

FILED

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

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

February 2012 Grand Jury

CR12-0415

12 UNITED STATES OF AMERICA, )  
13 Plaintiff, )  
14 v. )  
15 GEORGE SAMUEL LAING, )  
AUGUSTUS OHMENG, M.D., )  
16 GEORGE TARRYK, M.D., and )  
EMMANUEL CHIDUEME, )  
17 Defendants. )  
18

No. CR  
I N D I C T M E N T  
[18 U.S.C. § 1347: Health Care  
Fraud; 18 U.S.C. § 2(b):  
Causing an Act To Be Done]

The Grand Jury charges:

COUNTS ONE THROUGH SIX

[18 U.S.C. §§ 1347, 2(b)]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

The Defendants, the Pacific Clinic, Ivy Medical Supply, and Santos Medical Supply

1. Defendant GEORGE SAMUEL LAING ("LAING") was the manager and operator of the medical clinic that was located at

RSK

1 2491 Pacific Avenue, Suite #2, Long Beach, California (the  
2 "Pacific Clinic"), within the Central District of California.

3 2. Defendant AUGUSTUS OHEMENG, M.D. ("OHEMENG") was a  
4 physician who treated patients at the Pacific Clinic.

5 3. Defendant GEORGE TARRYK, M.D. ("TARRYK") was a  
6 physician who treated patients at the Pacific Clinic.

7 4. Defendant EMMANUEL CHIDUEME was the owner and operator  
8 of Ivy Medical Supply, Inc. ("Ivy"), a durable medical equipment  
9 ("DME") supply company.

10 5. From in or about June 2004 until at least in or about  
11 September 2009, Ivy was located at 1304 South Magnolia Avenue,  
12 Anaheim, California, within the Central District of California.  
13 Ivy became a Medicare provider and was issued a Medicare provider  
14 number on or about June 30, 2002.

15 6. Santos Medical Supply ("Santos") was a DME supply  
16 company located at 2821 South Vermont Avenue in Los Angeles,  
17 California, within the Central District of California.

18 7. Ivy and Santos purported to provide to Medicare  
19 beneficiaries, among other things, enteral nutrition, which was a  
20 liquid nutritional supplement sold under brand names such as  
21 Ensure and Glucerna, and enteral nutrition feeding supply kits,  
22 which were kits that included syringes used to administer enteral  
23 nutrition to patients who received their nutrition through a  
24 feeding tube rather than by mouth.

25 8. Between in or about February 2005 and in or about  
26 September 2008, defendants OHEMENG and TARRYK, while practicing  
27 at the Pacific Clinic, prescribed enteral nutrition and feeding  
28 supply kits to approximately 370 Medicare beneficiaries whom

1 defendant LAING referred to Santos. Between in or about February  
2 2005 and in or about September 2009, defendants OHEMENG and  
3 TARRYK, while practicing at the Pacific Clinic, prescribed  
4 enteral nutrition and feeding supply kits to approximately 367  
5 Medicare beneficiaries whom defendant LAING referred to Ivy.

6 9. Between in or about February 2005 and in or about  
7 September 2009, based on prescriptions written by defendants  
8 OHEMENG and TARRYK, Santos and Ivy billed Medicare approximately  
9 \$2,373,922 and \$3,314,177, respectively, for enteral nutrition  
10 and feeding supply kits allegedly supplied to Medicare  
11 beneficiaries. Based on these claims, Medicare paid Santos and  
12 Ivy approximately \$1,451,414 and \$1,518,254, respectively.

13 The Medicare Program

14 10. Medicare was a federal health care benefit program,  
15 affecting commerce, that provided benefits to individuals who  
16 were over the age of 65 or disabled. Medicare was administered  
17 by the Centers for Medicare and Medicaid Services ("CMS"), a  
18 federal agency within the United States Department of Health and  
19 Human Services.

