



U.S. Department of Justice

Scott C. Blader
United States Attorney
Western District of Wisconsin

Telephone 608/264-5158
TTY 608/264-5006
Administrative Facsimile 608/264-5183
Civil Division Facsimile 608/264-5724
Criminal Division Facsimile 608/264-5054

Address:
222 West Washington Avenue
Suite 700
Madison, Wisconsin 53703

September 2, 2020

Peter Rowe Moyers
Federal Defender Services of Wisconsin, Inc.
22 East Mifflin Street, Suite 1000
Madison, WI 53703

Re: *United States v. Ahmad Kanan*
Case numbers 19-cr-147-wmc; 20-cr-81-wmc.

Dear Attorney Moyers:

This is the proposed plea agreement between the defendant and the United States in this case.

1. The defendant agrees to plead guilty to Count 1 of the indictment in case number 19-cr-147-wmc. This count charges a violation of Title 18, United States Code, Section 1029(a)(2), which carries maximum penalties of 10 years in prison, a \$250,000 fine, a three-year period of supervised release, and a \$100 special assessment. The defendant also agrees to plead guilty to Count 1 of the indictment in case number 20-cr-81-wmc. This count charges a violation of Title 18, United States Code, Section 1343, which carries maximum penalties of 20 years in prison, a \$250,000 fine, a three-year period of supervised release, a \$100 special assessment, and the entry of an appropriate restitution order. In addition to these maximum penalties, any violation of a supervised release term could lead to an additional term of imprisonment pursuant to 18 U.S.C. § 3583. The defendant agrees to pay the special assessment at or before sentencing. The defendant understands that the Court will enter an order pursuant to 18 U.S.C. § 3013 requiring the immediate payment of the special assessment. In an appropriate case, the defendant could be held in contempt of court and receive an additional sentence for failing to pay the special assessment as ordered by the Court.

2. The defendant acknowledges, by pleading guilty, that he is giving up the following rights: (a) to plead not guilty and to persist in that plea; (b) to a jury trial; (c) to be represented by counsel--and if necessary have the Court appoint counsel--at trial and at every other stage of the trial proceedings; (d) to confront and cross-examine adverse witnesses; (e) to be protected from compelled self-incrimination; (f) to testify and present evidence; and (g) to compel the attendance of witnesses.

September 2, 2020
Page 2 of 6

3. The defendant understands that upon conviction, if he is not a United States citizen, he may be removed from the United States, denied citizenship, and denied future admission to the United States. The defendant nevertheless affirms that he wants to plead guilty regardless of any removal and immigration consequences that his plea may entail, even if the consequence is automatic removal from the United States.

4. The United States agrees that this guilty plea will completely resolve all possible federal criminal violations that have occurred in the Western District of Wisconsin provided that both of the following conditions are met: (a) the criminal conduct relates to the conduct described in the indictments; and (b) the criminal conduct was known to the United States as of the date of this plea agreement. This agreement not to prosecute is limited to those types of cases for which the United States Attorney's Office for the Western District of Wisconsin has exclusive decision-making authority. The defendant also understands that the United States will make its full discovery file available to the Probation Office for its use in preparing the presentence report. The United States also agrees to move to dismiss the remaining count of both indictments at the time of sentencing.

5. The United States agrees to recommend to the Court, in computing the advisory Sentence Guideline range, and in sentencing the defendant, give the defendant the maximum available reduction for acceptance of responsibility. This recommendation is based upon facts currently known to the United States and is contingent upon the defendant accepting responsibility according to the factors set for in USSG § 3E1.1. Further, the United States' agreement to recommend a reduction for acceptance of responsibility is also based on the defendant providing a full and truthful accounting in the required financial statement, and the defendant's efforts to make the agreed-upon immediate restitution payments. The United States is free to withdraw this recommendation if the defendant has previously engaged in any conduct which is unknown to the United States and is inconsistent with acceptance of responsibility, or if he engages in any conduct between the date of this plea agreement and the sentencing hearing which is inconsistent with acceptance of responsibility. This recommendation is contingent on the defendant signing this plea letter on or before September 11, 2020.

