 Mendocino Ave Street El Centro CA 92243 Telephone Number: (442) 236-4585



Defendant's Right Thumb Print

ATTORNEY'S STATEMENT

I, the attorney for the defendant in the above-entitled case, personally read and explained to the defendant the entire contents of this plea form and any addendum thereto. I discussed all charges and possible defenses with the defendant, and the consequences of this plea, including any immigration consequences. I personally observed the defendant fill in and initial each item, or read and initial each item to acknowledge his/her understanding and waivers. I observed the defendant date and sign this form and any addendum. I concur in the defendant's plea and waiver of constitutional rights.

Dated: 4/12/16 (Print Name) Attorney for Defendant (Signature) (Circle one: PD / APD / OAC / RETAINED)

INTERPRETER'S STATEMENT (if Applicable)

I, the sworn \_\_\_\_\_ language interpreter in this proceeding, truly translated for the defendant the entire contents of this form and any attached addendum. The defendant indicated understanding of the contents of this form and any addendum and then initialed and signed the form and any addendum.

Dated: \_\_\_\_\_ (Print Name) Court Interpreter (Signature)

PROSECUTOR'S STATEMENT

The People of the State of California, plaintiff, by its attorney, the District Attorney for the County of San Diego, concurs with the defendant's plea of Guilty/No Contest as set forth above.

Dated: 4/19/16 (Print Name) Deputy District Attorney (Signature)

COURT'S FINDING AND ORDER

The Court, having questioned the defendant and defendant's attorney concerning the defendant's plea of Guilty/No Contest and admissions of the prior convictions and allegations, if any, finds that: The defendant understands and voluntarily and intelligently waives his/her constitutional rights; the defendant's plea and admissions are freely and voluntarily made; the defendant understands the nature of the charges and the consequences of the plea and admissions; and there is a factual basis for same. The Court accepts the defendant's plea and admissions, and the defendant is convicted thereby.

Dated: \_\_\_\_\_ Judge of the Superior Court

## AGGRAVATED FELONIES

ANY CONVICTION OF A NON-CITIZEN FOR AN "AGGRAVATED FELONY" AS DEFINED UNDER 8 U.S.C. 1101(a)(43), WILL RESULT IN REMOVAL/DEPORTATION, EXCLUSION, AND DENIAL OF NATURALIZATION.

"AGGRAVATED FELONIES" include, but are not limited to, the following crimes and any attempt or conspiracy to commit such crimes, even if the conviction is a misdemeanor under state law: [The only exception to the applicability of state misdemeanors is where the offense (as listed below) specifically requires a felony conviction.]

1. ANY CRIME OF VIOLENCE\*

(Includes any offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any felony offense that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense. (18 U.S.C. §16).)

2. BURGLARY (Except vehicle or vessel unless used as a residence.) \*

3. CHILD PORNOGRAPHY OFFENSES

4. CONTROLLED SUBSTANCES:

- a) FELONY POSSESSION OF ANY CONTROLLED SUBSTANCE.
- b) MISDEMEANOR POSSESSION OF ANY CONTROLLED SUBSTANCE when the defendant has previously been convicted of any drug related offense.
- c) POSSESSION FOR SALE OF ANY CONTROLLED SUBSTANCE
- d) SALE OF ANY CONTROLLED SUBSTANCE
- e) TRANSPORTATION OF ANY CONTROLLED SUBSTANCE
- f) MANUFACTURE/DISTRIBUTION OF ANY CONTROLLED SUBSTANCE AND CULTIVATION OF MARIJUANA

5. FELONY D.U.I. (Any type.)\*

6. FAILURE TO APPEAR ON A FELONY CASE

7. FORGERY \*

8. FRAUD (Where loss to victim or victims exceeds \$10,000.)

9. MONEY LAUNDERING (If amount over \$10,000.)

10. MURDER

11. PERJURY/SUBORNATION of Perjury or Bribery of a Witness\*

12. PIMPING/PANDERING/OPERATING A PROSTITUTION BUSINESS

13. RAPE

14. RECEIVING STOLEN PROPERTY \*

15. ROBBERY \*

16. SEXUAL ABUSE OF A MINOR (Touching is not required, e.g.: Indecent Exposure.)

17. THEFT (Any type or amount)\*

18. TRAFFICKING IN FIREARMS AND EXPLOSIVES.

19. TRAFFICKING IN VEHICLES WITH ALTERED VINS\*

20. DEMAND FOR OR RECEIPT OF RANSOM

\* Where the term imposed is at least one year, whether or not any or all of that term is stayed or suspended at the time of sentencing.

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

THE PEOPLE OF THE STATE OF CALIFORNIA,  
Plaintiff,  
v.  
EMMANUEL ED GO,  
*dob 07/11/63;*  
CHRISTOPHER EMMANUEL GO,  
*dob 07/20/87;*  
ALEXANDER KIEV MARTINEZ,  
*dob 12/19/77;*  
Defendants

CT No. SCD255521  
DA No. ADY481

INDICTMENT

PC296 DNA TEST STATUS SUMMARY

Defendant	DNA Testing Requirements
GO, EMMANUEL ED	DNA sample required upon conviction
GO, CHRISTOPHER EMMANUEL	DNA sample required upon conviction
MARTINEZ, ALEXANDER KIEV	DNA sample required upon conviction

The Grand Jury of the County of San Diego, State of California, accuses the Defendant(s) of committing, in the County of San Diego, State of California, before the finding of this Indictment, the following crime(s):

CHARGES

COUNT 1 -OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 12, 2014 and April 27, 2015, EMMANUEL ED GO and CHRISTOPHER EMMANUEL GO did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services (DNA) or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 2 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 12, 2014 and April 27, 2015, EMMANUEL ED GO and CHRISTOPHER EMMANUEL GO did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services (prescription medications) or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 3 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 12, 2014 and April 27, 2015, EMMANUEL ED GO and CHRISTOPHER EMMANUEL GO did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services (EMGs) or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 4 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 12, 2014 and April 27, 2015, EMMANUEL ED GO and CHRISTOPHER EMMANUEL GO did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services (NCVs) or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 5 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 12, 2014 and April 27, 2015, EMMANUEL ED GO and CHRISTOPHER EMMANUEL GO did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services (compound creams) or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 6 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about and between September 12, 2014 and April 27, 2015, EMMANUEL ED GO and CHRISTOPHER EMMANUEL GO did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services (MRIs) or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

**CHARGES (cont'd)**

**COUNT 7 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 18, 2015, EMMANUEL ED GO, CHRISTOPHER EMMANUEL GO and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money (#1322 for \$8,000.00 to Line of Sight) or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

**COUNT 8 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 20, 2015, EMMANUEL ED GO, CHRISTOPHER EMMANUEL GO and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money (\$8,000 cash) or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

---

---

THIS INDICTMENT, NUMBERED SCD255521, CONSISTS OF 8 COUNTS.

"A TRUE BILL"

**Bonnie M. Dumanis**

District Attorney, County of San Diego, State of California

---

Foreman of the Grand Jury

---

Deputy District Attorney

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

<b>SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO</b>	For Court Use Only <b>MAY 26 2016</b>
PEOPLE vs <u>Alexander Kiev Martinez</u> Defendant	CLERK OF THE SUPERIOR COURT BY <u>M. ALLEY</u>
PLEA OF GUILTY/NO CONTEST - FELONY	Court Number: SCD255521 DA Number: ADY481

I, the defendant in the above-entitled case, in support of my plea of Guilty/No Contest, personally declares as follows:

1. Of those charges now filed against me in this case, I plead GUILTY to the following offenses and admit the enhancements, allegations and prior convictions as follows: AK

COUNT	CHARGE	ENHANCEMENT/ALLEGATION
7	LC3215	N/A
PRIORS: (LIST ALLEGATION SECTION, CONVICTION DATE, COUNTY, CASE NUMBER, AND CHARGE)		

2. I have not been induced to enter this plea by any promise or representation of any kind, except: (State any agreement with the District Attorney.) AK  
See Attachment "A": Federal Plea Agreement in Case Number 15CR2821-BAS.

3. I am entering my plea freely and voluntarily, without fear or threat to me or anyone closely related to me. AK

4. I understand that a plea of No Contest is the same as a plea of Guilty for all purposes. AK

5. I am sober and my judgment is not impaired. I have not consumed any drug, alcohol or narcotic within the past 24 hours. AK

**CONSTITUTIONAL RIGHTS**

6a. I understand that I have the right to be represented by a lawyer at all stages of the proceedings. I can hire my own lawyer or the Court will appoint a lawyer for me if I cannot afford one. AK

I understand that as to all charges, allegations and prior convictions filed against me, and as to any facts that may be used to increase my sentence, now or in the future, I also have the following constitutional rights, which I now give up to enter my plea of guilty/no contest:

6b. I have the right to a speedy and public trial by jury. I now give up this right. AK

6c. I have the right to confront and cross-examine all the witnesses against me. I now give up this right. AK

6d. I have the right to remain silent (unless I choose to testify on my own behalf). I now give up this right. AK

6e. I have the right to present evidence in my behalf and to have the court subpoena my witnesses at no cost to me. I now give up this right. AK

Defendant:  
Alexander Kiev Martinez

CASE NUMBER:  
SCD255521

CONSEQUENCES OF PLEA OF GUILTY OR NO CONTEST

7a. I understand that I may receive this maximum punishment as a result of my plea: 3 years imprisonment or imprisonment plus a term of mandatory supervision; \$ 10,000 fine; and 7 years parole or post-release community supervision, with return to custody for every violation of a condition thereof. If I am not sentenced to imprisonment, I may be granted probation for a period up to 5 years or the maximum term of imprisonment, whichever is greater. As conditions of probation I may be given up to a year in jail custody, plus the fine, and any other conditions deemed reasonable by the Court. I understand that if I violate any condition of probation I can be sentenced to imprisonment for the maximum term as stated above.

7b. I understand that I must pay a restitution fine (\$200 - \$10,000), that I will also be subject to a suspended fine in the same amount, and that I must pay full restitution to all victims.

7c. I understand that my conviction in this case will be a ~~serious/violent felony ("strike")~~ resulting in mandatory denial of probation, ~~substantially increased penalties, and a term in State Prison in any future felony case.~~

7d. I understand that if I am not a U.S. citizen, this plea of Guilty/No Contest ~~may~~ result in my removal/deportation, exclusion from admission to the U.S. and denial of naturalization. Additionally, if this plea is to an "Aggravated Felony" listed on the back of this form, then I will be deported, excluded from admission to the U.S., and denied naturalization.

7e. I understand that my plea of Guilty or No Contest in this case could result in revocation of my probation, mandatory supervision, parole or post-release supervision in other cases, and consecutive sentences.

7f. My attorney has explained to me that other possible consequences of this plea may be:  
(Circle applicable consequences.)

- |  |   |  |
|--|---|--|
| (1) Consecutive sentences                                | (9) Prison prior                                      | a. Limited local credits (290/serious/prior) |
| (2) Loss of driving privileges                           | (10) Mandatory Imprisonment                           | b. Violent Felony (No credit or max. 15%)    |
| (3) Commitment to Youth Authority                        | (11) Mandatory State Prison                           | c. Prior Strike(s) (No credit to max. 20%)   |
| (4) Lifetime registration as an arson / sex offender     | (12) Presumptive imprisonment                         | d. Murder on/after 8/3/98 (No credit)        |
| (5) Registration as a narcotic / gang offender           | (13) Presumptive State Prison                         | (17) Loss of public assistance               |
| (6) Cannot possess firearms or ammunition                | (14) Sexually Violent Predator Law                    | (18) AIDS education program                  |
| (7) Blood test and saliva sample                         | (15) Possible/Mandatory hormone suppression treatment | (19) Other: _____                            |
| (8) Priorable (Increased punishment for future offenses) | (16) Reduced conduct/work credits                     |  |

8. (Appeal Rights) I give up my right to appeal the following: 1) denial of my 1538.5 motion, 2) issues related to strike priors (under PC sections 867(b)-(i) and 1170.12), and 3) any sentence stipulated herein.

9. (Harvey Waiver) The sentencing judge may consider my prior criminal history and the entire factual background of the case, including any unfiled, dismissed or stricken charges or allegations or cases when granting probation, ordering restitution or imposing sentence.

10. (Blakely Waiver) I understand that as to any fact in aggravation that may be used to increase my sentence on any count or allegation to the upper or maximum term provided by law, I have the constitutional rights listed in paragraphs 6b-6e. I now give up those rights and agree that the sentencing judge may determine the existence or non-existence of any fact in aggravation, either at the initial sentencing or at any future sentencing in the event my probation is revoked.

11. (Cruz Waiver) Negotiated Disposition pursuant to PC 1192.5: I understand that if pending sentencing I am arrested for or commit another crime, violate any condition of my release, or willfully fail to appear for my probation interview or my sentencing hearing, the sentence portion of this agreement will be cancelled. I will be sentenced unconditionally, and I will not be allowed to withdraw my guilty/no contest plea(s).

12. (Arbuckle Waiver) I give up my right to be sentenced by the judge who accepts this plea.

13. (Probation Report) I give up my right to a full probation report before sentencing.

Defendant: Alexander Kjev Martinez	CASE NUMBER: SCD255521
---------------------------------------	---------------------------

14. (Evidence Disposal Waiver) I give up my interest in all non-biological property/evidence impounded during the investigation of this case except \_\_\_\_\_ and acknowledge that if I listed any property here, I must also file a claim with the impounding agency within 60 days after pronouncement of judgment or my ability to make a claim will expire.  (A)

**PLEA**

15. I now plead Guilty/No Contest and admit the charges, convictions and allegations described in paragraph #1, above. I admit that on the dates charged, I: (Describe facts as to each charge and allegation) For factual basis see Attachment "A": Federal Plea Agreement in Case Number 15CR2021-BAS.  (A)

16. I declare under penalty of perjury that I have read, understood, and initialed each item above and any attached addendum, and everything on the form and any attached addendum is true and correct.  (A)

Dated: 4/12/16 Defendant's Signature [Signature]

Defendant's Address: 1474 Meadowview Ave Street El Centro City CA State 92243 Zip

Telephone Number: (442) 236-4585

**Defendant's Right Thumb Print**  
**ATTORNEY'S STATEMENT**

I, the attorney for the defendant in the above-entitled case, personally read and explained to the defendant the entire contents of this plea form and any addendum thereto. I discussed all charges and possible defenses with the defendant, and the consequences of this plea, including any immigration consequences. I personally observed the defendant fill in and initial each item, or read and initial each item to acknowledge his/her understanding and waivers. I observed the defendant date and sign this form and any addendum. I concur in the defendant's plea and waiver of constitutional rights.

Dated: 4/12/16 [Signature] (Print Name) Attorney for Defendant (Signature)  
(Circle one: PD / APD / OAC / RETAINED)

**INTERPRETER'S STATEMENT (If Applicable)**

I, the sworn \_\_\_\_\_ language interpreter in this proceeding, truly translated for the defendant the entire contents of this form and any attached addendum. The defendant indicated understanding of the contents of this form and any addendum and then initialed and signed the form and any addendum.

Dated: \_\_\_\_\_ (Print Name) Court Interpreter (Signature)

**PROSECUTOR'S STATEMENT**

The People of the State of California, plaintiff, by its attorney, the District Attorney for the County of San Diego, concurs with the defendant's plea of Guilty/No Contest as set forth above.

Dated: 4/19/16 [Signature] (Print Name) Deputy District Attorney (Signature)

**COURT'S FINDING AND ORDER**

The Court, having questioned the defendant and defendant's attorney concerning the defendant's plea of Guilty/No Contest and admissions of the prior convictions and allegations, if any, finds that: The defendant understands and voluntarily and intelligently waives his/her constitutional rights; the defendant's plea and admissions are freely and voluntarily made; the defendant understands the nature of the charges and the consequences of the plea and admissions; and there is a factual basis for same. The Court accepts the defendant's plea and admissions, and the defendant is convicted thereby.

Dated: 5/26/19 [Signature] Judge of the Superior Court  
**EUGENIA EYHERABIDE**

## AGGRAVATED FELONIES

ANY CONVICTION OF A NON-CITIZEN FOR AN "AGGRAVATED FELONY" AS DEFINED UNDER 8 U.S.C. 1101(a)(43), WILL RESULT IN REMOVAL/DEPORTATION, EXCLUSION, AND DENIAL OF NATURALIZATION.

"AGGRAVATED FELONIES" include, but are not limited to, the following crimes and any attempt or conspiracy to commit such crimes, even if the conviction is a misdemeanor under state law: [The only exception to the applicability of state misdemeanors is where the offense (as listed below) specifically requires a felony conviction.]

1. ANY CRIME OF VIOLENCE\*  
(Includes any offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any felony offense that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense. (18 U.S.C. §16).)
2. BURGLARY (Except vehicle or vessel unless used as a residence.) \*
3. CHILD PORNOGRAPHY OFFENSES
4. CONTROLLED SUBSTANCES:
  - a) FELONY POSSESSION OF ANY CONTROLLED SUBSTANCE.
  - b) MISDEMEANOR POSSESSION OF ANY CONTROLLED SUBSTANCE when the defendant has previously been convicted of any drug related offense.
  - c) POSSESSION FOR SALE OF ANY CONTROLLED SUBSTANCE
  - d) SALE OF ANY CONTROLLED SUBSTANCE
  - e) TRANSPORTATION OF ANY CONTROLLED SUBSTANCE
  - f) MANUFACTURE/DISTRIBUTION OF ANY CONTROLLED SUBSTANCE AND CULTIVATION OF MARIJUANA
5. FELONY D.U.I. (Any type.)\*
6. FAILURE TO APPEAR ON A FELONY CASE
7. FORGERY \*
8. FRAUD (Where loss to victim or victims exceeds \$10,000.)
9. MONEY LAUNDERING (If amount over \$10,000.)
10. MURDER
11. PERJURY/SUBORNATION of Perjury or Bribery of a Witness\*
12. PIMPING/PANDERING/OPERATING A PROSTITUTION BUSINESS
13. RAPE
14. RECEIVING STOLEN PROPERTY \*
15. ROBBERY \*
16. SEXUAL ABUSE OF A MINOR (Touching is not required, e.g.: Indecent Exposure.)
17. THEFT (Any type or amount)\*
18. TRAFFICKING IN FIREARMS AND EXPLOSIVES.
19. TRAFFICKING IN VEHICLES WITH ALTERED VINS\*
20. DEMAND FOR OR RECEIPT OF RANSOM

\* Where the term imposed is at least one year, whether or not any or all of that term is stayed or suspended at the time of sentencing.



