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MAR - 5 2020

CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

BY _____
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8 IN THE UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA

10
11 UNITED STATES OF AMERICA,
12 Plaintiff,
13 v.
14 JASON KEITH ARNOLD,
15 Defendant.

CASE NO. 2:19-cr-0043-MCE
PLEA AGREEMENT
DATE:
TIME:
COURT: Hon. Morrison C. England, Jr.

16
17 **I. INTRODUCTION**

18 **A. Scope of Agreement**

19 The indictment in this case charges the defendant with a violation of 21 U.S.C. Section 846—
20 Conspiracy to Distribute a Controlled Substance, and 21 U.S.C. Section 841(a)(1)—Distribution of a
21 Controlled Substance (4 counts). This document contains the complete plea agreement between the
22 United States Attorney's Office for the Eastern District of California (the "government") and the
23 defendant regarding this case. This plea agreement is limited to the United States Attorney's Office for
24 the Eastern District of California and cannot bind any other federal, state, or local prosecuting,
25 administrative, or regulatory authorities.

26 **B. Court Not a Party**

27 The Court is not a party to this plea agreement. Sentencing is a matter solely within the
28

1 discretion of the Court, and the Court may take into consideration any and all facts and circumstances
2 concerning the criminal activities of defendant, including activities that may not have been charged in
3 the indictment. The Court is under no obligation to accept any recommendations made by the
4 government, and the Court may in its discretion impose any sentence it deems appropriate up to and
5 including the statutory maximum stated in this plea agreement.

6 If the Court should impose any sentence up to the maximum established by the statute, the
7 defendant cannot, for that reason alone, withdraw his guilty plea, and he will remain bound to fulfill all
8 of the obligations under this plea agreement. The defendant understands that neither the prosecutor,
9 defense counsel, nor the Court can make a binding prediction or promise regarding the sentence he will
10 receive.

11 **II. DEFENDANT'S OBLIGATIONS**

12 **A. Guilty Plea**

13 The defendant will plead guilty to one count of Conspiracy to Distribute a Controlled Substance,
14 in violation of Title 21, U.S.C. Section 846 and 841(a)(1) & (b)(1)(A). The defendant agrees that he is
15 in fact guilty of these charges and that the facts set forth in the Factual Basis For Plea attached hereto as
16 Exhibit A are accurate.

17 The defendant agrees that this plea agreement will be filed with the Court and become a part of
18 the record of the case. The defendant understands and agrees that he will not be allowed to withdraw his
19 plea should the Court not follow the government's sentencing recommendations.

20 The defendant agrees that the statements made by him in signing this Agreement, including the
21 factual admissions set forth in the factual basis, shall be admissible and useable against the defendant by
22 the United States in any subsequent criminal or civil proceedings, even if the defendant fails to enter a
23 guilty plea pursuant to this Agreement. The defendant waives any rights under Rule 11(f) of the Federal
24 Rules of Criminal Procedure and Rule 410 of the Federal Rules of Evidence, to the extent that these
25 rules are inconsistent with this paragraph or with this Agreement generally.

26 The defendant acknowledges that the crime to which he is pleading guilty is listed in 18 U.S.C.
27 § 3143(a)(2), and agrees that he will be remanded into custody upon the entry of his plea if he is not
28 already in custody.

1 **B. Special Assessment**

2 The defendant agrees to pay a special assessment of \$100 at the time of sentencing by delivering
3 a check or money order payable to the United States District Court to the United States Probation Office
4 immediately before the sentencing hearing. The defendant understands that this plea agreement is
5 voidable at the option of the government if he fails to pay the assessment prior to that hearing. If the
6 defendant is unable to pay the special assessment at the time of sentencing, he agrees to earn the money
7 to pay the assessment, if necessary by
8 participating in the Inmate Financial Responsibility Program.