20 11. Individuals who qualified for Medicare benefits were  
21 commonly referred to as Medicare "beneficiaries." Each  
22 beneficiary was given a Health Identification Card Number  
23 ("HICN") unique to that beneficiary.

24 12. DME companies, physicians, and other health care  
25 providers that provided services that were reimbursed by  
26 Medicare were referred to as "providers."

27 13. To become eligible to participate in Medicare, Medicare  
28 required DME companies to submit an application in which the

1 company agreed to comply with all Medicare-related laws and  
2 regulations. If Medicare approved the application, Medicare  
3 assigned the DME company a Medicare "provider number," which  
4 enabled the DME company to submit claims to Medicare for  
5 reimbursement for products provided to Medicare beneficiaries.

6 14. Most DME providers, including Santos and Ivy, submitted  
7 their claims electronically.

8 15. Medicare required a claim for Medicare reimbursement of  
9 DME to set forth, among other things, the beneficiary's name and  
10 HICN, the type of DME provided to the beneficiary, the date that  
11 the DME was provided, and the name and Unique Physician  
12 Identification Number ("UPIN") and/or the National Provider  
13 Identifier ("NPI") of the physician who prescribed or ordered the  
14 DME.

15 16. Medicare reimbursed DME providers only for DME that was  
16 medically necessary to the treatment of a beneficiary's illness  
17 or injury, was prescribed by a beneficiary's physician, and was  
18 provided in accordance with Medicare regulations and guidelines  
19 that governed whether a particular item would be reimbursed by  
20 Medicare.

21 17. To bill Medicare, a DME provider submitted a claim  
22 (Form 1500), which Medicare required to be truthful, complete,  
23 and not misleading. In addition, when submitting a claim to  
24 Medicare, a DME provider certified that the services or supplies  
25 covered by the claim were medically necessary.

26 18. Prior to January 2007, for some types of DME, including  
27 enteral nutrition, Medicare also required a Certificate of  
28 Medical Necessity ("CMN"), signed by the referring physician,

1 certifying that the patient had the medical conditions necessary  
2 to justify the DME.

3 19. For enteral nutrition to be covered by Medicare, the  
4 Medicare beneficiary who received the enteral nutrition must have  
5 had some illness or injury that prevented him from swallowing or  
6 ingesting nutrients by mouth. Medicare would not cover  
7 nutritional supplements for patients who were able to drink  
8 nutritional supplements normally.

9 20. Patients receiving enteral nutrition through a feeding  
10 tube required approximately 1600 calories per day. Such patients  
11 generally required one syringe per day to inject the enteral  
12 nutrition into a feeding tube.

13 B. THE FRAUDULENT SCHEME

14 21. Beginning on or about February 28, 2005, and continuing  
15 through on or about September 30, 2009, in Los Angeles County,  
16 within the Central District of California, and elsewhere,  
17 defendants LAING, OHEMENG, TARRYK, and CHIDUEME, together with  
18 others known and unknown to the Grand Jury, knowingly, willfully,  
19 and with intent to defraud, executed and attempted to execute a  
20 scheme and artifice: (a) to defraud a health care benefit  
21 program, namely Medicare, as to material matters in connection  
22 with the delivery of and payment for health care benefits, items,  
23 and services; and (b) to obtain money from Medicare by means of  
24 material false and fraudulent pretenses and representations and  
25 the concealment of material facts in connection with the delivery  
26 of and payment for health care benefits, items, and services.

27 22. The fraudulent scheme operated, in substance, in the  
28 following manner:

1 a. Defendant LAING opened and operated the Pacific  
2 Clinic and recruited defendants OHEMENG and TARRYK as treating  
3 physicians for the clinic.

4 b. Defendant CHIDUEME established Ivy, a retail DME  
5 company, and operated Ivy for the purpose of submitting claims to  
6 the Medicare program.

7 c. Defendant LAING used patient recruiters, known as  
8 "marketers" or "cappers," for the purpose of bringing Medicare  
9 beneficiaries to the Pacific Clinic.