## CHARGES (cont'd)

### **COUNT 2 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between November 1, 2014 and December 1, 2014, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$10,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 3 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between December 1, 2014 and December 15, 2014, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$14,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 4 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between January 1, 2015 and January 30, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$20,100, in violation of LABOR CODE SECTION 3215.

### **COUNT 5 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between February 1, 2015 and February 10, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$20,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 6 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between February 1, 2015 and February 2, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$27,000, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 7 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between March 1, 2015 and March 30, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$18,000 in violation of LABOR CODE SECTION 3215.

### **COUNT 8 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between April 1, 2015 and April 30, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$17,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 9 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between April 1, 2015 and April 30, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT \$10,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 10 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between April 1, 2015 and April 30, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$20,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 11 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about May 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$7,000, in violation of LABOR CODE SECTION 3215.

## **CHARGES (cont'd)**

### **COUNT 12 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about and between June 1, 2015 and June 30, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, TO WIT, \$15,000, in violation of LABOR CODE SECTION 3215.

### **COUNT 13 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - The Hartford), in violation of PENAL CODE SECTION 550(b)(3).

### **COUNT 14 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - The Hartford), in violation of PENAL CODE SECTION 550(b)(3).

### **COUNT 15 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - ACE/ESIS), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 16 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - Magna Carta), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 17 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - Magna Carta), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 18 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - SCIF), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 19 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - Berkshire Hathaway) in violation of PENAL CODE SECTION 550(b)(3).

## **CHARGES (cont'd)**

### **COUNT 20 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - AmTrust) in violation of PENAL CODE SECTION 550(b)(3).

### **COUNT 21 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - Liberty Mutual) in violation of PENAL CODE SECTION 550(b)(3).

### **COUNT 22 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - Sedgwick) in violation of PENAL CODE SECTION 550(b)(3).

### **COUNT 23 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - Liberty Mutual) in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 24 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - Liberty Mutual) in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 25 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - ICW), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 26 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - ICW), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 27 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - SCIF), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 28 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - Broadspire), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 29 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - Broadspire) in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 30 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - AmTrust) in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 31 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - AmTrust) in violation of PENAL CODE SECTION 550(b)(3).

**CHARGES (cont'd)**

**COUNT 32 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ANS - Gallagher-Bassett) in violation of PENAL CODE SECTION 550(b)(3).

**COUNT 33 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 1, 2014 and September 1, 2015, ALEXANDER KIEV MARTINEZ, ERIC JAY SCHAMES, and JENNIFER LOUISE WHITE, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sleep Study - Gallagher Bassett) in violation of PENAL CODE SECTION 550(b)(3).

---

---

THIS INDICTMENT, NUMBERED SCD255522, CONSISTS OF 33 COUNTS.

"A TRUE BILL"

**Bonnie M. Dumanis**

District Attorney, County of San Diego, State of California

---

Foreman of the Grand Jury

---

Deputy District Attorney

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

<b>SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO</b>	<small>For Court Use Only</small> <b>MAY 26 2016</b>
PEOPLE vs <u>Alexander Klev Martinez</u> <span style="float: right;">Defendant</span>	CLERK OF THE SUPERIOR COURT BY <u>M. ALLEY</u>
<b>PLEA OF GUILTY/NO CONTEST - FELONY</b>	Court Number: <u>SCD265522</u> DA Number: <u>ADY535</u>

I, the defendant in the above-entitled case, in support of my plea of Guilty/No Contest, personally declare as follows:

1. Of those charges now filed against me in this case, I plead GUILTY to the following offenses and admit the enhancements, allegations and prior convictions as follows:

COUNT	CHARGE	ENHANCEMENT/ALLEGATION
1	LC 3215	
13	PC 550(b)(3)	
PRIORS: (LIST ALLEGATION SECTION, CONVICTION DATE, COUNTY, CASE NUMBER, AND CHARGE)		

2. I have not been induced to enter this plea by any promise or representation of any kind, except: *(State any agreement with the District Attorney.)*

See Attachment "A": Federal Plea Agreement in case number 15CR2821-BAS.

3. I am entering my plea freely and voluntarily, without fear or threat to me or anyone closely related to me.

4. I understand that a plea of No Contest is the same as a plea of Guilty for all purposes.

5. I am sober and my judgment is not impaired. I have not consumed any drug, alcohol or narcotic within the past 24 hours.

**CONSTITUTIONAL RIGHTS**

6a. I understand that I have the right to be represented by a lawyer at all stages of the proceedings. I can hire my own lawyer or the Court will appoint a lawyer for me if I cannot afford one.

I understand that as to all charges, allegations and prior convictions filed against me, and as to any facts that may be used to increase my sentence, now or in the future, I also have the following constitutional rights, which I now give up to enter my plea of guilty/no contest:

6b. I have the right to a speedy and public trial by jury. I now give up this right.

6c. I have the right to confront and cross-examine all the witnesses against me. I now give up this right.

6d. I have the right to remain silent (unless I choose to testify on my own behalf). I now give up this right.

6e. I have the right to present evidence in my behalf and to have the court subpoena my witnesses at no cost to me. I now give up this right.

Defendant:  
Alexander Kiev Martinez

CASE NUMBER:  
SCD255622

### CONSEQUENCES OF PLEA OF GUILTY OR NO CONTEST

7a. I understand that I may receive this maximum punishment as a result of my plea: 5y 8mo years Imprisonment or Imprisonment plus a term of mandatory supervision; \$60,000 fine; and 4 years parole or post-release community supervision, with return to custody for every violation of a condition thereof. If I am not sentenced to imprisonment, I may be granted probation for a period up to 5 years or the maximum term of imprisonment, whichever is greater. As conditions of probation I may be given up to a year in jail custody, plus the fine, and any other conditions deemed reasonable by the Court. I understand that if I violate any condition of probation I can be sentenced to imprisonment for the maximum term as stated above.

7b. I understand that I must pay a restitution fine (\$200 - \$10,000), that I will also be subject to a suspended fine in the same amount, and that I must pay full restitution to all victims.

7c. I understand that my conviction in this case will be a ~~serious/violent felony ("strike")~~ resulting in mandatory denial of probation, ~~substantially increased penalties, and a term in State Prison in any future felony case.~~ well

7d. I understand that if I am not a U.S. citizen, this plea of Guilty/No Contest ~~may~~ will result in my removal/deportation, exclusion from admission to the U.S. and denial of naturalization. Additionally, if this plea is to an "Aggravated Felony" listed on the back of this form, then I will be deported, excluded from admission to the U.S., and denied naturalization.

7e. I understand that my plea of Guilty or No Contest in this case could result in revocation of my probation, mandatory supervision, parole or post-release supervision in other cases, and consecutive sentences.

7f. My attorney has explained to me that other possible consequences of this plea may be:  
(Circle applicable consequences.)

- |  |   |  |
|--|---|--|
| (1) Consecutive sentences                                | (9) Prison prior                                      | a. Limited local credits (290/serious/prior) |
| (2) Loss of driving privileges                           | (10) Mandatory Imprisonment                           | b. Violent Felony (No credit or max. 15%)    |
| (3) Commitment to Youth Authority                        | (11) Mandatory State Prison                           | c. Prior Strike(s) (No credit to max. 20%)   |
| (4) Lifetime registration as an arson / sex offender     | (12) Presumptive Imprisonment                         | d. Murder or/after 6/3/98 (No credit)        |
| (5) Registration as a narcotic / gang offender           | (13) Presumptive State Prison Law                     | (17) Loss of public assistance               |
| (6) Cannot possess firearms or ammunition                | (14) Sexually Violent Predator                        | (18) AIDS education program                  |
| (7) Blood test and saliva sample                         | (15) Possible/Mandatory hormone suppression treatment | (19) Other: _____                            |
| (8) Priorable (increased punishment for future offenses) | (16) Reduced conduct/work credits                     |  |

8. **(Appeal Rights)** I give up my right to appeal the following: 1) denial of my 1638.5 motion, 2) issues related to strike priors (under PC sections 687(b)-(l) and 1170.12), and 3) any sentence stipulated herein.

9. **(Harvey Waiver)** The sentencing judge may consider my prior criminal history and the entire factual background of the case, including any unfiled, dismissed or stricken charges or allegations or cases when granting probation, ordering restitution or imposing sentence.

10. **(Blakely Waiver)** I understand that as to any fact in aggravation that may be used to increase my sentence on any count or allegation to the upper or maximum term provided by law, I have the constitutional rights listed in paragraphs 6b-6e. I now give up those rights and agree that the sentencing judge may determine the existence or non-existence of any fact in aggravation, either at the initial sentencing or at any future sentencing in the event my probation is revoked.

11. **(Cruz Waiver)** Negotiated Disposition pursuant to PC 1192.5: I understand that if pending sentencing I am arrested for or commit another crime, violate any condition of my release, or willfully fail to appear for my probation interview or my sentencing hearing, the sentence portion of this agreement will be cancelled. I will be sentenced unconditionally, and I will not be allowed to withdraw my guilty/no contest plea(s).

12. **(Arbuckle Waiver)** I give up my right to be sentenced by the judge who accepts this plea.

13. **(Probation Report)** I give up my right to a full probation report before sentencing.

Defendant: Alexander Kiev Martinez	CASE NUMBER: SCD255522
---------------------------------------	---------------------------

14. (Evidence Disposal Waiver) I give up my interest in all non-biological property/evidence impounded during the investigation of this case except \_\_\_\_\_ and acknowledge that if I listed any property here, I must also file a claim with the impounding agency within 60 days after pronouncement of judgment or my ability to make a claim will expire.

(AM)

**PLEA**

15. I now plead Guilty/No Contest and admit the charges, convictions and allegations described in paragraph #1, above. I admit that on the dates charged, I: (Describe facts as to each charge and allegation)  
See Attachment "A" - Federal Plea Agreement in case number 15CR2821-BAS for factual basis.

(AM)

16. I declare under penalty of perjury that I have read, understood, and initialed each item above and any attached addendum, and everything on the form and any attached addendum is true and correct.

(AM)

Dated: 4/12/16 Defendant's Signature [Signature]

Defendant's Address: 1474 Mendocino Ave  
El Centro Street CA 92213  
City State Zip

Telephone Number: (442) 236-4585



Defendant's Right Thumb Print  
**ATTORNEY'S STATEMENT**

I, the attorney for the defendant in the above-entitled case, personally read and explained to the defendant the entire contents of this plea form and any addendum thereto. I discussed all charges and possible defenses with the defendant, and the consequences of this plea, including any immigration consequences. I personally observed the defendant fill in and initial each item, or read and initial each item to acknowledge his/her understanding and waivers. I observed the defendant date and sign this form and any addendum. I concur in the defendant's plea and waiver of constitutional rights.

Dated: 4/12/16  
(Print Name) [Signature] Attorney for Defendant (Signature)  
(Circle one: PD / APD / OAC / RETAINED)

**INTERPRETER'S STATEMENT (if Applicable)**

I, the sworn \_\_\_\_\_ language interpreter in this proceeding, truly translated for the defendant the entire contents of this form and any attached addendum. The defendant indicated understanding of the contents of this form and any addendum and then initialed and signed the form and any addendum.

Dated: 4/12/16 [Signature]  
(Print Name) Court Interpreter (Signature)

**PROSECUTOR'S STATEMENT**

The People of the State of California, plaintiff, by its attorney, the District Attorney for the County of San Diego, concurs with the defendant's plea of Guilty/No Contest as set forth above.

Dated: 4/19/16 PEPELO BERNDL  
(Print Name) Deputy District Attorney (Signature)

**COURT'S FINDING AND ORDER**

The Court, having questioned the defendant and defendant's attorney concerning the defendant's plea of Guilty/No Contest and admissions of the prior convictions and allegations, if any, finds that: The defendant understands and voluntarily and intelligently waives his/her constitutional rights; the defendant's plea and admissions are freely and voluntarily made; the defendant understands the nature of the charges and the consequences of the plea and admissions; and there is a factual basis for same. The Court accepts the defendant's plea and admissions, and the defendant is convicted thereby.

Dated: 5/26/16 [Signature]  
EUGENIA EYHERARIDE Judge of the Superior Court

## AGGRAVATED FELONIES

ANY CONVICTION OF A NON-CITIZEN FOR AN "AGGRAVATED FELONY" AS DEFINED UNDER 8 U.S.C. 1101(a)(43), WILL RESULT IN REMOVAL/DEPORTATION, EXCLUSION, AND DENIAL OF NATURALIZATION.

"AGGRAVATED FELONIES" include, but are not limited to, the following crimes and any attempt or conspiracy to commit such crimes, even if the conviction is a misdemeanor under state law. [The only exception to the applicability of state misdemeanors is where the offense (as listed below) specifically requires a felony conviction.]

1. ANY CRIME OF VIOLENCE\*

(Includes any offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any felony offense that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense. (18 U.S.C. §16.)

2. BURGLARY (Except vehicle or vessel unless used as a residence.) \*

3. CHILD PORNOGRAPHY OFFENSES

4. CONTROLLED SUBSTANCES:

- a) FELONY POSSESSION OF ANY CONTROLLED SUBSTANCE.
- b) MISDEMEANOR POSSESSION OF ANY CONTROLLED SUBSTANCE when the defendant has previously been convicted of any drug related offense.
- c) POSSESSION FOR SALE OF ANY CONTROLLED SUBSTANCE
- d) SALE OF ANY CONTROLLED SUBSTANCE
- e) TRANSPORTATION OF ANY CONTROLLED SUBSTANCE
- f) MANUFACTURE/DISTRIBUTION OF ANY CONTROLLED SUBSTANCE AND CULTIVATION OF MARIJUANA

5. FELONY D.U.I. (Any type.)\*

6. FAILURE TO APPEAR ON A FELONY CASE

7. FORGERY \*

8. FRAUD (Where loss to victim or victims exceeds \$10,000.)

9. MONEY LAUNDERING (If amount over \$10,000.)

10. MURDER

11. PERJURY/SUBORNATION of Perjury or Bribery of a Witness\*

12. PIMPING/PANDERING/OPERATING A PROSTITUTION BUSINESS

13. RAPE

14. RECEIVING STOLEN PROPERTY \*

15. ROBBERY \*

16. SEXUAL ABUSE OF A MINOR (Touching is not required, e.g.: Indecent Exposure.)

17. THEFT (Any type or amount)\*

18. TRAFFICKING IN FIREARMS AND EXPLOSIVES.

19. TRAFFICKING IN VEHICLES WITH ALTERED VINS\*

20. DEMAND FOR OR RECEIPT OF RANSOM

\* Where the term imposed is at least one year, whether or not any or all of that term is stayed or suspended at the time of sentencing.

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

THE PEOPLE OF THE STATE OF CALIFORNIA,  
Plaintiff,  
v.  
JULIAN ESTRADA GARCIA,  
*dob 06/06/83;*  
ALEXANDER KIEV MARTINEZ,  
*dob 12/19/77;*  
Defendants

CT No. SCD255523

DA No. ADY526

INDICTMENT

PC296 DNA TEST STATUS SUMMARY

Defendant

DNA Testing Requirements

GARCIA, JULIAN ESTRADA

DNA sample has been previously provided

MARTINEZ, ALEXANDER KIEV

DNA sample required upon conviction

The Grand Jury of the County of San Diego, State of California, accuses the Defendant(s) of committing, in the County of San Diego, State of California, before the finding of this Indictment, the following crime(s):

CHARGES

**COUNT 1 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 25, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

**COUNT 2 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about April 9, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 3 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ACE Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 4 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Amtrust Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 5 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ESIS Insurance - DME/hot/ cold packs), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 6 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

## CHARGES (cont'd)

### COUNT 7 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ICW Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 8 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Liberty Mutual Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 9 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Preferred Employer Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

### COUNT 10 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

**CHARGES (cont'd)**

**COUNT 11 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zenith Insurance - DME/hot/cold packs), in violation of PENAL CODE SECTION 550(b)(3).

**COUNT 12 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between October 14, 2014 and November 27, 2015, JULIAN ESTRADA GARCIA and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich Insurance - DME/hot/cold packs) in violation of PENAL CODE SECTION 550(b)(3).

---

---

THIS INDICTMENT, NUMBERED SCD255523, CONSISTS OF 12 COUNTS.

"A TRUE BILL"

**Bonnie M. Dumanis**

District Attorney, County of San Diego, State of California

\_\_\_\_\_  
Foreman of the Grand Jury

\_\_\_\_\_  
Deputy District Attorney

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

<b>SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO</b>	MAY 26 2014 CLERK BY <u>M. ADLEY</u>
PEOPLE vs <u>Alexandar Klev Martinez</u> Defendant	Court Number: SCD255523 DA Number: ADY526
<b>PLEA OF GUILTY/NO CONTEST - FELONY</b>	

I, the defendant in the above-entitled case, in support of my plea of Guilty/No Contest, personally declare as follows:

1. Of those charges now filed against me in this case, I plead GUILTY to the following offenses and admit the enhancements, allegations and prior convictions as follows: AK

COUNT	CHARGE	ENHANCEMENT/ALLEGATION
2	LC 3215	
3	PC 550(b)(3)	
PRIORS: (LIST ALLEGATION SECTION, CONVICTION DATE, COUNTY, CASE NUMBER, AND CHARGE)		

2. I have not been induced to enter this plea by any promise or representation of any kind, except: *(State any agreement with the District Attorney.)* AK  
See Attachment "A" - federal plea agreement in case number 15CR2821-BAS.

3. I am entering my plea freely and voluntarily, without fear or threat to me or anyone closely related to me. AK

4. I understand that a plea of No Contest is the same as a plea of Guilty for all purposes. AK

5. I am sober and my judgment is not impaired. I have not consumed any drug, alcohol or narcotic within the past 24 hours. AK

**CONSTITUTIONAL RIGHTS**

6a. I understand that I have the right to be represented by a lawyer at all stages of the proceedings. I can hire my own lawyer or the Court will appoint a lawyer for me if I cannot afford one. AK

I understand that as to all charges, allegations and prior convictions filed against me, and as to any facts that may be used to increase my sentence, now or in the future, I also have the following constitutional rights, which I now give up to enter my plea of guilty/no contest:

6b. I have the right to a speedy and public trial by jury. I now give up this right. AK

6c. I have the right to confront and cross-examine all the witnesses against me. I now give up this right. AK

6d. I have the right to remain silent (unless I choose to testify on my own behalf). I now give up this right. AK

6e. I have the right to present evidence in my behalf and to have the court subpoena my witnesses at no cost to me. I now give up this right. AK

**CONSEQUENCES OF PLEA OF GUILTY OR NO CONTEST**

7a. I understand that I may receive this maximum punishment as a result of my plea: 5y 8mo years Imprisonment or imprisonment plus a term of mandatory supervision; \$ 60,000 fine; and 7 years parole or post-release community supervision, with return to custody for every violation of a condition thereof. If I am not sentenced to imprisonment, I may be granted probation for a period up to 5 years or the maximum term of imprisonment, whichever is greater. As conditions of probation I may be given up to a year in jail custody, plus the fine, and any other conditions deemed reasonable by the Court. I understand that if I violate any condition of probation I can be sentenced to imprisonment for the maximum term as stated above.