9 **C. Defendant's Violation of Plea Agreement or Withdrawal of Plea**

10 If the defendant, cooperating or not, violates this plea agreement in any way, withdraws his plea,
11 or tries to withdraw his plea, this plea agreement is voidable at the option of the government. The
12 government will no longer be bound by its representations to the defendant concerning the limits on
13 criminal prosecution and sentencing as set forth herein. One way a cooperating defendant violates the
14 plea agreement is to commit any crime or provide any statement or testimony which proves to be
15 knowingly false, misleading, or materially incomplete. Any post-plea conduct by a defendant
16 constituting obstruction of justice will also be a violation of the agreement. The determination whether
17 the defendant has violated the plea agreement shall be decided under a probable cause standard.

18 If the defendant violates the plea agreement, withdraws his plea, or tries to withdraw his plea, the
19 government shall have the right: (1) to prosecute the defendant on any of the counts to which he pleaded
20 guilty; (2) to reinstate any counts that may be dismissed pursuant to this plea agreement; and (3) to file
21 any new charges that would otherwise be barred by this plea agreement. The defendant shall thereafter
22 be subject to prosecution for any federal criminal violation of which the government has knowledge,
23 including perjury, false statements, and obstruction of justice. The decision to pursue any or all of these
24 options is solely in the discretion of the United States Attorney's Office.

25 By signing this plea agreement, the defendant agrees to waive any objections, motions, and
26 defenses that the defendant might have to the government's decision to exercise the options stated in the
27 previous paragraph. Any prosecutions that are not time-barred by the applicable statute of limitations as
28 of the date of this plea agreement may be commenced in accordance with this paragraph,

1 notwithstanding the expiration of the statute of limitations between the signing of this plea agreement
2 and the commencement of any such prosecutions. The defendant agrees not to raise any objections
3 based on the passage of time with respect to such counts including, but not limited to, any statutes of
4 limitation or any objections based on the Speedy Trial Act or the Speedy Trial Clause of the Sixth
5 Amendment to any counts that were not time-barred as of the date of this plea agreement.

6 In addition: (1) all statements made by the defendant to the government or other designated law
7 enforcement agents, or any testimony given by the defendant before a grand jury or other tribunal,
8 whether before or after this plea agreement, shall be admissible in evidence in any criminal, civil, or
9 administrative proceedings hereafter brought against the defendant; and (2) the defendant shall assert no
10 claim under the United States Constitution, any statute, Rule 11(f) of the Federal Rules of Criminal
11 Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule, that statements made by
12 the defendant before or after this plea agreement, or any leads derived therefrom, should be suppressed.
13 By signing this plea agreement, the defendant waives any and all rights in the foregoing respects.

14 **D. Forfeiture**

15 The defendant agrees to forfeit to the United States voluntarily and immediately all of his right
16 title and interest to any and all assets subject to forfeiture pursuant to 21 U.S.C. 853.

17 The defendant agrees to fully assist the government in the forfeiture of the listed assets and to
18 take whatever steps are necessary to pass clear title to the United States. The defendant shall not sell,
19 transfer, convey, or otherwise dispose of any of his assets, including but not limited to, the above-listed
20 assets.

21 The defendant agrees not to file a claim to any of the listed property in any civil proceeding,
22 administrative or judicial, which may be initiated. The defendant agrees to waive his right to notice of
23 any forfeiture proceeding involving this property, and agrees to not file a claim or assist others in filing a
24 claim in that forfeiture proceeding.

25 The defendant knowingly and voluntarily waives his right to a jury trial on the forfeiture of
26 assets. The defendant knowingly and voluntarily waives all constitutional, legal and equitable defenses
27 to the forfeiture of these assets in any proceeding. The defendant agrees to waive any jeopardy defense,
28 and agrees to waive any claim or defense under the Eighth Amendment to the United States

1 Constitution, including any claim of excessive fine, to the forfeiture of the assets by the United States,
2 the State of California or its subdivisions.

3 The defendant waives oral pronouncement of forfeiture at the time of sentencing, and any
4 defenses or defects that may pertain to the forfeiture.

5 **III. THE GOVERNMENT'S OBLIGATIONS**

6 **A. Dismissals**

7 The government agrees to move, at the time of sentencing, to dismiss without prejudice the
8 remaining counts in the pending indictment. The government also agrees not to reinstate any dismissed
9 count except if this agreement is voided as set forth herein, or as provided in paragraphs II.E
10 (Defendant's Violation of Plea Agreement), VI.B (Guidelines Calculations), and VII.B (Waiver of
11 Appeal) herein.