6. The defendant agrees to pay restitution for all losses relating to Count 1 of the indictment in case number 20-cr-81 and all losses covered by the same course of conduct or common scheme or plan as the offense charged in the indictment. The parties agree that the \$70,273.88 that was seized from the Mercury Bank account ending in 7101, and the \$8,158.74 that was seized from the Wells Fargo account ending in 7135 (See Case No. 20-mj-77, WDWI) will be applied to restitution in case 20-cr-81. Other than that agreement, the exact figure of any other restitution will be agreed upon by the parties prior to sentencing or, if the parties are unable to agree upon a specific figure, restitution will be determined by the Court at sentencing. The defendant further agrees that the full amount of restitution is due and payable immediately. Defendant

September 2, 2020
Page 3 of 6

acknowledges that immediate payment means payment in good faith from the liquidation of all non-exempt assets beginning immediately.

7. The defendant agrees that the \$70,273.88 that was seized from the Mercury Bank account ending in 7101, and the \$8,158.74 that was seized from the Wells Fargo account ending in 7135 (*See* Case No. 20-mj-77, WDWI) belong to only him (or Altin Labs Inc., *see* Paragraph 8). Defendant agrees to abandon his interests in the money seized from those accounts and cooperate fully with the United States' efforts to have that money applied to restitution in case 20-cr-81.

8. The defendant agrees that he has an 80 percent ownership interest in Altin Labs Inc. To the extent he is able under the corporate bylaws, on behalf of his interest in this corporate entity, the defendant waives Altin Labs Inc.'s rights, if any exist, to the seized funds in Paragraph 7.

9. The defendant agrees to complete the enclosed financial statement and return it to this office within one week of the guilty plea hearing. The defendant agrees that this financial statement will be a full and truthful accounting, including all available supporting documentation. The defendant also authorizes the U.S. Attorney's Office to run the defendant's credit report, and depose defendant regarding his financial assets. The defendant also agrees that the probation office may disclose to the United States the net worth and cash flow statements to be completed by the defendant in connection with the preparation of the presentence report, together with all supporting documents.

10. The United States agrees to recommend to the Court a term of imprisonment within the advisory sentencing guidelines as calculated by the Court.

11. The defendant agrees not to file a claim to any property in any civil, administrative or judicial proceeding, which has already been initiated or which may be initiated in the future regarding the following assets, which were listed in the indictment in case number 19-cr-147 and seized by the Department of Homeland Security on December 20, 2018: an Apple iPhone, Model A1428; Western Digital 750 GB hard disk drive, Model WD7500BPVT; and Samsung 256 GB solid state drive, MZ-YTY2560. Defendant further agrees not to file a claim or assist others in filing a claim or attempting to establish an interest in any forfeiture proceeding regarding these assets. Defendant acknowledges that he used the devices named in this paragraph to facilitate the access device crimes charged in the indictment in case number 19-cr-147 and that they are forfeitable on that basis.

12. The defendant agrees that he is the sole owner of all the property listed in paragraph 11, and agrees to hold the United States, its agents, and employees harmless from any claims in connection with the seizure or forfeiture of property covered by this agreement.

September 2, 2020

Page 4 of 6

13. The defendant agrees to consent to the order of forfeiture for the listed property in paragraph 11 and waives the requirement 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. Defendant acknowledges that he understands that the forfeiture of assets is part of the sentence that may be imposed in this case.

14. The defendant agrees to forfeit to the United States immediately and voluntarily any and all assets and property, or portions thereof, subject to forfeiture, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), whether in the possession or control of the United States or in the possession or control of the defendant or defendant's nominees. The assets to be forfeited specifically include a money judgment in the amount of the proceeds obtained as a result of the wire fraud scheme charged in Count 1 of case number 20-cr-81, and all losses covered by the same course of conduct or common scheme or plan. The defendant also hereby agrees that the forfeiture described herein is not excessive and, in any event, the defendant waives any constitutional claims that he may have that the forfeiture constitutes an excessive fine.