7b. I understand that I must pay a restitution fine (\$200 - \$10,000), that I will also be subject to a suspended fine in the same amount, and that I must pay full restitution to all victims.

7c. I understand that my conviction in this case will be a ~~serious/violent felony ("strike")~~ resulting in mandatory denial of probation, substantially increased penalties, and a term in ~~State Prison in any future felony case.~~ all

7d. I understand that if I am not a U.S. citizen, this plea of Guilty/No Contest ~~may~~ will result in my removal/deportation, exclusion from admission to the U.S. and denial of naturalization. Additionally, if this plea is to an "Aggravated Felony" listed on the back of this form, then I will be deported, excluded from admission to the U.S., and denied naturalization.

7e. I understand that my plea of Guilty or No Contest in this case could result in revocation of my probation, mandatory supervision, parole or post-release supervision in other cases, and consecutive sentences.

7f. My attorney has explained to me that other possible consequences of this plea may be:  
(Circle applicable consequences.)

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>(1) Consecutive sentences</li> <li>(2) Loss of driving privileges</li> <li>(3) Commitment to Youth Authority</li> <li>(4) Lifetime registration as an arson / sex offender</li> <li>(5) Registration as a narcotic / gang offender</li> <li>(6) Cannot possess firearms or ammunition</li> <li>(7) Blood test and saliva sample</li> <li>(8) Priorable (increased punishment for future offenses)</li> </ul> | <ul style="list-style-type: none"> <li>(9) Prison prior</li> <li>(10) Mandatory Imprisonment</li> <li>(11) Mandatory State Prison</li> <li>(12) Presumptive Imprisonment</li> <li>(13) Presumptive State Prison</li> <li>(14) Sexually Violent Predator Law</li> <li>(15) Possible/Mandatory hormone suppression treatment</li> <li>(16) Reduced conduct/work credits</li> </ul> | <ul style="list-style-type: none"> <li>a. Limited local credits (290/serious/prior)</li> <li>b. Violent Felony (No credit or max. 15%)</li> <li>c. Prior Strike(s) (No credit to max. 20%)</li> <li>d. Murder on/after 8/3/98 (No credit)</li> <li>(17) Loss of public assistance</li> <li>(18) AIDS education program</li> <li>(19) Other: _____</li> </ul> |
|---|--|--|

8. (Appeal Rights) I give up my right to appeal the following: 1) denial of my 1538.5 motion, 2) issues related to strike priors (under PC sections 667(b)-(i) and 1170.12), and 3) any sentence stipulated herein.

9. (Harvey Walver) The sentencing judge may consider my prior criminal history and the entire factual background of the case, including any unfiled, dismissed or stricken charges or allegations or cases when granting probation, ordering restitution or imposing sentence.

10. (Blakely walver) I understand that as to any fact in aggravation that may be used to increase my sentence on any count or allegation to the upper or maximum term provided by law, I have the constitutional rights listed in paragraphs 8b-8e. I now give up those rights and agree that the sentencing judge may determine the existence or non-existence of any fact in aggravation, either at the initial sentencing or at any future sentencing in the event my probation is revoked.

11. (Cruz Walver) Negotiated Disposition pursuant to PC 1192.5: I understand that if pending sentencing I am arrested for or commit another crime, violate any condition of my release, or willfully fail to appear for my probation interview or my sentencing hearing, the sentence portion of this agreement will be cancelled. I will be sentenced unconditionally, and I will not be allowed to withdraw my guilty/no contest plea(s).

12. (Arbuckle Walver) I give up my right to be sentenced by the judge who accepts this plea.

13. (Probation Report) I give up my right to a full probation report before sentencing.

Defendant: Alexander Kiev Martinez	CASE NUMBER: SCD255523
---------------------------------------	---------------------------

14. (Evidence Disposal Waiver) I give up my interest in all non-biological property/evidence impounded during the investigation of this case except \_\_\_\_\_ and acknowledge that if I listed any property here, I must also file a claim with the impounding agency within 60 days after pronouncement of judgment or my ability to make a claim will expire.

*(Handwritten initials)*

PLEA

15. I now plead Guilty/No Contest and admit the charges, convictions and allegations described in paragraph #1, above. I admit that on the dates charged, I: (Describe facts as to each charge and allegation)  
Please see "Attachment A": federal plea agreement in case number 15CR2821-BAS for factual basis.

*(Handwritten initials)*

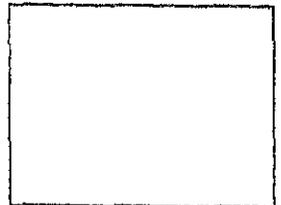
16. I declare under penalty of perjury that I have read, understood, and initialed each item above and any attached addendum, and everything on the form and any attached addendum is true and correct.

*(Handwritten initials)*

Dated: 4/12/16 Defendant's Signature *(Handwritten Signature)*

Defendant's Address: 1474 Meadowview Ave Street  
El Centro City CA State 92243 Zip

Telephone Number: (442) 236-4585



Defendant's Right Thumb Print

**ATTORNEY'S STATEMENT**

I, the attorney for the defendant in the above-entitled case, personally read and explained to the defendant the entire contents of this plea form and any addendum thereto. I discussed all charges and possible defenses with the defendant, and the consequences of this plea, including any immigration consequences. I personally observed the defendant fill in and initial each item, or read and initial each item to acknowledge his/her understanding and waivers. I observed the defendant date and sign this form and any addendum. I concur in the defendant's plea and waiver of constitutional rights.

Dated: 4/12/16 *(Handwritten Signature)*  
(Print Name) Attorney for Defendant (Signature)  
(Circle one: PD / APD / OAC / RETAINED)

**INTERPRETER'S STATEMENT (If Applicable)**

I, the sworn \_\_\_\_\_, a court interpreter in this proceeding, truly translated for the defendant the entire contents of this form and any attached addendum. The defendant indicated understanding of the contents of this form and any addendum and then initialed and signed the form and any addendum.

Dated: \_\_\_\_\_  
(Print Name) Court Interpreter (Signature)

**PROSECUTOR'S STATEMENT**

The People of the State of California, plaintiff, by \_\_\_\_\_, attorney, the District Attorney for the County of San Diego, concurs with the defendant's plea of Guilty/No Contest as set forth above.

Dated: 4/19/16 *(Handwritten Signature)*  
(Print Name) Deputy District Attorney (Signature)

**COURT'S FINDING AND ORDER**

The Court, having questioned the defendant and defendant's attorney concerning the defendant's plea of Guilty/No Contest and admissions of the prior convictions and allegations, if any, finds that: The defendant understands and voluntarily and intelligently waives his/her constitutional rights; the defendant's plea and admissions are freely and voluntarily made; the defendant understands the nature of the charges and the consequences of the plea and admissions; and there is a factual basis for same. The Court accepts the defendant's plea and admissions, and the defendant is convicted thereby.

Dated: 5/26/16 *(Handwritten Signature)*  
EUGENIA EYHERABIDE Judge of the Superior Court

## AGGRAVATED FELONIES

ANY CONVICTION OF A NON-CITIZEN FOR AN "AGGRAVATED FELONY" AS DEFINED UNDER 8 U.S.C. 1101(a)(43), WILL RESULT IN REMOVAL/DEPORTATION, EXCLUSION, AND DENIAL OF NATURALIZATION.

"AGGRAVATED FELONIES" include, but are not limited to, the following crimes and any attempt or conspiracy to commit such crimes, even if the conviction is a misdemeanor under state law: [The only exception to the applicability of state misdemeanors is where the offense (as listed below) specifically requires a felony conviction.]

1. ANY CRIME OF VIOLENCE\*

(Includes any offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any felony offense that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense. (18 U.S.C. §16).)

2. BURGLARY (Except vehicle or vessel unless used as a residence.) \*

3. CHILD PORNOGRAPHY OFFENSES

4. CONTROLLED SUBSTANCES:

- a) FELONY POSSESSION OF ANY CONTROLLED SUBSTANCE.
- b) MISDEMEANOR POSSESSION OF ANY CONTROLLED SUBSTANCE when the defendant has previously been convicted of any drug related offense.
- c) POSSESSION FOR SALE OF ANY CONTROLLED SUBSTANCE
- d) SALE OF ANY CONTROLLED SUBSTANCE
- e) TRANSPORTATION OF ANY CONTROLLED SUBSTANCE
- f) MANUFACTURE/DISTRIBUTION OF ANY CONTROLLED SUBSTANCE AND CULTIVATION OF MARIJUANA

5. FELONY D.U.I. (Any type) \*

6. FAILURE TO APPEAR ON A FELONY CASE

7. FORGERY \*

8. FRAUD (Where loss to victim or victims exceeds \$10,000.)

9. MONEY LAUNDERING (If amount over \$10,000.)

10. MURDER

11. PERJURY/SUBORNATION of Perjury or Bribery of a Witness\*

12. PIMPING/PANDERING/OPERATING A PROSTITUTION BUSINESS

13. RAPE

14. RECEIVING STOLEN PROPERTY \*

15. ROBBERY \*

16. SEXUAL ABUSE OF A MINOR (Touching is not required, e.g.: Indecent Exposure.)

17. THEFT (Any type or amount)\*

18. TRAFFICKING IN FIREARMS AND EXPLOSIVES.

19. TRAFFICKING IN VEHICLES WITH ALTERED VINS\*

20. DEMAND FOR OR RECEIPT OF RANSOM

\* Where the term imposed is at least one year, whether or not any or all of that term is stayed or suspended at the time of sentencing.

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

THE PEOPLE OF THE STATE OF CALIFORNIA,  
Plaintiff,  
v.  
PHONG HUNG TRAN,  
*dob 01/12/65;*  
DAVID CUONG MANH NGUYEN,  
*dob 06/07/67;*  
ALEXANDER KIEV MARTINEZ,  
*dob 12/19/77;*  
Defendants

CT No. SCD255524  
DA No. ADY528  
AMENDED  
INDICTMENT

PC296 DNA TEST STATUS SUMMARY

Defendant	DNA Testing Requirements
TRAN, PHONG HUNG	DNA sample required upon conviction
NGUYEN, DAVID CUONG MANH	DNA sample required upon conviction
MARTINEZ, ALEXANDER KIEV	DNA sample required upon conviction

The Grand Jury of the County of San Diego, State of California, accuses the Defendant(s) of committing, in the County of San Diego, State of California, before the finding of this Indictment, the following crime(s):

CHARGES

COUNT 1 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about December 30, 2013, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 2877 - \$5,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 2 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about January 24, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 2876 - \$5,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 3 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about March 3, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 2942 - \$3,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 4 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about May 2, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3064 - \$4,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 5 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about June 20, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3133 - \$5,500 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 6 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about July 18, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3184 - \$4,500 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 7 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about August 4, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3247 - \$5,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 8 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about September 13, 2014, PHONG HUNG TRAN and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3331 - \$4,500 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 9 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about September 13, 2014, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3330 - \$2,000 from Coastline Medical Clinic, Inc. to Crosby Square Chiropractic), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 10 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about November 20, 2014, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3447 - \$3,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 11 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about November 24, 2014, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3460 - \$4,000 from Coastline Medical Clinic, Inc. to Crosby Square Chiropractic), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 12 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about December 2, 2014, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1059 - \$5,000 from MD Pharma, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 13 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about January 8, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1249 - \$5,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 14 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about January 8, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1250 - \$4,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### **COUNT 15 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about January 21, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3563 - \$4,000 from Coastline Medical Clinic, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 16 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about January 21, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 3564 - \$3,500 from Coastline Medical Clinic, Inc. to Crosby Square Chiropractic), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 17 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about February 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1373 - \$4,000 from MD Pharma, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### **COUNT 18 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS**

On or about February 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1374 - \$4,500 from MD Pharma, Inc. to Crosby Square Chiropractic), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

## CHARGES (cont'd)

### COUNT 19 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about April 22, 2015, DAVID CUONG MANH NGUYEN did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise, as compensation or inducement for referring clients or patients to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 20 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about April 28, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1383 - \$7,500 from MD Pharma, Inc. to Desert Oasis Therapy Center), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 21 - OFFER, DELIVER, RECEIVE AND ACCEPT COMPENSATION FOR REFERRING CLIENTS/PATIENTS

On or about April 28, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ did offer, deliver, receive and accept a rebate, refund, commission, preference, patronage, dividend, discount and other consideration whether in the form of money or otherwise (check no. 1381 - \$8,000 from MD Pharma, Inc. to Crosby Square Chiropractic), as compensation or inducement for referring clients or patient to perform or obtain services or benefits pursuant to the California Workers' Compensation law, in violation of LABOR CODE SECTION 3215.

### COUNT 22 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Amtrust North America Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 23 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Berkshire Hathaway Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 24 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ESIS Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 25 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 26 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (The Hartford Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 27 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ICW Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 28 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Liberty Mutual Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 29 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Meadowbrook Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 30 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Sedgwick Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 31 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 32 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Tristar Insurance – prescription drug benefits), in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 33 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich Insurance – prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 34 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Amtrust North America Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 35 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Berkshire Hathaway Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 36 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (ESIS Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 37 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 38 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (The Hartford Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 39 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Liberty Mutual Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 40 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

## CHARGES (cont'd)

### COUNT 41 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich Insurance – toxicology screenings) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 42 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Gallagher Bassett Insurance – compound cream prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense; the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

### COUNT 43 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Meadowbrook Insurance – compound cream prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

**CHARGES (cont'd)**

**COUNT 44 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (State Compensation Insurance Fund – compound cream prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

**COUNT 45 - INSURANCE - CONCEAL EVENT AFFECTING CLAIM**

On or about and between September 18, 2014 and November 27, 2015, PHONG HUNG TRAN, DAVID CUONG MANH NGUYEN, and ALEXANDER KIEV MARTINEZ, did unlawfully conceal and knowingly fail to disclose the occurrence of, and knowingly assist and conspire with another person to conceal and knowingly fail to disclose the occurrence of, an event that affected a person's initial and continued right and entitlement to an insurance benefit and payment, and the amount of a benefit and payment to which the person was entitled (Zurich Insurance – compound cream prescription drug benefits) in violation of PENAL CODE SECTION 550(b)(3).

And it is further alleged that prior to the commission of the above offense, the defendant, DAVID CUONG MANH NGUYEN had previously been convicted of the felony violation PC550(a), case number C9921419, Santa Clara County, 2002, within the meaning of PENAL CODE SECTION 550(e).

---

---

THIS INDICTMENT, NUMBERED SCD255524, CONSISTS OF 45 COUNTS.

**"A TRUE BILL"**

**Bonnie M. Dumanis**

District Attorney, County of San Diego, State of California

\_\_\_\_\_  
Foreman of the Grand Jury

\_\_\_\_\_  
Deputy District Attorney

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO		For Court Use Only MAY 25 2016
PEOPLE vs Alexander Kiev Martinez Defendant		
PLEA OF GUILTY/NO CONTEST - FELONY		Court Number: SCD255524
		DA Number: ADY528

I, the defendant in the above-entitled case, in support of my plea of Guilty/No Contest, personally declare as follows:

1. Of those charges now filed against me in this case, I plead GUILTY to the following offenses and admit the enhancements, allegations and prior convictions as follows:

COUNT	CHARGE	ENHANCEMENT/ALLEGATION
12	LC 3215	
22	PC 550(b)(3)	
PRIORS: (LIST ALLEGATION SECTION, CONVICTION DATE, COUNTY, CASE NUMBER, AND CHARGE)		

2. I have not been induced to enter this plea by any promise or representation of any kind, except: (State any agreement with the District Attorney.)   
 See Attachment "A": federal plea agreement in case number 15CR2821-BAS.

3. I am entering my plea freely and voluntarily, without fear or threat to me or anyone closely related to me.

4. I understand that a plea of No Contest is the same as a plea of Guilty for all purposes.

5. I am sober and my judgment is not impaired. I have not consumed any drug, alcohol or narcotic within the past 24 hours.

**CONSTITUTIONAL RIGHTS**

6a. I understand that I have the right to be represented by a lawyer at all stages of the proceedings. I can hire my own lawyer or the Court will appoint a lawyer for me if I cannot afford one.

I understand that as to all charges, allegations and prior convictions filed against me, and as to any facts that may be used to increase my sentence, now or in the future, I also have the following constitutional rights, which I now give up to enter my plea of guilty/no contest:

6b. I have the right to a speedy and public trial by jury. I now give up this right.

6c. I have the right to confront and cross-examine all the witnesses against me. I now give up this right.

6d. I have the right to remain silent (unless I choose to testify on my own behalf). I now give up this right.

6e. I have the right to present evidence in my behalf and to have the court subpoena my witnesses at no cost to me. I now give up this right.

CONSEQUENCES OF PLEA OF GUILTY OR NO CONTEST

7a. I understand that I may receive this maximum punishment as a result of my plea: 5y 8mo years imprisonment or imprisonment plus a term of mandatory supervision; \$60,000 fine; and 4 years parole or post-release community supervision, with return to custody for every violation of a condition thereof. If I am not sentenced to imprisonment, I may be granted probation for a period up to 5 years or the maximum term of imprisonment, whichever is greater. As conditions of probation I may be given up to a year in jail custody, plus the fine, and any other conditions deemed reasonable by the Court. I understand that if I violate any condition of probation I can be sentenced to imprisonment for the maximum term as stated above.

7b. I understand that I must pay a restitution fine (\$200 - \$10,000), that I will also be subject to a suspended fine in the same amount, and that I must pay full restitution to all victims.

7c. I understand that my conviction in this case will be a serious/violent felony ("strike") resulting in mandatory denial of probation, substantially increased penalties, and a term in State Prison in any future felony case.