12 **B. Recommendations**

13 1. Incarceration Range

14 The government will recommend that the defendant be sentenced to the low end of the
15 applicable guideline range for his offense, including the application of the mandatory statutory minimum
16 term, as determined by the Court.

17 2. Acceptance of Responsibility

18 The government will recommend a two-level reduction (if the offense level is less than
19 16) or a three-level reduction (if the offense level reaches 16) in the computation of defendant's offense
20 level if he clearly demonstrates acceptance of responsibility for his conduct as defined in U.S.S.G. §
21 3E1.1. This includes the defendant meeting with and assisting the probation officer in the preparation of
22 the pre-sentence report, being truthful and candid with the probation officer, and not otherwise engaging
23 in conduct that constitutes obstruction of justice within the meaning of U.S.S.G § 3C1.1, either in the
24 preparation of the pre-sentence report or during the sentencing proceeding.

25 **C. Use of Information for Sentencing**

26 The government is free to provide full and accurate information to the Court and the United
27 States Probation Office ("Probation"), including answering any inquiries made by the Court and/or
28 Probation, and rebutting any inaccurate statements or arguments by the defendant, his attorney,

1 Probation, or the Court. The defendant also understands and agrees that nothing in this Plea Agreement
2 bars the government from defending on appeal or collateral review any sentence that the Court may
3 impose.

4 **IV. ELEMENTS OF THE OFFENSE**

5 At a trial, the government would have to prove beyond a reasonable doubt the following
6 elements of the offense(s) to which the defendant is pleading guilty:

7 As to Count One, Conspiracy to Distribute a Controlled Substance, in violation of Title 21,
8 U.S.C. Section 846 and 841(a)(1) & (b)(1)(A):

- 9 1. Beginning in or around December 2017 and continuing to on or about February 21, 2019,
10 there was an agreement between two or more persons to distribute at least one kilogram
11 of a mixture and substance containing a detectable amount of heroin, a Schedule I
12 controlled substance, and at least 500 grams of a mixture and substance containing a
13 detectable amount of methamphetamine, a Schedule II controlled substance;
- 14 2. The defendant became a member of the conspiracy knowing of at least one of its objects
15 and intending to help accomplish it.

16 The defendant fully understands the nature and elements of the crimes charged in the indictment
17 to which he is pleading guilty, together with the possible defenses thereto, and has discussed them with
18 his attorney.

19 **V. MAXIMUM SENTENCE**

20 **A. Maximum Penalty**

21 The maximum sentence that the Court can impose is a term of life incarceration, a fine of
22 \$10,000,000, at least a 5 year and up to life term of supervised release, and a special assessment of \$100.
23 The charge to which defendant is pleading guilty carries a ten-year mandatory minimum sentence,
24 absent a motion by the government for reduction pursuant to 18 U.S.C. § 3553(e). In addition, the
25 defendant may be ineligible for certain federal and/or state assistance and/or benefits, pursuant to 21
26 U.S.C. § 862. By signing this plea agreement, the defendant also agrees that the Court can order the
27 payment of restitution for the full loss caused by the defendant's wrongful conduct. The defendant
28 agrees that the restitution order is not restricted to the amounts alleged in the specific counts to which

1 the defendant is pleading guilty. The defendant further agrees, as noted above, that he will not attempt
2 to discharge in any present or future bankruptcy proceeding any restitution imposed by the Court.

3 **B. Violations of Supervised Release**

4 The defendant understands that if he violates a condition of supervised release at any time during
5 the term of supervised release, the Court may revoke the term of supervised release and require the
6 defendant to serve up to 5 years of additional imprisonment.