10 d. At the Pacific Clinic, defendants OHEMENG and  
11 TARRYK performed physical examinations and administered tests for  
12 Medicare beneficiaries. Following the examinations, defendants  
13 OHEMENG and TARRYK prescribed Medicare beneficiaries 1600  
14 calories of enteral nutrition per day "with feeding syringes."

15 e. The prescriptions for enteral nutrition and  
16 feeding syringes written by defendants OHEMENG and TARRYK were  
17 fraudulent in that the Medicare beneficiaries were not tube fed,  
18 did not require a full daily value of 1600 calories in liquid  
19 nutrition, and had no need for prescription syringes.

20 f. Defendant OHEMENG fraudulently and falsely signed  
21 CMNs certifying that patients were tube fed and could not ingest  
22 food orally, even though, as defendant OHEMENG then well knew,  
23 the patients did not have a feeding tube and could ingest food  
24 orally.

25 g. Once defendants OHEMENG and TARRYK wrote the false  
26 and fraudulent enteral nutrition prescriptions, defendant LAING  
27 referred the prescriptions to DME supply companies, including  
28 Santos and Ivy, in exchange for kickback payments. A Santos

1 employee, J.G., and others known and unknown to the Grand Jury,  
2 paid LAING approximately \$300 for each enteral nutrition and  
3 feeding supply kit prescription. Defendant CHIDUEME, on behalf  
4 of Ivy, also made kickback payments to defendant LAING in  
5 exchange for the referral of enteral nutrition and feeding supply  
6 kit prescriptions.

7 h. Based on the false and fraudulent prescriptions  
8 written by defendants OHEMENG and TARRYK and referred by  
9 defendant LAING, one or more co-schemers at Santos submitted and  
10 caused to be submitted false and fraudulent claims to Medicare on  
11 behalf of Santos, falsely representing that Santos had supplied  
12 Medicare beneficiaries with certain quantities of medically  
13 necessary enteral nutrition and feeding supply kits when, in  
14 truth and fact, the enteral nutrition and feeding supply kits  
15 were not medically necessary because the beneficiaries were  
16 drinking the liquid nutrition normally and Santos was supplying  
17 only a fraction of the enteral nutrition and supply kits for  
18 which it was billing Medicare.

19 i. Based on the false and fraudulent prescriptions  
20 written by defendants OHEMENG and TARRYK and referred by  
21 defendant LAING, defendant CHIDUEME submitted and caused to be  
22 submitted false and fraudulent claims to Medicare on behalf of  
23 Ivy, falsely representing that Ivy had supplied Medicare  
24 beneficiaries with certain quantities of medically necessary  
25 enteral nutrition and feeding supply kits when, in truth and  
26 fact, the enteral nutrition and feeding supply kits were not  
27 medically necessary because the beneficiaries were drinking the  
28 liquid nutrition normally and Ivy was supplying only a fraction

1 of the enteral nutrition and feeding supply kits for which it was  
 2 billing Medicare.

3 j. Between in or about February 2005 and in or about  
 4 September 2008, Santos submitted false and fraudulent claims to  
 5 Medicare for enteral nutrition and enteral nutrition feeding  
 6 supply kits in the amount of approximately \$2,373,922. Medicare  
 7 in turn paid Santos approximately \$1,451,414 on those claims.

8 k. Between in or about February 2005 and in or about  
 9 September 2009, Ivy submitted false and fraudulent claims to  
 10 Medicare for enteral nutrition and enteral nutrition feeding  
 11 supply kits in the amount of approximately \$3,314,177. Based on  
 12 these claims, Medicare paid Ivy approximately \$1,518,254.