7d. I understand that if I am not a U.S. citizen, this plea of Guilty/No Contest ~~may~~ result in my removal/deportation, exclusion from admission to the U.S. and denial of naturalization. Additionally, if this plea is to an "Aggravated Felony" listed on the back of this form, then I will be deported, excluded from admission to the U.S., and denied naturalization.

7e. I understand that my plea of Guilty or No Contest in this case could result in revocation of my probation, mandatory supervision, parole or post-release supervision in other cases, and consecutive sentences.

7f. My attorney has explained to me that other possible consequences of this plea may be:  
(Circle applicable consequences.)

- |  |   |  |
|--|---|--|
| (1) Consecutive sentences                                | (9) Prison prior                                      | a. Limited local credits (290/serious/prior) |
| (2) Loss of driving privileges                           | (10) Mandatory imprisonment                           | b. Violent Felony (No credit or max. 15%)    |
| (3) Commitment to Youth Authority                        | (11) Mandatory State Prison                           | c. Prior Strike(s) (No credit to max. 20%)   |
| (4) Lifetime registration as an arson / sex offender     | (12) Presumptive Imprisonment                         | d. Murder on/after 6/3/98 (No credit)        |
| (5) Registration as a narcotic / gang offender           | (13) Presumptive State Prison                         | (17) Loss of public assistance               |
| (6) Cannot possess firearms or ammunition                | (14) Sexually Violent Predator Law                    | (18) AIDS education program                  |
| (7) Blood test and saliva sample                         | (15) Possible/Mandatory hormone suppression treatment | (19) Other: _____                            |
| (8) Priorable (increased punishment for future offenses) | (16) Reduced conduct/work credits                     |  |

8. (Appeal Rights) I give up my right to appeal the following: 1) denial of my 1538.5 motion, 2) issues related to strike priors (under PC sections 667(b)-(i) and 1170.12), and 3) any sentence stipulated herein.

9. (Harvey Waiver) The sentencing judge may consider my prior criminal history and the entire factual background of the case, including any unfiled, dismissed or stricken charges or allegations or cases when granting probation, ordering restitution or imposing sentence.

10. (Blakely waiver) I understand that as to any fact in aggravation that may be used to increase my sentence on any count or allegation to the upper or maximum term provided by law, I have the constitutional rights listed in paragraphs 8b-8e. I now give up those rights and agree that the sentencing judge may determine the existence or non-existence of any fact in aggravation, either at the initial sentencing or at any future sentencing in the event my probation is revoked.

11. (Cruz Waiver) Negotiated Disposition pursuant to PC 1192.5: I understand that if pending sentencing I am arrested for or commit another crime, violate any condition of my release, or willfully fail to appear for my probation interview or my sentencing hearing, the sentence portion of this agreement will be cancelled. I will be sentenced unconditionally, and I will not be allowed to withdraw my guilty/no contest plea(s).

12. (Arbuckle Waiver) I give up my right to be sentenced by the judge who accepts this plea.

13. (Probation Report) I give up my right to a full probation report before sentencing.

Defendant: Alexander Kiev Martinez  
CASE NUMBER: SCD255524

14. (Evidence Disposal Waiver) I give up my interest in all non-biological property/evidence impounded during the investigation of this case except \_\_\_\_\_ and acknowledge that if I listed any property here, I must also file a claim with the impounding agency within 60 days after pronouncement of judgment or my ability to make a claim will expire.

*(Signature)*

PLEA

15. I now plead Guilty/No Contest and admit the charges, convictions and allegations described in paragraph #1, above. I admit that on the dates charged, I: (Describe facts as to each charge and allegation)  
Please see Attachment "A": federal plea agreement in case number 15CR2321-BAS for factual basis.

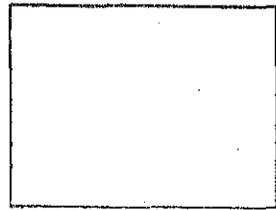
*(Signature)*

16. I declare under penalty of perjury that I have read, understood, and initialed each item above and any attached addendum, and everything on the form and any attached addendum is true and correct.

*(Signature)*

Dated: 4/12/16 Defendant's Signature *(Signature)*

Defendant's Address: 1474 Meadowview Ave  
Street  
El Centro City CA 92243  
City State Zip  
Telephone Number: (442) 236-4585



Defendant's Right Thumb Print

ATTORNEY'S STATEMENT

I, the attorney for the defendant in the above-entitled case, personally read and explained to the defendant the entire contents of this plea form and any addendum thereto. I discussed all charges and possible defenses with the defendant, and the consequences of this plea, including any immigration consequences. I personally observed the defendant fill in and initial each item, or read and initial each item to acknowledge his/her understanding and waivers. I observed the defendant date and sign this form and any addendum. I concur in the defendant's plea and waiver of constitutional rights.

Dated: 4/12/16  
(Print Name) *(Signature)*  
Attorney for Defendant (Signature)  
(Circle one: PD / APD / OAS) RETAINED

INTERPRETER'S STATEMENT (if Applicable)

I, the sworn \_\_\_\_\_ language interpreter in this proceeding, truly translated for the defendant the entire contents of this form and any attached addendum. The defendant indicated understanding of the contents of this form and any addendum and then initialed and signed the form and any addendum.

Dated: \_\_\_\_\_  
(Print Name) \_\_\_\_\_ Court Interpreter (Signature)

PROSECUTOR'S STATEMENT

The People of the State of California, plaintiff, by its attorney, the District Attorney for the County of San Diego, concurs with the defendant's plea of Guilty/No Contest as set forth above.

Dated: 4/19/16  
JOHN PHILPOT *(Signature)*  
(Print Name) Deputy District Attorney (Signature)

COURT'S FINDING AND ORDER

The Court, having questioned the defendant and defendant's attorney concerning the defendant's plea of Guilty/No Contest and admissions of the prior convictions and allegations, if any, finds that: The defendant understands and voluntarily and intelligently waives his/her constitutional rights; the defendant's plea and admissions are freely and voluntarily made; the defendant understands the nature of the charges and the consequences of the plea and admissions; and there is a factual basis for same. The Court accepts the defendant's plea and admissions, and the defendant is convicted thereby.

Dated: 5/26/16  
*(Signature)*  
EUGENIA EYERABIDE Judge of the Superior Court

## AGGRAVATED FELONIES

ANY CONVICTION OF A NON-CITIZEN FOR AN "AGGRAVATED FELONY" AS DEFINED UNDER 8 U.S.C. 1101(a)(43), WILL RESULT IN REMOVAL/DEPORTATION, EXCLUSION, AND DENIAL OF NATURALIZATION.

"AGGRAVATED FELONIES" include, but are not limited to, the following crimes and any attempt or conspiracy to commit such crimes, even if the conviction is a misdemeanor under state law: [The only exception to the applicability of state misdemeanors is where the offense (as listed below) specifically requires a felony conviction.]

1. ANY CRIME OF VIOLENCE\*

(Includes any offense that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any felony offense that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense. (18 U.S.C. §16).)

2. BURGLARY (Except vehicle or vessel unless used as a residence.) \*

3. CHILD PORNOGRAPHY OFFENSES

4. CONTROLLED SUBSTANCES:

- a) FELONY POSSESSION OF ANY CONTROLLED SUBSTANCE.
- b) MISDEMEANOR POSSESSION OF ANY CONTROLLED SUBSTANCE when the defendant has previously been convicted of any drug related offense.
- c) POSSESSION FOR SALE OF ANY CONTROLLED SUBSTANCE
- d) SALE OF ANY CONTROLLED SUBSTANCE
- e) TRANSPORTATION OF ANY CONTROLLED SUBSTANCE
- f) MANUFACTURE/DISTRIBUTION OF ANY CONTROLLED SUBSTANCE AND CULTIVATION OF MARIJUANA

5. FELONY D.U.I. (Any type.)\*

6. FAILURE TO APPEAR ON A FELONY CASE

7. FORGERY \*

8. FRAUD (Where loss to victim or victims exceeds \$10,000.)

9. MONEY LAUNDERING (If amount over \$10,000.)

10. MURDER

11. PERJURY/SUBORNATION of Perjury or Bribery of a Witness\*

12. PIMPING/PANDERING/OPERATING A PROSTITUTION BUSINESS

13. RAPE

14. RECEIVING STOLEN PROPERTY \*

15. ROBBERY \*

16. SEXUAL ABUSE OF A MINOR (Touching is not required, e.g.: Indecent Exposure.)

17. THEFT (Any type or amount)\*

18. TRAFFICKING IN FIREARMS AND EXPLOSIVES.

19. TRAFFICKING IN VEHICLES WITH ALTERED VINS\*

20. DEMAND FOR OR RECEIPT OF RANSOM

\* Where the term imposed is at least one year, whether or not any or all of that term is stayed or suspended at the time of sentencing.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

2015 NOV -6 AM 9:27

CLERK OF COURT  
SOUTHERN DISTRICT OF CALIFORNIA

BY np DEPUTY

**SEALED**  
UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

June 2014 Grand Jury

UNITED STATES OF AMERICA,  
  
Plaintiff,

v.

RONALD GRUSD (1),  
GONZALO PAREDES (2),  
ALEXANDER MARTINEZ (3),  
RUBEN MARTINEZ (4),  
CALIFORNIA IMAGING NETWORK  
MEDICAL GROUP (5),  
WILLOWS CONSULTING COMPANY (6),  
LINE OF SIGHT, INC. (7),  
DESERT BLUE MOON (8),

Defendants.

Case No. 15 CR 2821 BAS

I N D I C T M E N T

Title 18, U.S.C., Sec. 371 -  
Conspiracy to Commit Honest  
Services Mail Fraud, Mail Fraud  
and Violate Travel Act; Title 18,  
U.S.C., Secs. 1341 and 1346 -  
Honest Services Mail Fraud;  
Title 18, U.S.C.,  
Sec. 1952(a)(1)(A) and (a)(3)(A) -  
Travel Act; Title 18, U.S.C.,  
Sec. 2 - Aiding and Abetting;  
Title 18, U.S.C.,  
Sec. 981(a)(1)(C), and Title 28,  
U.S.C., Sec. 2461(c) - Criminal  
Forfeiture

The Grand Jury charges, at all times relevant:

INTRODUCTORY ALLEGATIONS

THE DEFENDANTS AND OTHER PARTICIPANTS

1. Defendant RONALD GRUSD ("GRUSD") was a physician who had  
been licensed by the State of California since 1987. Defendant  
GRUSD's primary area of practice was radiology, and he was certified  
by the American Board of Radiology in Diagnostic and Nuclear  
Radiology. Defendant GRUSD was an officer of several entities,

1 including defendants CALIFORNIA IMAGING NETWORK MEDICAL GROUP and  
2 WILLOWS CONSULTING COMPANY, and Oaks Diagnostics and Advanced  
3 Radiology.

4 2. Defendant GONZALO PAREDES ("PAREDES") was an administrator  
5 for several of defendant GRUSD's entities, including defendants  
6 CALIFORNIA IMAGING NETWORK MEDICAL GROUP and WILLOWS CONSULTING  
7 COMPANY, and Advanced Radiology.

8 3. Defendant ALEXANDER MARTINEZ worked as a marketer and  
9 administrator on behalf of Dr. A, a licensed chiropractor with three  
10 clinics in the Southern District of California. Defendant ALEXANDER  
11 MARTINEZ owned and operated defendant LINE OF SIGHT, INC., a  
12 professional corporation incorporated in Nevada whose principal place  
13 of business was in Calexico, California.

14 4. Defendant RUBEN MARTINEZ worked as a marketer for Dr. A,  
15 soliciting patients for treatment at Dr. A's clinic in Calexico,  
16 California. Defendant RUBEN MARTINEZ owned and operated defendant  
17 DESERT BLUE MOON, a professional corporation incorporated in Nevada.

18 5. Defendant CALIFORNIA IMAGING NETWORK MEDICAL GROUP  
19 ("CALIFORNIA IMAGING NETWORK") was a California Corporation formed in  
20 August 2007, which listed on its website locations in Los Angeles,  
21 Beverly Hills, San Diego, Fresno, Rialto, Santa Ana, Studio City,  
22 Bakersfield, Calexico, East Los Angeles, Lancaster, Victorville and  
23 Visalia. According to its website, defendant CALIFORNIA IMAGING  
24 NETWORK's principal business address was 8641 Wilshire Blvd., Ste.  
25 105, Beverly Hills, California. Among the various services defendant  
26 CALIFORNIA IMAGING NETWORK offered were diagnostic imaging services  
27 and "Extracorporeal Shockwave Therapy." Defendant CALIFORNIA IMAGING  
28 NETWORK listed defendant GRUSD as its chief executive officer, chief

1 financial officer, secretary and only director. Defendant GRUSD was  
2 also the signatory on defendant CALIFORNIA IMAGING NETWORK's bank  
3 accounts.

4 6. Defendant WILLOWS CONSULTING COMPANY ("WILLOWS CONSULTING")  
5 was a California corporation, formed in June 2011, which listed 8641  
6 Wilshire Blvd., Ste. 105, Beverly Hills, California as its principal  
7 business address. Defendant GRUSD was listed as its president and the  
8 only signatory on defendant WILLOWS CONSULTING's bank accounts.

9 7. Defendant LINE OF SIGHT, INC., a Nevada Corporation formed  
10 in October 2010, listed defendant ALEXANDER MARTINEZ as a director.  
11 Defendant LINE OF SIGHT's principal place of business was in Calexico,  
12 California, and defendant ALEXANDER MARTINEZ was the only authorized  
13 signatory on defendant LINE OF SIGHT's bank accounts.

14 8. Defendant DESERT BLUE MOON, a Nevada Corporation formed in  
15 August 2001, listed defendant RUBEN MARTINEZ as a director. Defendant  
16 RUBEN MARTINEZ was the only authorized signatory on DESERT BLUE MOON's  
17 bank accounts.

18 9. The Oaks Diagnostics, a California corporation formed in  
19 1989 and doing business as Advanced Radiology, listed 8641 Wilshire  
20 Blvd., Ste. 105, Beverly Hills, California as its principal business  
21 address. Advanced Radiology provided Shockwave, nerve conduction  
22 velocity and electromyography testing and diagnostic imaging services.  
23 Advanced Radiology listed defendant GRUSD as its president. Defendant  
24 GRUSD was the only authorized signatory on Advanced Radiology's bank  
25 accounts.

26 10. Dr. A was a chiropractor licensed to practice in California,  
27 who operated three clinics specializing in chiropractic medicine.

28

1           11. Physicians, including medical doctors and chiropractors,  
2 owed a fiduciary duty to their patients, requiring physicians to act  
3 in their patients' best interests, and not for their own professional,  
4 pecuniary, or personal gain. Physicians owed a duty of honest  
5 services to their patients for decisions made relating to the care of  
6 those patients, including the informed choice as to whether to undergo  
7 ancillary medical procedures and, if so, an informed choice as to the  
8 providers of such ancillary medical procedures.

9           12. Defendants ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT  
10 and DESERT BLUE MOON worked with and on behalf of Dr. A in the  
11 referral of workers' compensation patients for ancillary medical  
12 procedures.

13                           CALIFORNIA WORKERS' COMPENSATION PROGRAM

14           13. The California Workers' Compensation System ("CWCS")  
15 required that employers in California provide workers' compensation  
16 benefits to their employees for qualifying injuries sustained in the  
17 course of their employment. Under the CWCS, all claims for payments  
18 for services or benefits provided to the injured employee, including  
19 medical and legal fees, were billed directly to, and paid by, the  
20 insurer. Most unpaid claims for payment were permitted to be filed as  
21 liens against the employee's workers' compensation claim, which accrue  
22 interest until paid in an amount ordered by the Workers' Compensation  
23 Appeals Board or an amount negotiated between the insurer and the  
24 service or benefits provider. The CWCS was regulated by the  
25 California Labor Code, the California Insurance Code, and the  
26 California Code of Regulations, and was administered by the California  
27 Department of Industrial Relations.

28

1 14. CWCS benefits were administered by the employer, an insurer,  
2 or a third party administrator. The CWCS required claims  
3 administrators to authorize and pay for medical care that was  
4 "reasonably required to cure or relieve the injured worker from the  
5 effects of his or her injury," and includes medical, surgical,  
6 chiropractic, acupuncture, and hospital treatment.

7 15. 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 ancillary medical procedures.

#### 12 ANCILLARY MEDICAL PROCEDURES

13 16. Extracorporeal Shockwave Therapy ("shockwave") as used by  
14 defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced  
15 Radiology was a treatment modality that used low energy sound waves to  
16 initiate tissue repair of musculoskeletal conditions. The treatment  
17 was not a surgical procedure and patients were not placed under  
18 anesthesia. Shockwave had been approved by the Federal Drug  
19 Administration only for the treatment of chronic lateral epicondylitis  
20 (tennis elbow) for which the symptoms were unresponsive to standard  
21 therapy for more than six months.

22 17. Nerve conduction velocity ("NCV") was a test employed in  
23 electrodiagnostic medicine to see how fast electrical signals move  
24 through a nerve and was used to diagnose nerve injury or damage.

25 18. Electromyography ("EMG") was a test employed in  
26 electrodiagnostic medicine to evaluate and record the electrical  
27 activity produced by skeletal muscles and was used to diagnose nerve  
28

1 injury or damage; an EMG was often performed in conjunction with NCV  
2 testing.

3 19. Diagnostic imaging services include magnetic resonance  
4 imaging ("MRI").

5 Count 1

6 CONSPIRACY TO COMMIT HONEST SERVICES MAIL FRAUD  
7 AND VIOLATE THE TRAVEL ACT, 18 USC § 371

8 20. Paragraphs 1 through 19 of this Indictment are realleged and  
9 incorporated by reference.