15. The defendant agrees that the United States shall, at its option, be entitled to forfeiture of any property (substitute assets) of the defendant up to the value of the proceeds obtained as a result of the wire fraud scheme charged in Count 1 of case number 20-cr-81 in order to satisfy the money judgment. This Court shall retain jurisdiction to settle any disputes arising from application of this clause. The defendant agrees that the United States is not limited to the forfeiture of property specifically identified for forfeiture in this Plea Agreement. If the United States determines that as a result of any act or omission of defendant, property of the defendant identified for forfeiture cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, defendant agrees the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1) and Title 28, United States Code, Section 2461(c). The defendant expressly consents to the forfeiture of any substitute assets sought by the United States. The defendant agrees that forfeiture of substitute assets as authorized here shall not be deemed an alteration of defendant's sentence.

16. The defendant further agrees to take all steps necessary to locate property which could be used to satisfy the money judgment and to pass title to the United States before the defendant's sentencing. To that end, the defendant agrees to fully assist the government in the recovery and return to the United States of any assets, or portions thereof, as described above wherever located. The defendant agrees to make a full and

September 2, 2020
Page 5 of 6

complete disclosure of all assets over which he exercises control and those which are held or controlled by a nominee.

17. The defendant knowingly and voluntarily waives his right to a jury trial on the forfeiture of assets. The defendant knowingly and voluntarily waives all constitutional, legal, and equitable defenses to the forfeiture of these assets in any proceeding. The defendant agrees to waive any jeopardy defense or claim of double jeopardy, whether constitutional or statutory.

18. The defendant agrees to take all steps requested by the United States to pass clear title to forfeitable assets to the United States, and to testify truthfully in any judicial forfeiture proceeding. The defendant acknowledges that all property covered by this agreement is subject to forfeiture.

19. In the event any federal, state, or local law enforcement agency having custody of the property decides not to pursue forfeiture of the property due to its minimal value, the defendant hereby abandons any interest he has in the property and consents to the destruction or any other disposition of the property by the federal, state, or local agency without further notice or obligation owing to the defendant.

20. The defendant agrees that the forfeiture provisions of this plea agreement are intended to, and will, survive the defendant, notwithstanding the abatement of any underlying criminal conviction after the execution of this agreement. The forfeitability of any particular property pursuant to this agreement shall be determined as if the defendant had survived, and that determination shall be binding upon defendant's heirs, successors, and assigns until the agreed forfeiture, including satisfaction of any preliminary order of forfeiture for proceeds.

21. In the event of an appeal by either party, the United States reserves the right to make arguments in support of or in opposition to the sentence imposed by the Court.

22. Other than set forth in this plea agreement, the defendant understands that sentencing discussions are not part of the plea agreement. The defendant should not rely upon the possibility of a particular sentence based upon any sentencing discussions between defense counsel and the United States.

23. If your understanding of our agreement conforms with mine as set out above, would you and the defendant please sign this letter and return it to me. By his signature below, the defendant acknowledges his understanding that the United States has made no promises or guarantees regarding the sentence which will be imposed. The defendant also acknowledges his understanding that the Court is not required to accept any recommendations which may be made by the United States and that the Court can impose any sentence up to and including the maximum penalties set out

September 2, 2020
Page 6 of 6

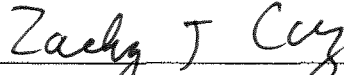
above.

24. By your signatures below, you and the defendant also acknowledge that this is the only plea agreement in this case and the plea letters dated January 13, 2020, June 30, 2020, July 13, 2020, and August 6, 2020 are rescinded.

Very truly yours,


SCOTT C. BLADER
United States Attorney

By:



MEREDITH DUCHEMIN
ZACHARY COREY
Assistant United States Attorneys

9/13/2020
Date



JOSEPH A. BUGNI
PETER ROWE MOYERS
Attorneys for the Defendant

9/11/20
Date



AHMAD KANAN
Defendant

9/11/2020
Date