7 **VI. SENTENCING DETERMINATION**

8 **A. Statutory Authority**

9 The defendant understands that the Court must consult the Federal Sentencing Guidelines and
10 must take them into account when determining a final sentence. The defendant understands that the
11 Court will determine a non-binding and advisory guideline sentencing range for this case pursuant to the
12 Sentencing Guidelines and must take them into account when determining a final sentence. The
13 defendant further understands that the Court will consider whether there is a basis for departure from the
14 guideline sentencing range (either above or below the guideline sentencing range) because there exists
15 an aggravating or mitigating circumstance of a kind, or to a degree, not adequately taken into
16 consideration by the Sentencing Commission in formulating the Guidelines. The defendant further
17 understands that the Court, after consultation and consideration of the Sentencing Guidelines, must
18 impose a sentence that is reasonable in light of the factors set forth in 18 U.S.C. § 3553(a).

19 **B. Guideline Calculations**

20 The government and the defendant stipulate that the following guidelines are applicable to the
21 sentencing of this case, though these guideline calculations shall not be binding on the Court or the
22 Probation Office: a base offense level of 32 pursuant to §2D1.1(c)(4), and a 2 level enhancement for use
23 of mass marketing via the Internet pursuant to §2D1.1(b)(7), for a total offense level of 34.

24 The parties agree that they will not seek or argue in support of any other specific offense
25 characteristics, Chapter Three adjustments (other than the decrease for "Acceptance of Responsibility"),
26 or cross-references, except that the government may move for a departure or adjustment based on
27 defendant's post-plea obstruction of justice (§3C1.1). Both parties agree not to move for, or argue in
28 support of, any other departure from the Sentencing Guidelines.

1 The defendant is free to recommend to the Court whatever sentence he believes is appropriate
2 under 18 U.S.C. § 3553(a). The government agrees to recommend a sentence at the low-end of the
3 applicable guideline range, unless such recommendation is lower than the applicable mandatory
4 minimum sentence.

5 VII. WAIVERS

6 A. Waiver of Constitutional Rights

7 The defendant understands that by pleading guilty he is waiving the following constitutional
8 rights: (a) to plead not guilty and to persist in that plea if already made; (b) to be tried by a jury; (c) to
9 be assisted at trial by an attorney, who would be appointed if necessary; (d) to pursue any affirmative
10 defenses, Fourth Amendment or Fifth Amendment claims, constitutional challenges to the statutes of
11 conviction, and other pretrial motions that have been filed or could be filed; (e) to subpoena witnesses to
12 testify on his behalf; (f) to confront and cross-examine witnesses against him; and (g) not to be
13 compelled to incriminate himself.

14 B. Waiver of Appeal and Collateral Attack

15 The defendant understands that the law gives the defendant a right to appeal his guilty plea,
16 conviction, and sentence. The defendant agrees as part of his plea/pleas, however, to give up the right to
17 appeal the guilty plea, conviction, and the sentence imposed in this case as long as the sentence does not
18 exceed 240 months. The defendant understands that this waiver includes, but is not limited to, any and
19 all constitutional and/or legal challenges to the defendant's conviction and guilty plea, including
20 arguments that the statutes to which defendant is pleading guilty are unconstitutional, and any and all
21 claims that the statement of facts attached to this agreement is insufficient to support the defendant's
22 plea of guilty. The defendant specifically gives up the right to appeal any order of restitution the Court
23 may impose.

24 Notwithstanding the defendant's waiver of appeal, the defendant will retain the right to appeal if
25 one of the following circumstances occurs: (1) the sentence imposed by the District Court exceeds the
26 statutory maximum; and/or (2) the government appeals the sentence in the case. The defendant
27 understands that these circumstances occur infrequently and that in almost all cases this Agreement
28 constitutes a complete waiver of all appellate rights.

1 In addition, regardless of the sentence the defendant receives, the defendant also gives up any
2 right to bring a collateral attack, including a motion under 28 U.S.C. § 2255 or § 2241, challenging any
3 aspect of the guilty plea, conviction, or sentence, except for non-waivable claims.

4 Notwithstanding the agreement in paragraph III.A (Dismissals) above that the government will
5 move to dismiss counts against the defendant, if the defendant ever attempts to vacate his plea, dismiss
6 the underlying charges, or modify or set aside his sentence on any of the counts to which he is pleading
7 guilty, the government shall have the rights set forth in paragraph II.E (Defendant's Violation of Plea
8 Agreement) herein.