10 21. Beginning on a date unknown and continuing through at least  
11 August 2015, within the Southern District of California and elsewhere,  
12 defendants RONALD GRUSD, GONZALO PAREDES, ALEXANDER MARTINEZ, RUBEN  
13 MARTINEZ, CALIFORNIA IMAGING NETWORK MEDICAL GROUP, WILLOWS CONSULTING  
14 COMPANY, LINE OF SIGHT, INC., DESERT BLUE MOON, and others known and  
15 unknown did knowingly and intentionally conspire with each other to:

16 a. commit Honest Services Mail Fraud, that is, knowingly and  
17 with the intent to defraud, devise and participate in a material  
18 scheme to defraud and to deprive patients of the intangible right to  
19 Dr. A's honest services, and cause mailings in furtherance of the  
20 scheme, in violation of Title 18, United States Code, Sections 1341  
21 and 1346;

22 b. commit Mail Fraud, that is, knowingly and with the intent to  
23 defraud, devise a material scheme to defraud, and to obtain money and  
24 property, by means of materially false and fraudulent pretenses,  
25 representations, promises, and omissions and concealments of material  
26 facts, and cause mailings in furtherance of the scheme, in violation  
27 of Title 18, United States Code, Section 1341; and  
28

1 c. use and cause to be used facilities in interstate commerce  
2 with intent to promote, manage, establish, carry on, distribute the  
3 proceeds of, and facilitate the promotion, management, establishment,  
4 carrying on, and distribution of the proceeds of an unlawful activity,  
5 that is, bribery in violation of California Labor Code Sections 139.3,  
6 139.32, and 3215, California Business and Professions Code  
7 Section 650, and California Insurance Code Section 750 and,  
8 thereafter, to promote and attempt to perform acts to promote, manage,  
9 establish, carry on, distribute the proceeds of, and facilitate the  
10 promotion, management, establishment, carrying on, and distribution of  
11 the proceeds of such unlawful activity, in violation of Title 18,  
12 United States Code, Section 1952(a)(1)(A) and (a)(3)(A).

13 **FRAUDULENT PURPOSE**

14 22. It was a purpose of the conspiracy to fraudulently obtain  
15 money from CWCS insurers by submitting claims for ancillary procedures  
16 that were secured through a pattern of bribes to Dr. A, and to those  
17 acting with him and on his behalf, in exchange for the referral of  
18 patients to particular providers of ancillary medical procedures, in  
19 violation of Dr. A's fiduciary duty to his patients, and concealing  
20 from insurers the bribes that rendered the claims unpayable under  
21 California law.

22 **MANNER AND MEANS**

23 23. The conspirators used the following manner and means in  
24 pursuit of their fraudulent purpose:

25 a. It was a part of the conspiracy that defendants GRUSD,  
26 PAREDES, CALIFORNIA IMAGING NETWORK, and WILLOWS CONSULTING, knowing  
27 that the payment of per-patient referral fees was unlawful, offered to  
28 pay bribes to Dr. A, ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT

1 and DESERT BLUE MOON in order to influence the referral of Dr. A's  
2 workers' compensation patients to defendant CALIFORNIA IMAGING NETWORK  
3 and other entities operated by defendant GRUSD and PAREDES.

4 b. It was a further part of the conspiracy that defendants  
5 ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, and DESERT BLUE  
6 MOON agreed to accept per-patient referral fees from defendants GRUSD,  
7 PAREDES, CALIFORNIA IMAGING NETWORK, WILLOWS CONSULTING and others --  
8 either directly or indirectly - in exchange for the referral of Dr.  
9 A's workers' compensation patients to defendant CALIFORNIA IMAGING  
10 NETWORK and other entities operated by defendant GRUSD and PAREDES.

11 c. It was a further part of the conspiracy that defendants  
12 ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, DESERT BLUE MOON  
13 and others arranged to have defendants GRUSD, PAREDES, CALIFORNIA  
14 IMAGING NETWORK, WILLOWS CONSULTING and others conduct ancillary  
15 medical procedures on Dr. A's workers' compensation patients in  
16 exchange for unlawful per-patient referral fees.

17 d. It was a further part of the conspiracy that defendants  
18 concealed from patients, and intended to cause Dr. A to conceal from  
19 patients, the bribe payments Dr. A and defendants ALEXANDER MARTINEZ,  
20 RUBEN MARTINEZ, LINE OF SIGHT, AND DESERT BLUE MOON received from  
21 defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and WILLOWS  
22 CONSULTING in exchange for referring patients for ancillary medical  
23 procedures, in violation of Dr. A's fiduciary duty to Dr. A's patients  
24 and in violation of the California Labor Code.

25 e. It was a further part of the conspiracy that proceeds from  
26 insurance claims paid to defendant CALIFORNIA IMAGING NETWORK were  
27 funneled through bank accounts by defendants GRUSD and PAREDES to a  
28 bank account in the name of defendant WILLOWS CONSULTING, which

1 supplied the kickback payments to defendants ALEXANDER MARTINEZ, RUBEN  
2 MARTINEZ, LINE OF SIGHT, DESERT BLUE MOON and others.

3 f. It was a further part of the conspiracy that defendants  
4 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, WILLOWS CONSULTING,  
5 ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, DESERT BLUE MOON  
6 and others obscured the true nature of their financial relationships  
7 in order to conceal their corrupt bribe payments for patient  
8 referrals.

9 g. It was a further part of the conspiracy that defendants  
10 PAREDES, ALEXANDER MARTINEZ and RUBEN MARTINEZ discussed via telephone  
11 calls, emails, and in-person meetings the workers' compensation  
12 patients who had been corruptly referred for ancillary medical  
13 procedures to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK in  
14 exchange for kickbacks.

15 h. It was a further part of the conspiracy that defendants  
16 GRUSD, PAREDES, ALEXANDER MARTINEZ and RUBEN MARTINEZ utilized  
17 interstate facilities, including cellular telephones and email, in  
18 order to coordinate the referral of patients for ancillary medical  
19 procedures, knowing that such referrals were predicated on unlawful  
20 per-patient kickback payments.

21 i. It was a further part of the conspiracy that defendants  
22 ALEXANDER MARTINEZ and RUBEN MARTINEZ falsely labeled correspondence  
23 concerning lists of workers' compensation patients who had been  
24 corruptly referred for ancillary medical procedures as pertaining to  
25 "marketing hours" and similarly misleading phrases.

26 j. It was a further part of the conspiracy that defendants  
27 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, and WILLOWS CONSULTING  
28 falsely characterized the bribes to Dr. A and defendants ALEXANDER

1 MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, and DESERT BLUE MOON as  
2 payments for "professional services," when in fact the corrupt  
3 payments were made exclusively for the referral of patients for  
4 ancillary medical procedures.

5 k. It was a further part of the conspiracy that defendants  
6 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, and WILLOWS CONSULTING  
7 used the mails to send bribes to Dr. A and defendants ALEXANDER  
8 MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, DESERT BLUE MOON, in exchange  
9 for the referral of Dr. A's patients for ancillary medical procedures.

10 l. It was a further part of the conspiracy that defendants  
11 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, and WILLOWS CONSULTING  
12 used the mails to send bills to insurers for services provided to  
13 patients they had procured by paying bribes to Dr. A and other  
14 conspirators.

15 m. It was a further part of the conspiracy that defendants  
16 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, WILLOWS CONSULTING and  
17 others acting on their behalf concealed from insurers and patients the  
18 material fact of the kickback arrangements, which were in violation of  
19 California state law, that led to the referrals.

20 n. Using the manners and means described above, defendants  
21 GRUSD, PAREDES, ALEXANDER MARTINEZ, RUBEN MARTINEZ, CALIFORNIA IMAGING  
22 NETWORK, WILLOWS CONSULTING, LINE OF SIGHT and DESERT BLUE MOON  
23 submitted and caused to be submitted claims in excess of \$1 million  
24 for ancillary medical procedures procured through the payment of  
25 bribes.

26 //

27 //

28 //

OVERT ACTS

24. In furtherance of the conspiracy and in order to effect the objects thereof, the defendants and other co-conspirators caused the following overt acts in the Southern District of California and elsewhere:

a. On or about November 7, 2014, defendant ALEXANDER MARTINEZ emailed defendant PAREDES a list of patients that had been referred to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary medical procedures.

b. On or about November 7, 2014, in consideration for the referral of patients, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused a bribe to be paid to defendants ALEXANDER MARTINEZ and LINE OF SIGHT acting on behalf of Dr. A.

c. On or about November 25, 2014, defendant ALEXANDER MARTINEZ emailed defendant PAREDES a list of patients that had been referred to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary medical procedures.

d. On or about December 3, 2014, in consideration for the referral of patients, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused a bribe to be paid to defendants RUBEN MARTINEZ and DESERT BLUE MOON acting on behalf of Dr. A.

e. On or about December 15, 2014, in consideration for the referral of patients, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused a bribe to be paid to defendants RUBEN MARTINEZ and DESERT BLUE MOON acting on behalf of Dr. A.

f. On or about December 17, 2014, in consideration for the referral of patients, defendants GRUSD, PAREDES and WILLOWS CONSULTING

1 caused a bribe to be paid to defendants ALEXANDER MARTINEZ and LINE OF  
2 SIGHT acting on behalf of Dr. A.

3 g. On or about December 17, 2014, defendants ALEXANDER MARTINEZ  
4 and RUBEN MARTINEZ exchanged emails in an effort to reconcile the  
5 lists of Dr. A's patients referred for ancillary medical procedures  
6 and the bribes that had been paid and were due and owing from various  
7 providers, including defendants GRUSD, PAREDES, CALIFORNIA IMAGING  
8 NETWORK and WILLOWS CONSULTING.

9 h. On or about January 12, 2015, defendants RUBEN MARTINEZ and  
10 DESERT BLUE MOON caused payments to be made to Dr. A and defendant  
11 ALEXANDER MARTINEZ, which represented a portion of bribe payments  
12 received from various providers, including defendants GRUSD, PAREDES,  
13 CALIFORNIA IMAGING NETWORK and WILLOWS CONSULTING, while acting on  
14 behalf of Dr. A and his patients.

15 i. On or about March 2, 2015, defendant GRUSD sent a text  
16 message to Dr. A in order to facilitate a meeting to discuss the  
17 referral of patients for ancillary medical procedures and the payment  
18 of bribes.

19 j. On or about March 4, 2015, defendants GRUSD and PAREDES met  
20 with Dr. A in order to discuss the referral of patients for ancillary  
21 medical procedures and the payment of bribes.

22 k. On or about March 4, 2015, in consideration for the referral  
23 of patients, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused  
24 bribes to be paid to Dr. A and to defendants ALEXANDER MARTINEZ and  
25 LINE OF SIGHT acting on behalf of Dr. A

26 l. On or about March 6, 2015, defendants ALEXANDER MARTINEZ and  
27 LINE OF SIGHT caused a payment to be made to Dr. A, which represented  
28 a portion of bribe payments from various providers, including

1 defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and WILLOWS  
2 CONSULTING.

3 m. On or about April 2, 2015, defendants ALEXANDER MARTINEZ and  
4 RUBEN MARTINEZ caused an email to be sent to defendant PAREDES with a  
5 list of patients that had been referred to defendants GRUSD, PAREDES,  
6 CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary  
7 medical procedures.

8 n. On or about April 6, 2015, in consideration for the referral  
9 of patients, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused a  
10 bribe to be paid to defendants ALEXANDER MARTINEZ and LINE OF SIGHT  
11 acting on behalf of Dr. A

12 o. On or about June 5, 2015, defendant GRUSD spoke with Dr. A  
13 and confirmed the amount of bribes to be paid for the referral of  
14 patients to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and  
15 Advanced Radiology for ancillary medical procedures.

16 p. On or about July 16, 2015, in consideration for the referral  
17 of patients referred, defendants GRUSD, PAREDES and WILLOWS CONSULTING  
18 caused bribes to be paid to defendants ALEXANDER MARTINEZ, RUBEN  
19 MARTINEZ, LINE OF SIGHT and DESERT BLUE MOON acting on behalf of Dr. A  
20 All in violation of Title 18, United States Code, Section 371.

21 Count 2

22 HONEST SERVICES MAIL FRAUD, 18 U.S.C. §§ 1341, 1346 AND 2

23 25. Paragraphs 1 through 19 of this Indictment are realleged and  
24 incorporated by reference.

25 26. Beginning on a date unknown and continuing through at least  
26 August 2015, within the Southern District of California and elsewhere,  
27 defendants RONALD GRUSD, GONZALO PAREDES, ALEXANDER MARTINEZ, RUBEN  
28 MARTINEZ, CALIFORNIA IMAGING NETWORK MEDICAL GROUP, WILLOWS CONSULTING

1 COMPANY, LINE OF SIGHT, INC., and DESERT BLUE MOON knowingly and with  
2 the intent to defraud, devised a material scheme to defraud, that is,  
3 to deprive patients of their intangible right to Dr. A's honest  
4 services.

5 27. Paragraphs 22 through 24 of this Indictment are realleged  
6 and incorporated by reference as more fully describing the scheme to  
7 defraud, that is, to deprive patients of their intangible right to  
8 Dr. A's honest services.

9 28. On or about March 10, 2015, within the Southern District of  
10 California and elsewhere, defendants RONALD GRUSD, GONZALO PAREDES,  
11 ALEXANDER MARTINEZ, RUBEN MARTINEZ, CALIFORNIA IMAGING NETWORK MEDICAL  
12 GROUP, WILLOWS CONSULTING COMPANY, LINE OF SIGHT, INC., and DESERT  
13 BLUE MOON, for the purpose of executing the scheme and attempting to  
14 do so, knowingly caused the following mail matter to be placed in a  
15 post office and authorized depository for mail matters to be delivered  
16 by the United States Postal Service: a claim for reimbursement for  
17 ancillary medical procedures for J. F. secured through the payment of  
18 bribes to Dr. A and those acting on his behalf.

19 All in violation of Title 18, United States Code, Sections 1341, 1346  
20 and 2.

21 Counts 3-8

22 TRAVEL ACT, 18 USC §§ 1952(a)(1)(A), (a)(3)(A) AND 2

23 29. Paragraphs 1 through 19 are realleged and incorporated by  
24 reference.

25 30. Beginning on date unknown and continuing through at least  
26 August 2015, within the Southern District of California and elsewhere,  
27 defendants RONALD GRUSD, GONZALO PAREDES, ALEXANDER MARTINEZ, RUBEN  
28 MARTINEZ, CALIFORNIA IMAGING NETWORK MEDICAL GROUP, WILLOWS CONSULTING

1 COMPANY, LINE OF SIGHT, INC., and DESERT BLUE MOON knowingly used and  
 2 cause to be used facilities in interstate commerce with the intent to  
 3 promote, manage, establish, carry on, distribute the proceeds of, and  
 4 facilitate the promotion, management, establishment, carrying on, and  
 5 distribution of the proceeds of an unlawful activity, that is, bribery  
 6 in violation of California Labor Code Sections 139.3, 139.32, and  
 7 3215, California Business and Professions Code Section 650, and  
 8 California Insurance Code Section 750 and, thereafter, to promote and  
 9 attempt to perform acts to promote, manage, establish, carry on,  
 10 distribute the proceeds of, and facilitate the promotion, management,  
 11 establishment, carrying on, and distribution of the proceeds of such  
 12 unlawful activity as follows:

Ct	Date	Use of Facility in Interstate Commerce	Acts Performed Thereafter
4	11/7/14	Defendant ALEXANDER MARTINEZ emailed defendant PAREDES a list of patients that had been referred to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary medical procedures.	On or about November 7, 2014, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused a bribe to be paid to defendants ALEXANDER MARTINEZ and LINE OF SIGHT acting on behalf of Dr. A
5	11/25/14	Defendant ALEXANDER MARTINEZ emailed defendant PAREDES a list of patients that had been referred to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary medical procedures.	Defendants GRUSD, PAREDES and WILLOWS CONSULTING caused bribes to be paid to defendants RUBEN MARTINEZ and DESERT BLUE MOON acting on behalf of Dr. A on December 3 and 15, 2014, and to ALEXANDER MARTINEZ and LINE OF SIGHT acting on behalf of Dr. A on December 17, 2014.

Ct	Date	Use of Facility in Interstate Commerce	Acts Performed Thereafter
6	12/17/14	Defendants ALEXANDER MARTINEZ and RUBEN MARTINEZ exchanged emails in an effort to reconcile the lists of Dr. A's patients referred for ancillary medical procedures and the bribes that had been paid and were due and owing from defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and WILLOWS CONSULTING.	On or about January 12, 2015, defendants RUBEN MARTINEZ and DESERT BLUE MOON paid Dr. A and defendant ALEXANDER MARTINEZ a portion of bribe payments received from various providers, including defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and WILLOWS CONSULTING, while acting on behalf of Dr. A
7	3/2/15	Defendant GRUSD sent a text message to Dr. A to facilitate a meeting to discuss the referral of patients for ancillary medical procedures and the payment of bribes.	On or about March 4, 2015, in consideration of patients referred for ancillary medical procedures, GRUSD and PAREDES met with and paid bribes to Dr. A and to defendants ALEXANDER MARTINEZ and LINE OF SIGHT acting on behalf of Dr. A
8	4/2/15	Defendants ALEXANDER MARTINEZ and RUBEN MARTINEZ caused an email to be sent to defendant PAREDES with a list of patients that had been referred to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary medical procedures.	On or about April 6, 2015, in consideration of patients referred for ancillary medical procedures, defendants GRUSD, PAREDES and WILLOWS CONSULTING caused a bribe to be paid to defendants ALEXANDER MARTINEZ and LINE OF SIGHT acting on behalf of Dr. A

Ct	Date	Use of Facility in Interstate Commerce	Acts Performed Thereafter
9	6/5/15	Defendant GRUSD spoke on the telephone with Dr. A and confirmed the amount of bribes to be paid for the referral of patients to defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK and Advanced Radiology for ancillary medical procedures.	On or about July 16, 2015, in consideration of patients referred for ancillary medical procedures, defendants GRUSD, PAREDES and WILLOWS CONSULTING paid bribes to defendants ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT and DESERT BLUE MOON acting on behalf of Dr. A

All in violation of Title 18, United States Code, Sections 1952(a)(1)(A), (a)(3)(A) and 2.

FORFEITURE ALLEGATION

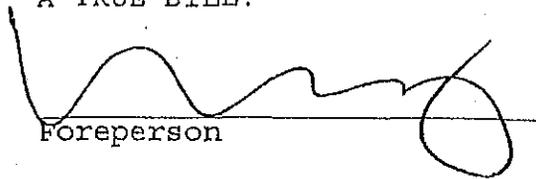
31. Paragraphs 1 through 30 of this Indictment are realleged and incorporated as if fully set forth herein for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

32. Upon conviction of the offenses of Conspiracy, Honest Services Mail Fraud and Travel Act as alleged in Counts 1 through 9, defendants RONALD GRUSD, GONZALO PAREDES, ALEXANDER MARTINEZ, RUBEN MARTINEZ, CALIFORNIA IMAGING NETWORK MEDICAL GROUP, WILLOWS CONSULTING COMPANY, LINE OF SIGHT, INC., and DESERT BLUE MOON shall forfeit to the United States all right, title, and interest in any property, real or personal, that constitutes or was derived from proceeds traceable to a violation of such offenses, including a sum of money equal to the total amount of gross proceeds derived, directly or indirectly, from such offenses.

