



**UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING  
File No. 3-18545**

**In the Matter of  
  
BRYAN LEE ADDINGTON  
  
Respondent.**

**DIVISION OF ENFORCEMENT'S MOTION AND MEMORANDUM OF LAW  
SUPPORTING ENTRY OF DEFAULT**

**I. Introduction**

The Division of Enforcement (the "Division"), pursuant to Rule 155(a) and 220(f) of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a) and 201.220(f), moves for entry of an Order finding Respondent Bryan Lee Addington in default and determining this proceeding against him upon consideration of the record. The Division sets forth the grounds below.

**II. History of the Case**

The Commission issued the Order Instituting Proceedings ("OIP") on June 18, 2018 pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act"). In summary, the OIP alleges that Addington, while associated with a broker-dealer and investment adviser, solicited money from investors on the false promise that he would invest it in stock, among other things, when in

fact he failed to make any investments. These facts led to Addington's guilty plea in the criminal case against him.

On October 10, 2018, the Law Judge entered an order requiring Addington to answer the OIP by October 30, 2018. (AP Rulings Rel. No. 6158) Addington did not file an answer, and on October 31, 2018, the Law Judge ordered Addington to show cause by November 13, 2018 why he should not be found in default. (AP Rulings Rel. No. 6271) That day passed without a response from Addington.

### **III. Memorandum of Law**

#### **A. Addington's Criminal Case**

On September 7, 2016, a federal grand jury returned an indictment against Addington, charging him with five counts of mail fraud (18 U.S.C. § 1341) and one count of aggravated identity theft (18 U.S.C. § 1028A)<sup>1</sup> On March 6, 2017, Addington pled guilty pursuant to a plea agreement to one count each of mail fraud and aggravated identity theft.<sup>2</sup> On November 1, 2017, the district court sentenced Addington to a total of 159 months imprisonment, followed by a three-year term of supervised release.<sup>3</sup> Addington's appeal of the conviction is pending. *United States v. Addington*, No. 17-30904 (5th Cir.).

#### **B. Facts**

Based on Addington's default, the allegations of the OIP "may be deemed to be true." 17 C.F.R. § 155(a). Moreover, Addington's guilty plea binds him to the facts he admitted. *See Gary L. McDuff*, Exchange Act Rel. No. 74803, at 5 & n.18, 2015 WL 1873119 (Apr. 23, 2015); *Don Warner Reinhard*, Exchange Act Rel. No. 63720, at 11-12, 2011 WL 121451 (Jan. 14,

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<sup>1</sup>Exh. 1 (Indictment, DE 1, *United States v. Addington*, No. 16-98-JJB-RLB (M.D. La.)).

<sup>2</sup>Exh. 2 (Minute Entry for Guilty Plea, DE 44); Exh 3 (Plea Agreement, DE 47).

<sup>3</sup>Exh. 4 (Judgment of Conviction, DE 72).

2011) (respondent who pleaded guilty “cannot now dispute the accuracy of the findings set out in the Factual basis for Plea Agreement); *Gary M. Kornman*, Exchange Act Rel. No. 59403, at 12, 2009 WL 367635 (Feb. 13, 2009) (criminal conviction based on guilty plea precludes litigation of issues in Commission proceedings), *aff’d*, 592 F.3d 173 (D.C. Cir. 2010).

The OIP and the facts admitted pursuant to the plea agreement establish the following:

From February 2007 through February 19, 2010, Addington was associated with First Midwest Securities, Inc. (“First Midwest”), a broker dealer and investment adviser registered with the Commission. (OIP ¶ II.A.1) Addington admitted in the plea agreement<sup>4</sup> that he engaged in a scheme to defraud from no later than January 1, 2010 through April 2016. Addington was an investment adviser who deceived victim investors into believing he would invest their money as promised. He told investors he would invest their money in, among other things, real estate, insurance products and policies (including annuities), film tax credits, and stock. He falsely represented that such investments were safe and would yield good, and sometimes guaranteed, returns. He lulled victim by giving them promissory notes and other documents. In one instance, Addington gave a victim investor a fraudulent promissory note which stated that the investment would accrue 12% annual interest. He also lulled victims by periodically making payments to them, which he sometimes described as distributions, but which were often paid from money which belonging to other victim investors. He also sent investors account statements and similar documents falsely representing that their money had been invested as promised. One such statement represented that victim investors had holdings in, among others, “Petro Rock Lease Bank, PetroRock Mineral Holdings, LLC, McKinney 90 Project, Anchor II Well Package, and Life Settlement Policies.” Based on the restitution portion

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<sup>4</sup>The following facts are from the Plea Agreement at pp. 5-7.

of the Judgment of Conviction, it appears Addington caused losses in excess of \$5 million to more than 30 victims.