13 C. EXECUTION OF THE FRAUDULENT SCHEME

14 23. On or about the dates set forth below, within the  
 15 Central District of California and elsewhere, the defendants  
 16 listed below, together with others known and unknown to the Grand  
 17 Jury, for the purpose of executing and attempting to execute the  
 18 fraudulent scheme described above, knowingly and willfully caused  
 19 to be submitted to Medicare the following false and fraudulent  
 20 claims for payment for DME purportedly provided to the  
 21 beneficiaries listed below:

22

<u>COUNT</u>	<u>DEFENDANT</u>	<u>CLAIM NUMBER/ DME COMPANY</u>	<u>DATE CLAIM SUBMITTED</u>	<u>AMOUNT OF CLAIM</u>	<u>BENEFICIARY - TYPE OF DME</u>
ONE	LAING, OHEMENG, TARRYK	10712284 7993000 (SANTOS)	05/2/2007	\$636.43	S.Y. - enteral nutrition and syringes

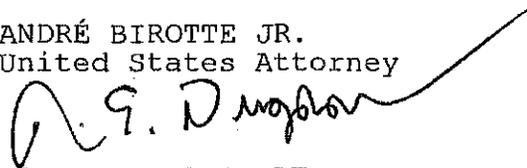
27

1	TWO	LAING, OHEMENG, TARRYK	10818385 3073000 (SANTOS)	7/1/2008	\$636.43	S.P. - enteral nutrition and syringes
2						
3	THREE	LAING, OHEMENG, TARRYK	10824682 7299000 (SANTOS)	9/2/2008	\$971.10	S.L. - enteral nutrition and syringes
4						
5	FOUR	LAING, OHEMENG, TARRYK, CHIDUEME	10833785 8672000 (IVY)	12/02/2008	\$779.65	S.L. - enteral nutrition and syringes
6						
7	FIVE	LAING, OHEMENG, TARRYK, CHIDUEME	10915680 5900000 (IVY)	06/05/2009	\$754.50	S.P. - enteral nutrition and syringes
8						
9	SIX	LAING, OHEMENG, TARRYK, CHIDUEME	10924580 6295000 (IVY)	09/02/2009	\$754.50	S.Y. - enteral nutrition and syringes
10						
11						
12						
13						

14 A TRUE BILL

15  
16 181  
17 Foreperson

18 ANDRÉ BIROTTE JR.  
19 United States Attorney

20   
21 ROBERT E. DUGDALE  
22 Assistant United States Attorney  
23 Chief, Criminal Division

24 BEONG-SOO KIM  
25 Assistant United States Attorney  
26 Chief, Major Frauds Section

27 CONSUELO S. WOODHEAD  
28 Assistant United States Attorney  
Deputy Chief, Major Frauds Section

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

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

CRIMINAL MINUTES - GENERAL

Case No. CR12-415-CAS Date January 3, 2013

Present: The Honorable CHRISTINA A. SNYDER, U.S. DISTRICT JUDGE

Interpreter N/A

<u>Catherine M. Jeang</u> <i>Deputy Clerk</i>	<u>Laura Elias</u> <i>Court Reporter/Recorder, Tape</i>	<u>Grant Gelberg</u> <i>Assistant U.S. Attorney</i>
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<u>U.S.A. v. Defendant(s):</u>	<u>Present</u>	<u>Cust.</u>	<u>Bond</u>	<u>Attorneys for Defendants:</u>	<u>Present</u>	<u>App.</u>	<u>Ret.</u>
3) GEORGE TARRYK, M.D.	X	X		STEPHEN KHAN	X		X

**Proceedings:** STATUS CONFERENCE/CHANGE OF PLEA

Hearing held and counsel are present. The Court confers with counsel and defendant moves to change his plea to Count 4 of the Indictment, states that his true name is as charged and is sworn.

The Court questions the defendant regarding his intention to enter a plea of GUILTY and advises the defendant of his Constitutional Rights. Defendant now enters a new and different plea of GUILTY to Count 4 of the Indictment. The Court FINDS the plea to be knowledgeable and voluntary and orders the plea accepted and entered.