1 33. If any of the above described forfeitable property, as a  
2 result of any act or omission of defendants RONALD GRUSD, GONZALO  
3 PAREDES, ALEXANDER MARTINEZ, RUBEN MARTINEZ, CALIFORNIA IMAGING  
4 NETWORK MEDICAL GROUP, WILLOWS CONSULTING COMPANY, LINE OF SIGHT,  
5 INC., and DESERT BLUE MOON: (a) cannot be located upon the exercise of  
6 due diligence; (b) has been transferred or sold to, or deposited with,  
7 a third party; (c) has been placed beyond the jurisdiction of the  
8 Court; (d) has been substantially diminished in value; or (e) has been  
9 commingled with other property which cannot be divided without  
10 difficulty; it was the intent of the United States, pursuant to  
11 Title 21, United States Code, Section 853(p) and Title 18, United  
12 States Code, Section 982(b), to seek forfeiture of any other property  
13 of defendants RONALD GRUSD, GONZALO PAREDES, ALEXANDER MARTINEZ, RUBEN  
14 MARTINEZ, CALIFORNIA IMAGING NETWORK MEDICAL GROUP, WILLOWS CONSULTING  
15 COMPANY, LINE OF SIGHT, INC., and DESERT BLUE MOON up to the value of  
16 the forfeitable property described above;  
17 All pursuant to Title 18, United States Code, Section 981(a)(1)(C),  
18 and Title 28, United States Code, Section 2461(c).

19 DATED: November 5, 2015.

20 A TRUE BILL:

21   
22 Foreperson

23 LAURA E. DUFFY  
United States Attorney

24  
25 BY:   
26 VALERIE H. CHU  
Assistant U.S. Attorney

25 BY:   
26 CAROLINE P. HAN  
Assistant U.S. Attorney

27 BY:   
28 FRED A. SHEPPARD  
Assistant U.S. Attorney

**FILED**  
APR 21 2016  
CLERK U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA  
BY DEPUTY

1 LAURA E. DUFFY  
United States Attorney  
2 FRED SHEPPARD  
Assistant United States Attorney  
3 California Bar No. 250781  
VALERIE H. CHU  
4 Assistant United States Attorney  
California Bar No. 241709  
5 CAROLINE P. HAN  
Assistant United States Attorney  
6 California Bar No. 250301  
Federal Office Building  
7 880 Front Street, Room 6293  
San Diego, California 92101-8893

8 Attorneys for United States of America

9  
10 UNITED STATES DISTRICT COURT  
11 SOUTHERN DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,	Case No. 15CR2821-BAS
13 Plaintiff,	
14 v.	<u>PLEA AGREEMENT</u>
15 ALEXANDER MARTINEZ (3),	
16 LINE OF SIGHT, INC. (7),	
17 Defendants.	

18 IT IS HEREBY AGREED between the plaintiff, UNITED STATES OF  
19 AMERICA, through its counsel, Laura E. Duffy, United States Attorney,  
20 and Fred Sheppard, Valerie H. Chu and Caroline P. Han, Assistant  
21 United States Attorneys, and defendants ALEXANDER MARTINEZ and LINE OF  
22 SIGHT, INC. (hereafter "Line of Sight"), with the advice and consent  
of Knut Johnson, counsel for defendant, as follows:

23 //  
24 //  
25 //  
26 //  
27 //  
28 //

Plea Agreement

Def. Initials 

THE PLEA

1. This agreement is intended to bind the following parties:

- a. Defendant Alexander Martinez;
- b. Defendant Line of Sight;
- c. The United States Attorney's Office ("USAO") as to Criminal Case Number 15CR2821-BAS pending in the United States District Court for the Southern District of California (hereinafter "the federal case"); and
- d. The San Diego County District Attorney's Office ("SDCDAO") as to Criminal Case Numbers SCD255519, SCD255520, SCD255521, SCD255522, SCD255523, and SCD255524 currently pending in the Superior Court of California, County of San Diego (hereinafter "the state cases").

2. This plea agreement cannot bind any other federal, state or local prosecuting, administrative, or regulatory authorities, although the USAO or SDCDAO will bring this plea agreement to the attention of other authorities if requested by Defendants.

3. This plea agreement is part of a "package" disposition. For Defendants to receive the benefits of this agreement, co-defendants Ruben Martinez and Desert Blue Moon, Inc. (hereinafter "Pleading Co-Defendants"), must agree to a separate plea agreement with the USAO and SDCDAO and all four defendants must enter pleas of guilty, pursuant to their respective plea agreements, in each federal and state case in which they are currently charged no later than April 22, 2016.

4. With regards to the federal case, defendants Alexander Martinez and Line of Sight agree to waive Indictment and plead guilty to a Superseding Information charging Conspiracy to Commit Honest Services Mail Fraud and Health Care Fraud, in violation of 18 U.S.C. § 1349.

5. In exchange for Defendants' guilty plea in the federal case, the USAO agrees to: (1) move to dismiss the charges in the indictment

Def. Initials AM

1 against Defendants without prejudice when Defendants are sentenced,  
2 and (2) not prosecute Defendants thereafter on such dismissed charges  
3 unless either Defendant or either Pleading Co-Defendants breaches the  
4 plea agreement or any of the guilty pleas entered pursuant to this  
5 plea agreement is set aside for any reason. Defendants expressly waive  
6 all constitutional and statutory defenses to the reinstatement of any  
charges dismissed pursuant to this agreement.

7 6. With regards to the state cases, defendant Alexander  
8 Martinez agrees to plead guilty to the following charges in the  
following cases:

9 a. Case Number SCD255519, People v. Grusd, et al.: Count 44,  
10 unlawfully receive and accept compensation for referral of  
11 patients in violation of California Labor Code section 3215;  
12 and Count 29, unlawfully conceal an event affecting an  
13 insurance claim in violation of California Penal Code  
14 section 550(b)(3). The combined maximum penalty for both  
counts is 5 years, 8 months in prison and a \$60,000 fine.

15 b. Case Number SCD255520, People v. Khan, et al.: Count 27,  
16 unlawfully receive and accept compensation for referral of  
17 patients, in violation of California Labor Code, Section  
18 3215; and Count 13, unlawfully conceal an event affecting an  
19 insurance claim, in violation of California Penal Code,  
20 Section 550(b)(3). The combined maximum penalty for both  
counts is 5 years, 8 months in prison and a \$60,000 fine.

21 c. Case Number SCD255521, People v. Go, et al.: Count 7,  
22 unlawfully receive and accept compensation for referral of  
23 patients, in violation of California Labor Code, Section  
24 3215. The maximum penalty is 3 years in prison and a \$10,000  
fine.

25 d. Case Number SCD255522, People v. Schames, et al.: Count 1,  
26 unlawfully receive and accept compensation for referral of  
27 patients, in violation of California Labor Code, Section  
28 3215; and Count 13, unlawfully conceal an event affecting an

1 insurance claim, in violation of California Penal Code,  
2 Section 550(b)(3). The combined maximum penalty for both  
3 counts is 5 years, 8 months in prison and a \$60,000 fine.

4 e. Case Number SCD255523, People v. Garcia, et al.: Count 2,  
5 unlawfully receive and accept compensation for referral of  
6 patients, in violation of California Labor Code, Section  
7 3215; and Count 3, unlawfully conceal an event affecting an  
8 insurance claim, in violation of California Penal Code,  
9 Section 550(b)(3). The combined maximum penalty for both  
10 counts is 5 years, 8 months in prison and a \$60,000 fine.

11 f. Case Number SCD255524, People v. Tran, et al.: Count 12,  
12 unlawfully receive and accept compensation for referral of  
13 patients, in violation of California Labor Code, Section  
14 3215; and Count 22, unlawfully conceal an event affecting an  
15 insurance claim, in violation of California Penal Code,  
16 Section 550(b)(3). The combined maximum penalty for both  
17 counts is 5 years, 8 months in prison and a \$60,000 fine.

18 7. Pursuant to California sentencing law, the overall maximum  
19 penalty for all the state cases is 13 years in prison and a \$310,000  
20 fine.

21 8. In exchange for Defendant Alexander Martinez's plea to the  
22 above-referenced eleven counts in the state cases, the SDCDAO agrees  
23 to dismiss the remaining counts against him with a waiver pursuant to  
24 People v. Harvey, 25 Cal.3d 754 (1979). The SDCDAO further agrees to  
25 recommend that Defendant be sentenced to no more than 10 years in  
26 prison to be served concurrently with his sentence in the federal  
27 case, that he receive the standard restitution fine, and that the  
28 court order full restitution. Copies of the written and signed plea  
agreements in the state cases are incorporated herein.

//

//

//

//

Plea Agreement

Def. Initials



II

NATURE OF THE OFFENSE

A. FEDERAL CASE: ELEMENTS EXPLAINED

Defendants Alexander Martinez and Line of Sight understand that the offense to which Defendants are pleading guilty has the following elements:

Conspiracy [18 U.S.C. § 1349]

1. There was an agreement between two or more persons to commit Honest Services Mail Fraud and Health Care Fraud; and
2. The defendant entered into the agreement knowing of at least one of its objects and intending to help accomplish it.

Honest Services Mail Fraud [18 U.S.C. § 1341 and 1346]

1. The defendant devised or knowingly participated in a scheme to deprive a victim of his or her right to a doctor's honest services;
2. The scheme consisted of soliciting and facilitating the receipt of kickback payments from suppliers of health-care services and products to be paid to the doctor in exchange for referrals;
3. The doctor, as a healthcare professional, owed a fiduciary duty to the victim;
4. The defendant acted with the intent to defraud by depriving the victim of his or her right to the doctor's honest services;
5. The defendant's act was material; that is, it had a natural tendency to influence, or was capable of influencing, a person's acts; and
6. The defendant used, or caused someone to use, the mails to carry out or to attempt to carry out the scheme or plan.



1                   Health Care Fraud [18 U.S.C. § 1347]

- 2                   1. The defendant knowingly executed, or attempted to  
3                   execute, a scheme or artifice to defraud a health-care  
4                   benefit program, or to obtain money or property owned  
5                   by, or under the custody or control of, a health-care  
6                   benefit program by means of false or fraudulent  
7                   pretenses, representations, or promises.  
8                   2. The false or fraudulent pretenses, representations, or  
9                   promises related to a material fact.  
10                  3. The defendant acted willfully and intended to defraud.  
11                  4. The defendant did so in connection with the delivery  
12                  of or payment for health-care benefits, items, or  
13                  services.

13                                   Corporate Criminal Liability

14                  Defendant Line of Sight acknowledges that a corporation is  
15                  responsible for the acts of its agents or employees, done within the  
16                  scope of their authority. The defendant further acknowledges that the  
17                  acts of a corporation's agent or employee are within the scope of his  
18                  or her authority if those acts are done on the corporation's behalf or  
19                  for its benefit in the performance of the agent's general duties.

20                                   B.   FEDERAL CASE FACTUAL BASIS: ELEMENTS UNDERSTOOD AND ADMITTED

21                  Defendants Alexander Martinez and Line of Sight have fully  
22                  discussed the facts of the federal case and the state cases with  
23                  defense counsel. Defendants Alexander Martinez and Line of Sight have  
24                  committed each of the elements of Conspiracy to Commit Honest Services  
25                  Mail Fraud and Health Care Fraud, in violation of 18 U.S.C. § 1349,  
26                  and admit that there is a factual basis for the guilty pleas in the  
27                  federal case. Specifically, both defendants admit:

- 28                  1. Defendant ALEXANDER MARTINEZ worked as a marketer and  
                  administrator on behalf of Dr. Steven Rigler, a licensed chiropractor  
                  with three clinics in the Southern District of California. Defendant  
                  ALEXANDER MARTINEZ owned and operated defendant LINE OF SIGHT, INC.,



1 a professional corporation incorporated in Nevada whose principal  
2 place of business was in Calexico, California.

3 2. The California Workers' Compensation System ("CWCS")  
4 required that employers in California provide workers' compensation  
5 benefits to their employees for qualifying injuries sustained in the  
6 course of their employment. Under the CWCS, all claims for payments  
7 for services or benefits provided to the injured employee, including  
8 medical and legal fees, were billed directly to, and paid by, the  
9 insurer. CWCS benefits were administered by the employer, an insurer,  
10 or a third party administrator. The CWCS required claims  
11 administrators to authorize and pay for medical care that was  
12 "reasonably required to cure or relieve the injured worker from the  
13 effects of his or her injury," and includes medical, surgical,  
14 chiropractic, acupuncture, and hospital treatment. CWCS insurers were  
15 private plans, affecting commerce, under which medical benefits,  
16 items and services were provided to individuals, and therefore were  
17 "health care benefit programs" under 18 U.S.C. § 24(b).

18 3. From 2012 through August 2015, within the Southern District  
19 of California and elsewhere, defendants ALEXANDER MARTINEZ and LINE  
20 OF SIGHT knowingly and intentionally agreed with each other and with  
21 others, including RONALD GRUSD, GONZALO PAREDES, RUBEN MARTINEZ,  
22 CALIFORNIA IMAGING NETWORK MEDICAL GROUP, WILLOWS CONSULTING COMPANY,  
23 DESERT BLUE MOON, to commit the offenses of Honest Services Mail  
24 Fraud, in violation of 18 U.S.C. §§ 1341 and 1346, and Health Care  
25 Fraud, in violation of 18 U.S.C. § 1347.

26 4. A purpose of the conspiracy was to fraudulently obtain money  
27 from California Workers' Compensation System ("CWCS") insurers by  
28 submitting claims for ancillary procedures that were secured through  
a pattern of bribes to Dr. Rigler, and to those acting with him and  
on his behalf, in exchange for the referral of patients to particular  
providers of ancillary medical procedures, in violation of Dr.  
Rigler's fiduciary duty to his patients, and concealing from insurers  
the bribes that rendered the claims unpayable under California law.

1 5. It was a part of the conspiracy that defendants ALEXANDER  
2 MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, and DESERT BLUE MOON agreed  
3 to accept per-patient referral fees from co-defendants GRUSD,  
4 PAREDES, CALIFORNIA IMAGING NETWORK, WILLOWS CONSULTING and others --  
5 either directly or indirectly - in exchange for the referral of Dr.  
6 Rigler's workers' compensation patients to defendant CALIFORNIA  
7 IMAGING NETWORK and other entities operated by defendant GRUSD and  
8 PAREDES.

9 6. It was a further part of the conspiracy that defendants  
10 ALEXANDER MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, DESERT BLUE MOON  
11 and others arranged to have defendants GRUSD, PAREDES, CALIFORNIA  
12 IMAGING NETWORK, WILLOWS CONSULTING and others conduct ancillary  
13 medical procedures on Dr. Rigler's workers' compensation patients in  
14 exchange for unlawful per-patient referral fees.

15 7. It was a further part of the conspiracy that defendants  
16 concealed from patients, and intended to cause Dr. Rigler to conceal  
17 from patients, the bribe payments Dr. Rigler and defendants ALEXANDER  
18 MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, AND DESERT BLUE MOON  
19 received from defendants GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK  
20 and WILLOWS CONSULTING in exchange for referring patients for  
21 ancillary medical procedures, in violation of Dr. Rigler's fiduciary  
22 duty to Dr. Rigler's patients and in violation of the California  
23 Labor Code.

24 8. It was a further part of the conspiracy that defendants  
25 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, and WILLOWS CONSULTING  
26 used the mails to send bribes to Dr. Rigler and defendants ALEXANDER  
27 MARTINEZ, RUBEN MARTINEZ, LINE OF SIGHT, DESERT BLUE MOON, in  
28 exchange for the referral of Dr. Rigler's patients for ancillary  
29 medical procedures.

30 9. It was a further part of the conspiracy that defendants  
31 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, and WILLOWS CONSULTING  
32 used the mails to send bills to insurers for services provided to

1 patients they had procured by paying bribes to Dr. Rigler and other  
2 conspirators.

3 10. It was a further part of the conspiracy that defendants  
4 GRUSD, PAREDES, CALIFORNIA IMAGING NETWORK, WILLOWS CONSULTING and  
5 others acting on their behalf concealed from insurers and patients  
6 the material fact of the kickback arrangements, which were in  
7 violation of California state law, that led to the referrals.

8 11. Using the manners and means described above, defendants  
9 GRUSD, PAREDES, ALEXANDER MARTINEZ, RUBEN MARTINEZ, CALIFORNIA  
10 IMAGING NETWORK, WILLOWS CONSULTING, LINE OF SIGHT and DESERT BLUE  
11 MOON submitted and caused to be submitted claims in excess of \$1  
12 million for ancillary medical procedures procured through the payment  
13 of bribes. The defendants further admits that each of the  
14 allegations at paragraphs 21, 22, 23, and 24 of the indictment in the  
15 federal case are true and correct and can be proven beyond a  
16 reasonable doubt, including each of the manner and means in paragraph  
17 23, and each of the overt acts listed in paragraph 24. In  
18 particular, defendants admit that on or about March 6, 2015,  
19 defendants ALEXANDER MARTINEZ and LINE OF SIGHT caused a payment to  
20 be made to Dr. Rigler, which represented a portion of bribe payments  
21 from various providers, including defendants GRUSD, PAREDES,  
22 CALIFORNIA IMAGING NETWORK and WILLOWS CONSULTING.

23 In addition, the defendants agree and admit that the intended  
24 loss encompassed by their total criminal conduct exceeded \$3.5  
25 million.

26 //

27 //

28 //

//

//

//

//

//

//

Plea Agreement

Def. Initials



1 C. STATE CASES: ELEMENTS EXPLAINED

2 Defendant Alexander Martinez understands that the offenses to  
3 which he is pleading guilty in the state cases have the following  
4 elements:

4 Unlawfully Accept Compensation for Referral of Patients

5 [California Labor Code, Section 3215]

- 6 1. Defendant Alexander Martinez did, acting individually,  
7 or through their employees or agents offer, deliver,  
8 receive or accept;  
9 2. Any consideration to or from any person;  
10 3. As compensation or inducement for;  
11 4. The referral of patients, clients or customers to  
12 perform or obtain services or benefits; and  
13 5. Involving workers' compensation insurance.

12 Unlawfully Conceal an Event Affecting an Insurance Claim

13 [California Penal Code, Section 550(b)(3)]

- 14 1. Defendant did, knowingly assist, or conspire with  
15 another, to conceal or fail to disclose the occurrence  
16 of an event;  
17 2. That affects any person's right or entitlement to an  
18 insurance benefit or payment, or amount of benefit or  
19 payment; and  
20 3. With the specific intent to defraud.