9 **C. Waiver of Attorneys' Fees and Costs**

10 The defendant agrees to waive all rights under the "Hyde Amendment," Section 617, P.L. 105-
11 119 (Nov. 26, 1997), to recover attorneys' fees or other litigation expenses in connection with the
12 investigation and prosecution of all charges in the above-captioned matter and of any related allegations
13 (including without limitation any charges to be dismissed pursuant to this plea agreement and any
14 charges previously dismissed).

15 **VIII. ENTIRE PLEA AGREEMENT**

16 Other than this plea agreement, no agreement, understanding, promise, or condition between the
17 government and the defendant exists, nor will such agreement, understanding, promise, or condition
18 exist unless it is committed to writing and signed by the defendant, counsel for the defendant, and
19 counsel for the United States.

20 **IX. APPROVALS AND SIGNATURES**

21 **A. Defense Counsel:**

22 I have read this plea agreement and have discussed it fully with my client. The plea agreement
23 accurately and completely sets forth the entirety of the agreement. I concur in my client's decision to
24 plead guilty as set forth in this plea agreement.

25 Dated: 3/3/20


MIA CRAGER
Counsel for Defendant

27 **B. Defendant:**

28 I have read this plea agreement and carefully reviewed every part of it with my attorney. I

1 understand it, and I voluntarily agree to it. Further, I have consulted with my attorney and fully
2 understand my rights with respect to the provisions of the Sentencing Guidelines that may apply to my
3 case. No other promises or inducements have been made to me, other than those contained in this plea
4 agreement. In addition, no one has threatened or forced me in any way to enter into this plea agreement.
5 Finally, I am satisfied with the representation of my attorney in this case.

6 Dated: 2/28/20


7 _____
8 JASON KEITH ARNOLD, Defendant

9 **C. Attorney for United States:**

10 I accept and agree to this plea agreement on behalf of the government.

11 Dated: 3/5/2020

12 _____
13 MCGREGOR W. SCOTT
14 United States Attorney


15 _____
16 GRANT B. RABENN
17 Assistant United States Attorney
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EXHIBIT "A"

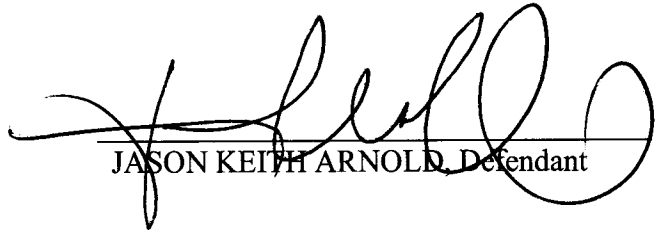
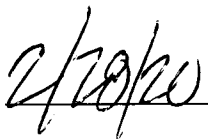
Factual Basis for Plea

If this matter proceeded to trial, the United States would establish the following facts beyond a reasonable doubt:

Beginning no later than in or around December 2017, and continuing to on or about February 21, 2019, in the County of Sacramento, within the State and Eastern District of California and elsewhere, the defendant did knowingly and intentionally conspire with other persons, known and unknown, to distribute and possess with intent to distribute at least one kilogram of a mixture and substance containing a detectable amount of heroin, a Schedule I controlled substance, and at least 500 grams of a mixture and substance containing a detectible amount of methamphetamine, a Schedule II controlled substance, in violation of Title 21, United States Code, Section 846 & 841(a)(1) & (b)(1)(A).

As part of the conspiracy, the defendant, and co-defendants David Lee White and Alicia Marie McCoy, used the darkweb vendor accounts "THESICKNESS" and "SICKNESSVERSION2" on Dream Market to distribute at least 4,068 grams of a mixture and substance containing a detectable amount of heroin and at least 766.5 grams of a mixture and substance containing a detectable amount of methamphetamine in exchange for Bitcoin.

Dated:



JASON KEITH ARNOLD, Defendant