The Court orders the Plea Agreement filed and incorporated into the record [under seal]. The Court orders the transcript of this hearing to be sealed.

The Court refers the defendant to the Probation Office for an investigation and Pre-sentence Report and continues the matter to **May 20, 2013** at **2:30 p.m.** for sentencing.

Defendant is ordered to be present at the May 20, 2013 at 2:30 p.m. sentencing, unless advised otherwise by his/her attorney of record.

The Court orders the Status Conference/Jury Trial VACATED as to this defendant.

\_\_\_\_\_ 00 : \_\_\_\_\_ 20  
 Initials of Deputy Clerk CMJ

cc: Pretrial Services  
U.S. Probation

United States District Court  
Central District of California

UNITED STATES OF AMERICA vs.

Docket No. CR12-415-CAS

Defendant GEORGE TARRYK

Social Security No. [REDACTED]

akas: N/A

(Last 4 digits)

**JUDGMENT AND PROBATION/COMMITMENT ORDER**

In the presence of the attorney for the government, the defendant appeared in person on this date.

MONTH	DAY	YEAR
06	20	2016

**COUNSEL** Stephen Kahn, Retained  
(Name of Counsel)

**PLEA**  **GUILTY**, and the court being satisfied that there is a factual basis for the plea.  **NOLO**  **NOT**  
**CONTENDERE** **GUILTY**

**FINDING** There being a finding/verdict of **GUILTY**, defendant has been convicted as charged of the offense(s) of:  
Health Care Fraud in violation of 18 USC §1347, as charged in Count 4 of the Indictment.

**JUDGMENT AND PROB/COMM ORDER** The Court asked whether there was any reason why judgment should not be pronounced. Because no sufficient cause to the contrary was shown, or appeared to the Court, the Court adjudged the defendant guilty as charged and convicted and ordered that: Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant is hereby committed to Count 4 of the six-count Indictment to Probation for a term of: **THREE (3) YEARS**.

It is ordered that the defendant shall pay to the United States a special assessment of \$100.00, which is due immediately. Any unpaid balance shall be due during the period of imprisonment, at the rate of not less than \$25.00 per quarter, and pursuant to the Bureau of Prisons' Inmate Financial Responsibility Program.

It is ordered that the defendant shall pay restitution in the total amount of \$808,168.00, pursuant to 18 U.S.C. § 3663A.

The amount of restitution ordered shall be paid to the victim as set forth in a separate victim list prepared by the probation office which this Court adopts and which reflects the Court's determination of the amount of restitution due to each victim. The victim list, which shall be forwarded to the fiscal section of the clerk's office, shall remain confidential to protect the privacy interests of the victim.

The defendant shall make nominal monthly payments of at least 10% of defendant's gross income, but not less than \$1,000.00, whichever is greater, during the term of probation. Payments shall begin 30 days after the commencement of supervision. Nominal restitution payments are ordered as the Court finds that the defendant's economic circumstances do not allow for either immediate or future payment of the amount ordered.

The defendant shall be held jointly and severally liable with co-participants, George Laing, Augustus Ohemeng, Emmanuel Chidume for the amount of restitution ordered in this judgment. The victim's recovery is limited to the amount of its loss and the defendant's liability for restitution ceases if and when the victims receive full restitution.

Pursuant to 18 U.S.C. § 3612(f)(3)(A), interest on the restitution ordered is waived because the defendant does not have the ability to pay interest. Payments may be subject to penalties for default and delinquency pursuant to 18 U.S.C. § 3612(g).

The defendant shall comply with General Order No. 01-05.

All fines are waived as it is found that the defendant does not have the ability to pay a fine in addition to restitution.