20 D. STATE CASES FACTUAL BASES: ELEMENTS UNDERSTOOD AND ADMITTED

21 Defendant Alexander Martinez has fully discussed the facts of  
22 the state cases with defense counsel. Defendant Alexander Martinez  
23 has committed each of the elements of unlawfully receiving and  
24 accepting compensation for referral of patients, in violation of  
25 California Labor Code, Section 3215, and unlawfully concealing an  
26 event affecting an insurance claim, in violation of California Penal  
27 Code, Section 550(b)(3), and admits that there is a factual basis for  
28 the guilty pleas in the state cases. The following facts are true  
and undisputed:

Plea Agreement

Def. Initials



a. SCD255519

1 On or about and between December 15, 2012 and July 16, 2015,  
2 Defendant Alexander Kiev Martinez and Ruben Marcial Martinez did  
3 unlawfully receive and accept 34 checks totaling approximately  
4 \$150,000 prepared by Gonzalo Ernesto Paredes and signed by Ronald  
5 Selwyn Grusd as compensation for referring workers' compensation  
6 patients of Dr. Steven Rigler from Rigler's San Diego, Escondido and  
7 Calexico clinics.

8 On or about March 4, 2015, defendants Defendant Alexander Kiev  
9 Martinez and Ruben Marcial Martinez did unlawfully receive and accept  
10 check #3327 for \$8,500.00 prepared by Gonzalo Ernesto Paredes and  
11 signed by Ronald Selwyn Grusd as compensation for referring workers'  
12 compensation patients of Dr. Steven Rigler.

13 On or about and between December 16, 2012 and November 27, 2015,  
14 Defendant Alexander Kiev Martinez and Ruben Marcial Martinez did  
15 unlawfully aid and abet and conspire with Ronald Selwyn Grusd and  
16 Gonzalo Ernesto Paredes to fraudulently bill at least 13 insurance  
17 companies for EMG/NCV, MRI, and Shockwave testing of workers'  
18 compensation patients of Dr. Steven Rigler from Rigler's San Diego,  
19 Escondido and Calexico clinics by concealing the payment of kickbacks  
20 for these patients.

21 On or about and between June 25, 2014 and November 27, 2015,  
22 defendants Alexander Kiev Martinez and Ruben Marcial Martinez did  
23 unlawfully aid and abet and conspire with Ronald Selwyn Grusd and  
24 Gonzalo Ernesto Paredes to fraudulently bill State Compensation  
25 Insurance Fund (SCIF) for EMG/NCV testing of workers' compensation  
26 patients of Dr. Steven Rigler from Rigler's San Diego, Escondido and  
27 Calexico clinics by concealing the payment of kickbacks for these  
28 patients.

b. SCD255520

29 On or about September 18, 2014, defendant Alexander Kiev  
30 Martinez did unlawfully receive and accept a check for \$3,000.00  
31 signed by Amir Obaidullah Khan and aided and abetted by Farhat Fatima



1 Khan, as compensation for referring workers' compensation patients of  
2 Dr. Steven Rigler from Rigler's San Diego, Escondido and Calexico  
3 clinics.

4 On or about January 23, 2015, Defendant Alexander Kiev Martinez  
5 did unlawfully receive and accept another check for \$1,500.00 signed  
6 by Amir Obaidullah Khan and aided and abetted by Farhat Fatima Khan,  
7 as compensation for referring workers' compensation patients of Dr.  
8 Steven Rigler from Rigler's San Diego, Escondido and Calexico  
9 clinics.

10 On or about and between June 23 2014 and November 27, 2015,  
11 Defendant Alexander Kiev Martinez did unlawfully aid and abet and  
12 conspire with Amir Obaidullah Khan and Farhat Fatima Khan to  
13 fraudulently bill at least eleven insurance companies for ADLs, AIM  
14 studies, pain assessments, EKGs, and echocardiograms of workers'  
15 compensation patients of Dr. Steven Rigler from Rigler's San Diego,  
16 Escondido and Calexico clinics by concealing the payment of kickbacks  
17 for these patients.

18 On or about and between June 23, 2014 and November 27, 2015,  
19 Defendant Alexander Kiev Martinez did unlawfully aid and abet and  
20 conspire with Amir Obaidullah Khan and Farhat Fatima Khan to  
21 fraudulently bill State Compensation Insurance Fund (SCIF) for pain  
22 assessments of workers' compensation patients of Dr. Steven Rigler  
23 from Rigler's San Diego, Escondido and Calexico clinics by concealing  
24 the payment of kickbacks for these patients.

25 c. SCD255521

26 On or about March 18, 2015, Defendant Alexander Kiev Martinez  
27 did unlawfully receive a check for \$8,000.00 signed by Emmanuel Ed Go  
28 and aided and abetted by Christopher Emmanuel Go as compensation for  
referring workers' compensation patients of Dr. Steven Rigler from  
Rigler's San Diego, Escondido and Calexico clinics.

On or about March 20, 2015 Defendant Alexander Kiev Martinez did  
unlawfully receive credit for a \$8,000 cash kickback handed to Dr.  
Rigler by Christopher Emmanuel Go at the behest of Emmanuel Ed Go for



1 referring workers' compensation patients of Dr. Steven Rigler from  
2 Rigler's San Diego, Escondido and Calexico clinics.

3 d. SCD255522

4 On or about October 1, 2014, Defendant Alexander Kiev Martinez  
5 did unlawfully receive a check for \$20,000 signed by defendant  
6 Jennifer Louise White and aided and abetted by Eric Jay Schames as  
7 compensation for referring workers' compensation patients of Dr.  
8 Steven Rigler from San Diego, Escondido and Calexico clinics.

9 On or about and between September 1, 2014 and September 1, 2015  
10 Defendant Alexander Kiev Martinez did unlawfully aid and abet and  
11 conspire with Jennifer Louise White and Eric Jay Schames to  
12 fraudulently bill at least eleven insurance companies for ANS studies  
13 and Sleep studies of workers' compensation patients of Dr. Steven  
14 Rigler from San Diego, Escondido and Calexico clinics by concealing  
15 the payment of kickbacks for these patients.

16 On or about and between September 1, 2014 and September 1, 2015,  
17 Defendant Alexander Kiev Martinez did unlawfully aid and abet and  
18 conspire with Jennifer Louise White and Eric Jay Schames to  
19 fraudulently bill The Hartford Insurance Company for ANS studies of  
20 workers' compensation patients of Dr. Steven Rigler from San Diego,  
21 Escondido and Calexico clinics by concealing the payment of kickbacks  
22 for these patients.

23 e. SCD255523

24 On or about April 9, 2015, Defendant Alexander Kiev Martinez did  
25 unlawfully receive and accept \$1,300 in cash as compensation for his  
26 role in referring patients to obtain benefits pursuant to the  
27 California Workers Compensation law.

28 On or about and between October 14, 2014 and November 27, 2015,  
Defendant Alexander Kiev Martinez did knowingly assist and conspire  
with another person to conceal the existence of illegal kickback  
payments for the referral of patients for whom services were rendered  
(hot/cold packs) and based upon which were bills sent to insurance  
companies (including ACE Insurance) in the California Workers

1 Compensation System, which constituted the occurrence of any event  
2 that affected a person's right and entitlement to an insurance  
3 benefit and payment.

4 On April 9, 2015, Defendant Alexander Kiev Martinez accepted a  
5 \$1,300 cash payment from his associate, Dr. Steven Rigler. Defendant  
6 Alexander Kiev Martinez knew that \$1,300 cash payment came directly  
7 from a \$5,000 cash payment made earlier that same day from Julian  
8 Estrada Garcia to Rigler. Defendant Alexander Kiev Martinez knew at  
9 the time he received and accepted the \$1,300 cash payment from Rigler  
10 that the money was part of the proceeds of an illegal kickback  
11 payment by Garcia to Rigler in exchange for the referral of patients  
12 by Rigler to Garcia, so that Garcia could provide to the patients  
13 durable medical equipment known as "hot/cold therapy units", and so  
14 that Garcia could send bills for the hot/cold therapy units to  
15 various California Workers Compensation insurance companies.

16 On or about and between October 14, 2015 and November 27, 2015,  
17 did unlawfully aid, abet, and conspire with Garcia to fraudulently  
18 bill at least 10 insurance companies for the hot/cold therapy units.  
19 The \$1,300 cash payment to Defendant Alexander Kiev Martinez was  
20 compensation for his role in aiding, abetting, and facilitating the  
21 illegal referrals of hot/cold therapy units by providing Garcia with  
22 patient information necessary for Garcia to send the units to  
23 patients and for Garcia to process the paperwork needed to bill  
24 insurers for the hot/cold therapy units. Defendant Alexander Kiev  
25 Martinez was aware that Garcia intended to and did send bills to  
26 multiple California Workers Compensation insurers for the hot/cold  
27 therapy units illegally referred to Garcia by Rigler.

28 f. SCD255524

On or about November 24, 2014, Defendant Alexander Kiev Martinez  
did unlawfully receive and accept \$5,000 check #1059 from MD Pharma  
as compensation for his role in referring patients to obtain benefits  
pursuant to the California Workers Compensation law.

1 On or about and between September 18, 2014, and November 27,  
2 2015, Defendant Alexander Kiev Martinez did knowingly assist and  
3 conspire with another person to conceal the existence of illegal  
4 kickback payments for the referral of patients for whom services were  
5 rendered (prescription drug benefits) and based upon which were bills  
6 sent to insurance companies (including Amtrust North America  
7 Insurance) in the California Workers Compensation System, which  
8 constituted the occurrence of any event that affected a person's  
9 right and entitlement to an insurance benefit and payment.

10 On or about and between December 30, 2013 and November 27, 2015,  
11 Defendant Alexander Kiev Martinez did unlawfully receive and accept,  
12 either personally or through Dr. Steven Rigler as an intermediary, 20  
13 checks totaling approximately \$91,000 written on the accounts of  
14 either Coastline Medical Clinic or MD Pharma, Inc., as compensation  
15 for referring workers' compensation patients of Dr. Steven Rigler  
16 from Rigler's San Diego, Escondido and Calexico clinics. The  
17 patients were referred to Phong Hung Tran, M.D. for pain management  
18 services, including but not limited to prescription drug benefits,  
19 toxicology screenings, and compound cream prescription drug benefits.  
20 The approximately \$91,000 in checks were illegal kickback payments  
21 made as compensation for the referral of patients to Tran.

22 On or about and between September 18, 2014 and November 27,  
23 2015, Defendant Alexander Kiev Martinez did unlawfully aid, abet, and  
24 conspire with Tran and David Cuong Manh Nguyen to fraudulently bill  
25 at least 24 insurance companies for pain management services,  
26 including but not limited to prescription drug benefits, toxicology  
27 screenings, and compound cream prescription drug benefits. Defendant  
28 Alexander Kiev Martinez did so, by among other acts, providing Tran,  
29 Nguyen, and others with patient referrals, patient information, and  
30 other information necessary for Tran to treat the patients and for  
31 Tran to process the paperwork needed to bill insurers for the  
32 treatment provided by Tran for pain management services. Defendant  
33 Alexander Kiev Martinez was aware that Tran, Nguyen, and others

1 intended to and did send bills to multiple California Workers  
2 Compensation insurers for the pain management services illegally  
3 referred to Tran.

4 III

5 PENALTIES

6 A. FEDERAL CASE

7 The defendants understand that Conspiracy to Commit Honest  
8 Services Mail Fraud, in violation of 18 U.S.C. § 1349, to which the  
9 defendants are pleading guilty in the federal case carries the  
10 following penalties as to Defendant Alexander Martinez:

11 A. a maximum 20 years in prison;

12 B. a maximum \$250,000 fine, or twice the gross gain or loss  
13 derived from the offense;

14 C. a mandatory special assessment of \$100 per count; and

15 D. a term of supervised release of 3 years. Defendant  
16 Alexander Martinez understands that failure to comply with  
17 any of the conditions of supervised release may result in  
18 revocation of supervised release, requiring defendant to  
19 serve in prison, upon any such revocation, all or part of  
20 the statutory maximum term of supervised release for the  
21 offense that resulted in such term of supervised release.

22 E. an order from the Court pursuant to 18 U.S.C. § 3663A that  
23 Defendants Alexander Martinez and Line of Sight make  
24 mandatory restitution to the victims of the offense of  
25 conviction, or the estate(s) of the victims(s). Defendants  
26 Alexander Martinez and Line of Sight understand that the  
27 Court shall also order, if agreed to by the parties in this  
28 plea agreement, restitution to persons other than the  
victims of the offense of conviction.

F. an order of forfeiture of any property, real or personal,  
which constitutes or is derived from proceeds traceable to  
the offense.



1 The defendants understand that Conspiracy to Commit Honest  
2 Services Mail Fraud, in violation of 18 U.S.C. § 1349, to which the  
3 defendants are pleading guilty in the federal case carries the  
4 following penalties as to Defendant Line of Sight:

- 4 A. a maximum 5 years of probation, and a minimum of 1 year of  
5 probation;
- 6 B. a maximum fine of \$500,000, or twice the gross gain or loss  
7 derived from the offense;
- 8 C. a mandatory special assessment of \$400 per count;
- 9 D. an order from the Court pursuant to 18 U.S.C. § 3663A that  
10 defendant make restitution to the victim(s) of the offense  
11 of conviction, or the estate(s) of the victim(s); and  
12 E. forfeiture of all property that constitutes or is derived  
13 from proceeds traceable to the offense to which Defendant  
14 is pleading guilty (18 U.S.C. § 981(a)(1)(C) and 28 U.S.C.  
15 § 2461(c)).
- 16 F. Defendant understands that the Court may also order, if  
17 agreed to by the parties in this plea agreement,  
18 restitution to persons other than the victim(s) of the  
19 offense of conviction.

20 IV

21 DEFENDANT'S WAIVER OF TRIAL RIGHTS IN FEDERAL CASE

22 The defendants understand that this guilty plea waives the right  
23 to:

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

Plea Agreement

17

Def. Initials



1 The defendants knowingly and voluntarily waive any rights and  
2 defenses the defendants may have under the Excessive Fines Clause of  
3 the Eighth Amendment to the United States Constitution to the  
4 forfeiture of property in this proceeding or any related civil  
5 proceeding.

5 V

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

8 The USAO and SDCDAO represent that any information establishing  
9 the factual innocence of Defendants Alexander Martinez and Line of  
10 Sight known to the undersigned prosecutors in this case has been  
11 turned over to defendant. The USAO and SDCDAO will continue to  
12 provide such information establishing the factual innocence of  
13 defendant.

14 Defendants Alexander Martinez and Line of Sight understand that  
15 if this case proceeded to trial, the USAO and SDCDAO would be required  
16 to provide impeachment information relating to any informants or other  
17 witnesses. In addition, if defendant raised an affirmative defense,  
18 the USAO and SDCDAO would be required to provide information in its  
19 possession that supports such a defense. Defendants Alexander  
20 Martinez and Line of Sight acknowledge, however, that by pleading  
21 guilty, Defendants Alexander Martinez and Line of Sight will not be  
22 provided this information, if any, and defendant also waives the right  
23 to this information. Finally, Defendants Alexander Martinez and Line  
24 of Sight agree not to attempt to withdraw the guilty plea or to file a  
25 collateral attack based on the existence of this information.

23 VI

24 DEFENDANTS' REPRESENTATION THAT GUILTY

25 PLEAS ARE KNOWING AND VOLUNTARY

26 Defendants Alexander Martinez and Line of Sight represent that:

- 27 A. Defendants Alexander Martinez and Line of Sight have had a  
28 full opportunity to discuss all the facts and circumstances  
of this case with defense counsel and have a clear

Plea Agreement

Def. Initials AM

1 understanding of the charges and the consequences of this  
2 plea. Both defendants understand that, by pleading guilty,  
3 the defendants may be giving up, and rendered ineligible to  
4 receive, valuable government benefits and civic rights, such  
5 as the right to vote, the right to possess a firearm, the  
6 right to hold office, and the right to serve on a jury.  
7 Defendants Alexander Martinez and Line of Sight further  
8 understand that the conviction in this case may subject  
9 defendant to various collateral consequences, including but  
10 not limited to deportation, removal or other adverse  
11 immigration consequences; revocation of probation, parole,  
12 or supervised release in another case; debarment from  
13 government contracting; and suspension or revocation of a  
14 professional license, as well as civil and administrative  
15 liability, none of which will serve as grounds to withdraw  
16 defendant's guilty plea.

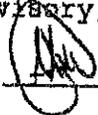
- 17 B. No one has made any promises or offered any rewards in  
18 return for this guilty plea, other than those contained in  
19 this agreement or otherwise disclosed to the Court.
- 20 C. No one has threatened Defendants Alexander Martinez or Line  
21 of Sight or Defendant Alexander Martinez's family to  
22 induce this guilty plea.
- 23 D. Defendants Alexander Martinez and Line of Sight are pleading  
24 guilty because in truth and in fact the defendants are  
25 guilty and for no other reason.

26 VII

27 APPLICABILITY OF SENTENCING GUIDELINES

28 Defendants understand the sentence imposed will be based on the  
factors set forth in 18 U.S.C. § 3553(a). Defendants understand  
further that in imposing the sentence, the sentencing judge must  
consult the United States Sentencing Guidelines (Guidelines) and take  
them into account. Defendants have discussed the Guidelines with  
defense counsel and understand that the Guidelines are only advisory,

Plea Agreement

Def. Initials 

1 not mandatory, and the Court may impose a sentence more severe or less  
2 severe than otherwise applicable under the Guidelines, up to the  
3 maximum in the statute of conviction. Defendants understand further  
4 that the sentence cannot be determined until a presentence report has  
5 been prepared by the U.S. Probation Office and both defense counsel  
6 and the USAO have had an opportunity to review and challenge the  
7 presentence report. Nothing in this plea agreement shall be construed  
8 as limiting the USAO's duty to provide complete and accurate facts to  
9 the district court and the U.S. Probation Office.

IX

SENTENCE IS WITHIN SOLE DISCRETION OF JUDGE

10 This plea agreement is made pursuant to Federal Rule of Criminal  
11 Procedure 11(c)(1)(B). The defendants understand that the sentence is  
12 within the sole discretion of the sentencing judge. The USAO has not  
13 made and will not make any representation as to what sentence the  
14 defendants will receive. The defendants understand that the  
15 sentencing judge may impose the maximum sentence provided by statute,  
16 and is also aware that any estimate of the probable sentence by  
17 defense counsel is a prediction, not a promise, and is not binding on  
18 the Court. Likewise, the recommendation made by the USAO is not  
19 binding on the Court, and it is uncertain at this time what the  
20 defendants' sentence will be. The defendants also have been advised  
21 and understand that if the sentencing judge does not follow any of the  
22 parties' sentencing recommendations, the defendants nevertheless have  
23 no right to withdraw their pleas.

X

PARTIES' SENTENCING RECOMMENDATIONS

A. SENTENCING GUIDELINE CALCULATIONS

24 Although the parties understand that the Guidelines are only  
25 advisory and just one of the factors the Court will consider under 18  
26 U.S.C. § 3553(a) in imposing a sentence, the parties will jointly  
27 recommend the following Base Offense Level, Specific Offense  
28



1 Characteristics, Adjustments and Departures as to Defendant Alexander  
2 Martinez:

- 3 1. Base Offense Level [§ 2B1.1] 7  
4 2. Intended loss more than \$3.5 million +18  
5 [§ 2B1.1(b)(1)(J)]  
6 3. Sophisticated Means [§ 2B1.1(b)(10)(C)] +2  
7 4. Aggravated Role [§ 3B1.1(a)] +3  
8 5. Abuse of Position of Trust [§ 3B1.3] +2  
9 6. Acceptance of Responsibility [§ 3E1.1] -3

10 The parties agree that Defendant Line of Sight cannot pay, and is  
11 not likely to be able (even on an installment plan) to pay, the  
12 minimum fine set by the Guidelines for the offense conduct in the  
13 federal case and the state cases, and therefore under U.S.S.G.  
14 §§ 8C2.2(b) and 8C3.3, will recommend a reduced fine of \$45,000.

15 B. ACCEPTANCE OF RESPONSIBILITY

16 Notwithstanding paragraph A above, the USAO will not be obligated  
17 to recommend any adjustment for Acceptance of Responsibility under  
18 U.S.S.G. §§ 3E1.1 or 8C2.5 if the defendants engage in conduct  
19 inconsistent with acceptance of responsibility including, but not  
20 limited to, the following:

- 21 1. Fails to truthfully admit a complete factual basis as  
22 stated in the plea at the time the plea is entered, or  
23 falsely denies, or makes a statement inconsistent  
24 with, the factual basis set forth in this agreement;  
25 2. Falsely denies prior criminal conduct or convictions;  
26 3. Is untruthful with the Government, the Court or  
27 probation officer;  
28 4. Materially breaches this plea agreement in any way; or  
5. Contests or assists any third party in contesting the  
forfeiture of property(ies) seized in connection with  
this case, and any property(ies) to which the  
defendant has agreed to forfeit as set forth in the  
attached forfeiture addendum.



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

3 The parties agree that the defendants may request or recommend  
4 additional downward adjustments, departures, including criminal  
5 history departures under USSG § 4A1.3, or sentence reductions under 18  
6 U.S.C. § 3553. The USAO may oppose any downward adjustments,  
7 departures and sentence reductions not set forth in Section X,  
8 paragraph A above.

9 D. NO AGREEMENT AS TO CRIMINAL HISTORY CATEGORY

10 The parties have no agreement as to Defendant Alexander  
11 Martinez's Criminal History Category.

12 E. "FACTUAL BASIS" AND "RELEVANT CONDUCT" INFORMATION

13 The parties agree that the facts in the "factual basis" section  
14 of this agreement as to both the federal case and the state cases are  
15 true, and may be considered as "relevant conduct" under USSG § 1B1.3  
16 and as the nature and circumstances of the offense under 18 U.S.C. §  
17 3553(a)(1).

18 F. PARTIES' RECOMMENDATIONS REGARDING CUSTODY

19 The parties agree that the USAO will recommend that Defendant  
20 Alexander Martinez be sentenced within the advisory guideline range  
21 calculated above.

22 G. SPECIAL ASSESSMENT/FINE/RESTITUTION/FORFEITURE

23 1. Special Assessment

24 The parties will jointly recommend that Defendant Alexander  
25 Martinez pay a special assessment in the amount of \$100.00 per count  
26 of conviction in the federal case to be paid forthwith at the time of  
27 sentencing. The parties will jointly recommend that Defendant Line of  
28 Sight pay a special assessment in the amount of \$400.00 per count of  
conviction in the federal case to be paid forthwith at the time of  
sentencing. The special assessments shall be paid through the office  
of the Clerk of the District Court by bank or cashier's check or money  
order made payable to the "Clerk, United States District Court."

2. Restitution

The parties do not recommend imposition of a restitution order in the federal case in light of the difficulty of determining the individualized loss amounts suffered by each victim due to Defendants' conduct. See 18 USC § 3553A(c)(3)(B). However, any agreement as to restitution herein applies only to the federal case and not the state cases. The defendants understand that restitution may be ordered in the state cases pursuant to Defendant Alexander Martinez's guilty pleas in those matters.

3. Fine

The parties do not recommend imposition of a fine upon Defendant Alexander Martinez due to this defendant's limited financial prospects and because the cost of collection, even taking into account the Inmate Responsibility Program, likely would exceed the amounts that could reasonably be expected to be collected. As outlined above, the parties will recommend that Defendant Line of Sight pay a fine of \$45,000 within 60 months of pleading guilty. These fines shall be paid through the Office of the Clerk of the District Court by bank or cashier's check or money order made payable to the "Clerk, United States District Court."

4. Forfeiture

Defendants agree to forfeit \$5,620.58 in funds from the Wells Fargo bank account xxx-1808 in the name of Defendant Line of Sight, Inc. as proceeds of their illegal conduct. Defendants consent and agree to the entry of an Order of forfeiture for such property and waive the requirements of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment. Defendants understand that the forfeiture of assets is part of the sentence that may be imposed in this case and waive any failure by the Court to advise Defendants of this, pursuant to Rule 11(b)(1)(J), at the time the Court accepts the guilty plea.

*AKL*

1 Defendants further agree to waive all constitutional and  
2 statutory challenges in any manner (including direct appeal, habeas  
3 corpus, or any other means) to any forfeiture carried out in  
4 accordance with this agreement on any grounds, including that the  
5 forfeiture constitutes an excessive fine or punishment. Defendants  
6 agree to take all steps as requested by the United States to pass  
7 clear title to forfeitable assets to the United States, and to testify  
8 truthfully in any judicial forfeiture proceeding.

9 Defendants agree that the forfeiture provisions of this plea  
10 agreement are intended to, and will, survive Defendants,  
11 notwithstanding the abatement of any underlying criminal conviction  
12 after the execution of this agreement. The forfeitability of any  
13 particular property pursuant to this agreement shall be determined as  
14 if Defendant had survived, and that determination shall be binding  
15 upon Defendant's heirs, successors and assigns until the agreed  
16 forfeiture is collected in full.

17 H. SUPERVISED RELEASE

18 If the Court imposes a term of supervised release as to Defendant  
19 Alexander Martinez, the parties agree that Defendant Alexander  
20 Martinez will not seek to reduce or terminate early the term of  
21 supervised release.

22 XI

23 DEPENDANT WAIVES APPEAL AND COLLATERAL ATTACK

24 A. WAIVER OF RIGHT TO APPEAL CONVICTION

25 In exchange for the concessions by the USAO and SDCDAO in the  
26 federal and state cases in this plea agreement, Defendants Alexander  
27 Martinez and Line of Sight waive, to the full extent of the law, any  
28 right to appeal the convictions and sentence in either the federal or  
state cases.

B. WAIVER OF RIGHT TO COLLATERAL ATTACK

Defendants Alexander Martinez and Line of Sight waive, to the  
full extent of the law, any right to collaterally attack the



1 conviction and/or sentence, except for a post-conviction collateral  
2 attack based on a claim of ineffective assistance of counsel.

3 C. OBJECTIONS TO UNITED STATES' RECOMMENDATION

4 If Defendants Alexander Martinez or Line of Sight believes the  
5 recommendation by the USAO or SDCDAO is not in accord with this plea  
6 agreement; the defendants will object at the time of sentencing;  
7 otherwise the objection will be deemed waived.

8 XII

9 BREACH OF THE PLEA AGREEMENT

10 A. MATERIAL BREACH OF PLEA AGREEMENT

11 Defendants Alexander Martinez and Line of Sight acknowledge,  
12 understand, and agree that if the defendants violate or fail to  
13 perform any of their obligations under this agreement, such violation  
14 or failure to perform will constitute a material breach of this  
15 agreement.

16 Defendants Alexander Martinez and Line of Sight acknowledge,  
17 understand, and agree further that the following non-exhaustive list  
18 of conduct by the defendants unquestionably constitutes a material  
19 breach of this plea agreement:

- 20 1. Failing to plead guilty pursuant to this agreement;
- 21 2. Withdrawing the guilty plea or attempting to withdraw  
22 the guilty plea;
- 23 3. Failing to fully accept responsibility as established  
24 in Section X, paragraph B, above;
- 25 4. Failing to appear in court;
- 26 5. Failing to abide by any lawful court order related to  
27 this case;
- 28 6. Appealing or collaterally attacking the sentence or  
conviction in violation of Section XI of this plea  
agreement; or
7. Engaging in additional criminal conduct from the time  
of arrest until the time of sentencing.





1 Alexander Martinez and Line of Sight is effective as soon as the  
2 parties sign this agreement, and is not contingent upon a federal or  
3 state court ultimately accepting the defendants' guilty pleas.

4 XIV

5 SUBSTANTIAL ASSISTANCE

6 A. If Defendants Alexander Martinez and Line of Sight attempt  
7 to assist in the investigation and prosecution of others, there is no  
8 guarantee that this future cooperation, if any, will be deemed  
9 "substantial," or whether it will merit a downward departure from the  
10 Sentencing Guidelines.

11 B. If requested by the USAO or SDCDAO, Defendants Alexander  
12 Martinez agrees to be interviewed again by federal and state law  
13 enforcement agents and attorneys and to tell everything Defendants  
14 Alexander Martinez and Line of Sight knows about every person involved  
15 presently or in the past in the charged criminal offense(s), as well  
16 as other violations of law. Defendants Alexander Martinez and Line of  
17 Sight also agrees to produce all documents and other evidence in their  
18 possession or control related to these violations.

19 C. Defendant Alexander Martinez agrees not to do any undercover  
20 work or tape record any conversations or gather evidence unless  
21 instructed by the agent assigned to Defendant. Defendants Alexander  
22 Martinez and Line of Sight can be prosecuted for any criminal activity  
23 undertaken without instruction.

24 D. Defendant Alexander Martinez agrees to provide statements  
25 under penalty of perjury and to testify before any federal or state  
26 grand jury, and at any pretrial, trial, or post-trial proceedings in  
27 federal or state court. Defendant will provide complete, truthful,  
28 and accurate information and testimony. Defendant agrees to submit to  
a polygraph examination to test the truthfulness of Defendant's  
statements, upon request by the USAO or SDCDAO.

E. As discussed in section XIII above, the factual admissions  
in this plea agreement and any statements made by Defendants Alexander  
Martinez and Line of Sight at any guilty plea hearings (as well as any

1 evidence derived from them) are admissible against the defendants in  
2 this and all future proceedings. However, the USAO and SDCDAO agree  
3 that, if the defendants fully comply with this plea agreement, the  
4 USAO and SDCDAO will not make use of any of their statements to law  
5 enforcement in the course of cooperation and during the period of  
6 post-plea cooperation in any further prosecution of the defendants for  
7 any offense, or in Defendant's sentencing as provided in USSG § 1B1.8.  
8 If Defendants Alexander Martinez and Line of Sight do not fully comply  
9 with this plea agreement, all statements made by the defendants  
10 before, during, and after this plea agreement, and any leads or  
11 evidence derived from such statements, can be used against the  
12 defendants and are admissible in court.

13 F. Statements made by Defendants Alexander Martinez and Line of  
14 Sight pursuant to this plea agreement are not statements "made in the  
15 course of any proceedings under Rule 11 of the Federal Rules of  
16 Criminal Procedure" and are not statements "made in the course of plea  
17 discussions."

18 G. If the USAO decides that Defendants Alexander Martinez and  
19 Line of Sight have provided additional substantial assistance after  
20 the date of this agreement, and have fully complied with this plea  
21 agreement, it will file a motion for a downward departure under  
22 18 U.S.C. § 3553 and/or USSG § 5K1.1. Defendants Alexander Martinez  
23 and Line of Sight understand that the starting point for any  
24 substantial assistance departure will be the pre-departure Guidelines  
25 range. Defendants Alexander Martinez and Line of Sight acknowledge  
26 that even if the USAO makes a motion, the Court may reject the USAO's  
27 motion and recommendation for departure and refuse to depart downward,  
28 and neither defendant would be allowed to withdraw their guilty pleas.

H. If the USAO's decides to make a substantial assistance  
motion, it will inform the sentencing judge of: (1) this plea  
agreement; (2) the nature and extent of any assistance provided by  
Defendants Alexander Martinez and Line of Sight in the federal and



1 state cases; and (3) all information in the possession of the USAO  
2 relevant to sentencing.

3 I. If Defendants Alexander Martinez or Line of Sight provide  
4 materially false, incomplete, or misleading testimony or information,  
5 or breach this plea agreement in any other way, the USAO or SDCDAO may  
6 prosecute the defendants in connection with all criminal violations of  
7 which the USAO and SDCDAO are aware, as set forth in Section XII  
8 above, including a prosecution for false statements, perjury, and/or  
9 obstruction of justice. The USAO may also pursue any other remedy for  
10 breach of the plea agreement, as set forth in Section XII above. Any  
11 prosecution or sentence resulting from a breach of this plea agreement  
12 may be based on information provided by Defendants Alexander Martinez  
13 and Line of Sight.

14 **XV**

15 **ENTIRE AGREEMENT**

16 The plea agreements in the state cases, which are incorporated  
17 herein, together with the plea agreement in the federal case embody  
18 the entire agreement between the parties and supersede any other  
19 agreement, written or oral.

20 **XVI**

21 **MODIFICATION OF AGREEMENT MUST BE IN WRITING**

22 No modification of this plea agreement shall be effective unless  
23 in writing signed by all parties.

24 **XVII**

25 **DEFENDANT AND COUNSEL FULLY UNDERSTAND AGREEMENT**

26 By signing this agreement, Defendants Alexander Martinez and Line  
27 of Sight certify that the defendants have read it. Defendants  
28 Alexander Martinez and Line of Sight have discussed the terms of this  
agreement with defense counsel and fully understands its meaning and  
effect.



XVIII

DEFENDANT SATISFIED WITH COUNSEL

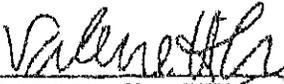
Defendants Alexander Martinez and Line of Sight have consulted with counsel and are satisfied with counsel's representation. This is the independent opinion of Defendants Alexander Martinez and Line of Sight (and its Board of Directors), and their counsel did not advise the defendants about what to say in this regard.

LAURA E. DUFFY  
United States Attorney

4/18/2016  
\_\_\_\_\_  
DATED

  
\_\_\_\_\_  
FRED A. SHEPPARD  
Assistant U.S. Attorney

4/18/2016  
\_\_\_\_\_  
DATED

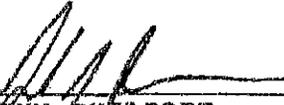
  
\_\_\_\_\_  
VALERIE H. CHU  
Assistant U.S. Attorney

\_\_\_\_\_  
DATED

  
\_\_\_\_\_  
CAROLINE P. HAN  
Assistant U.S. Attorney

BONNIE DUMANIS  
San Diego County District Attorney

4/19/16  
\_\_\_\_\_  
DATED

  
\_\_\_\_\_  
JOHN PHILPOTT  
Deputy District Attorney

4/19/16  
\_\_\_\_\_  
DATED

  
\_\_\_\_\_  
GENARO RAMIREZ  
Deputy District Attorney

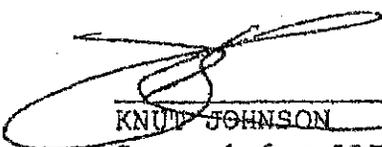
4/19/16  
\_\_\_\_\_  
DATED

  
\_\_\_\_\_  
FERRERO BERNAL  
Deputy District Attorney



1  
2 DATED

4/12/16

  
KNUTE JOHNSON  
Counsel for ALEXANDER MARTINEZ

3  
4 IN ADDITION TO THE FOREGOING PROVISIONS TO WHICH I AGREE, I SWEAR  
5 UNDER PENALTY OF PERJURY THAT THE FACTS IN THE "FACTUAL BASIS" SECTION  
6 ABOVE ARE TRUE.

7  
8 DATED

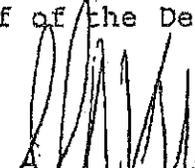
4/15/16

  
ALEXANDER MARTINEZ  
Defendant

9  
10 Defendant's Signature: As corporate representative for Defendant Line  
11 of Sight, I have consulted with counsel for the defendant and fully  
12 understand all rights of the Defendant with respect to this Plea  
13 Agreement. Further, I fully understand all rights with respect to 18  
14 U.S.C. § 3553 and the provisions of the Sentencing Guidelines that may  
15 apply in this case. I have read this Plea Agreement and carefully  
16 reviewed every part of it with counsel for the defendant. I understand  
17 this agreement and voluntarily accept it on behalf of the defendant. I  
18 have valid authority to sign on behalf of the Defendant.

16  
17 DATED

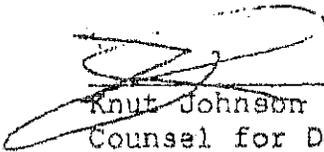
4/15/16

  
ALEXANDER MARTINEZ  
President  
Defendant LINE OF SIGHT, INC.

1 Defense Counsel's Signature: I am counsel for defendant Line of Sight  
2 in this matter. I have fully explained to defendant's representative  
3 the Defendant's rights with respect to this Plea Agreement. Further, I  
4 have reviewed 18 U.S.C. § 3553 and the Sentencing Guidelines, and I  
5 have fully explained to the defendant the provisions that may apply in  
6 this case. I have carefully reviewed every part of this Plea Agreement  
7 with the defendant. To my knowledge, the defendant's decision to enter  
8 into this agreement is an informed and voluntary one, and one by agent with  
9 valid authority to sign on behalf of Defendant.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
DATED

5/15/16

  
Knut Johnson  
Counsel for Defendant  
LINE OF SIGHT, INC.