The three (3) year Probation shall be under following terms and conditions:

1. The defendant shall comply with the rules and regulations of the U. S. Probation Office, General Order 05-02, and General Order 01-05, including the three special conditions delineated in General Order 01-05;
2. The defendant shall participate for a period of ten (10) months in a home detention program which may include electronic monitoring, GPS, Alcohol Monitoring Unit or automated identification systems and shall observe all rules of such program, as directed by the Probation Officer. The defendant shall maintain a residential telephone line without devices and/or services that may interrupt operation of the monitoring equipment. Defendant shall be allowed to leave for his medical appointments and for the medical appointments for those whom he is providing care, as well as religious services. Any additional occasions to leave, shall be allowed with the preapproval of his probation officer;
3. The defendant shall pay the costs of home confinement monitoring to the contract vendor, not to exceed the sum of \$12.00 for each day of participation. The defendant shall provide payment and proof of payment as directed by the Probation Officer;
4. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one (1) drug test within 15 days of release from imprisonment and at least two (2) periodic drug tests thereafter, not to exceed eight (8) tests per month, as directed by the Probation Officer;
5. During the period of community supervision, the defendant shall pay the special assessment and restitution in accordance with this judgment's orders pertaining to such payment;
6. The defendant shall not be employed in any position that requires licensing and/or certification by any local, state or federal agency without prior approval of the Probation Officer;
7. The defendant shall cooperate in the collection of a DNA sample from the defendant; and
8. The defendant shall apply all monies received from income tax refunds, lottery winnings, inheritance, judgements and any anticipated or unexpected financial gains to the outstanding court-ordered financial obligation.

USA vs. GEORGE TARRYK

Docket No.: CR12-415-CAS

Defendant is informed of his right to appeal.

Bond is exonerated forthwith.

The Court grants the Government's request to dismiss the remaining counts of the Superseding/Underlying Information/Indictment.

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

June 21, 2016

Date

*Christine A. Snyder*

U. S. District Judge

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

Clerk, U.S. District Court

June 21, 2016

Filed Date

By

/S/

C. Jeang, Deputy Clerk

USA vs. GEORGE TARRYK

Docket No.: CR12-415-CAS

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

**STANDARD CONDITIONS OF PROBATION AND SUPERVISED RELEASE**

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

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

**STATUTORY PROVISIONS PERTAINING TO PAYMENT AND COLLECTION OF FINANCIAL SANCTIONS**

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

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

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

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

Payments shall be applied in the following order:

1. Special assessments pursuant to 18 U.S.C. §3013;
2. Restitution, in this sequence (pursuant to 18 U.S.C. § 3664(i), all non-federal victims must be paid before the United States is paid):
  - Non-federal victims (individual and corporate),
  - Providers of compensation to non-federal victims,
  - The United States as victim;
3. Fine;
4. Community restitution, pursuant to 18 U.S.C. §3663(c); and
5. Other penalties and costs.

**SPECIAL CONDITIONS FOR PROBATION AND SUPERVISED RELEASE**

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

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

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

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

**RETURN**

I have executed the within Judgment and Commitment as follows:

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_  
Defendant noted on appeal on \_\_\_\_\_  
Defendant released on \_\_\_\_\_  
Mandate issued on \_\_\_\_\_  
Defendant's appeal determined on \_\_\_\_\_  
Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_  
at \_\_\_\_\_

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

United States Marshal

By \_\_\_\_\_  
Date Deputy Marshal

**CERTIFICATE**

I hereby attest and certify this date that the foregoing document is a full, true and correct copy of the original on file in my office, and in my legal custody.

Clerk, U.S. District Court

By \_\_\_\_\_  
Filed Date Deputy Clerk

**FOR U.S. PROBATION OFFICE USE ONLY**

Upon a finding of violation of probation or supervised release, I understand that the court may (1) revoke supervision, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

These conditions have been read to me. I fully understand the conditions and have been provided a copy of them.

(Signed) \_\_\_\_\_ Date \_\_\_\_\_  
Defendant

\_\_\_\_\_ Date \_\_\_\_\_  
U. S. Probation Officer/Designated Witness