**C. Entry of Default is Appropriate**

Under Rule 155(a) of the Commission’s Rules of Practice, a party who fails to file a timely answer “may be deemed to be in default and the Law Judge “may determine the proceeding against that party upon consideration of the record, including the order instituting proceedings, the allegations of which may be deemed to be true . . . .” 17 C.F.R. § 201.155(a). Here Addington has not filed an answer, has not participated in the prehearing conference, and has not responded to the order to show cause. Therefore the proceeding should be determined against him based on the record.

The facts established by Addington’s default and his guilty plea show that the Division is entitled to the relief it seeks under Exchange Act Section 15(b)(6)(A), which provides in relevant part:

With respect to any person . . . at the time of the alleged misconduct, who was associated with a broker . . . the Commission, by order, shall censure, place limitations on the activities or functions of such person, or suspend for a period not exceeding 12 months, or bar any such person from being associated with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, or from participating in an offering of penny stock, if the Commission finds, on the record after notice and opportunity for a hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person—

\* \* \* \*

(ii) has been convicted of any offense specified in [Exchange Act Section 15(b)(4)(B)] within 10 years of the commencement of the proceedings under this paragraph . . . .

Advisers Act Section 203(f) provides for an identical associational bar (but not a penny stock bar) for a person with a qualifying conviction who at the time of the misconduct was associated

with an investment adviser. Each of the requirements of these provisions—timely issuance of the OIP, conviction under a qualifying statute, and misconduct committed while Addington was associated with a broker-dealer and/or an investment adviser—are satisfied here.

**a. The Division Timely Filed this Action**

The Division must commence a proceeding under Section 15(b)(6)(A)(ii) within “10 years” of the criminal conviction. *See Joseph Contorinis*, Exchange Act Release No. 72031, at 4-6, 2014 WL 1665995 (Apr. 25, 2014) (10-year limitations period governs Section 15(b)(6)(A)(ii) proceeding; limitations period runs from date of conviction, not underlying conduct). Here, Respondent was convicted in 2017, and the OIP was issued in 2018. Therefore, this matter was timely filed.

**b. Addington Was Convicted of a Qualifying Offense**

Addington’s mail fraud conviction constitutes a “felony . . . which . . . involves the violation of section . . . 1341 . . . of Title 18,” thus triggering the Commission’s ability to sanction him under both the Exchange Act and the Advisers Act. *See* Exchange Act Sections 15(b)(4)(B)(iv), 15(b)(6)(A)(ii); Advisers Act Sections 203(e)(2)(D), 203(f). The pendency of Addington’s appeal does not impair the Commission’s authority to impose a bar. *Elliott v. SEC*, 36 F.3d 86, 87 (11th Cir. 1994) (per curiam) (“Nothing in the statute's language prevents a bar [from being] entered if a criminal conviction is on appeal.”).

**c. Respondent Was Associated with a Broker and an Investment Advisor at the Time of the Misconduct**

Exchange Act Section 15(b)(6)(A) and Advisers Act Section 203(f) each require that Addington have been associated with, respectively, a broker or investment adviser at the time of the misconduct. Here, deemed admitted is the OIP’s allegation that Addington was associated with First Midwest, a dually registered broker-dealer and investment from February 2007

through February 19, 2010. Addington admitted engaging in a scheme to defraud that began no later than January 1, 2010 and ran through 2016. Thus, Addington was associated “at the time of the alleged misconduct.” *See Kornman v. SEC*, 592 F.3d 173, 184 (D.C. Cir. 2010) (“The Commission properly relied on the ordinary meaning of alleged ‘misconduct,’ which refers to allegedly ‘unlawful or improper behavior.’”).

With respect to the Advisers Act, Addington continued to act as and hold himself out as an unregistered investment adviser for six years after his association with First Midwest ended. Advisers Act Section 202(a)(11) defines an investment adviser as a person who engages in the business of advising others as to the value of or the advisability of investing in, purchasing, or selling securities. *See Alexander Stein*, Advisers Act Release No. 1497, 1995 WL 358127, \*2 & n.11 (June 8, 1995). Here, Addington represented to investors that he would invest their money in, among other things, “stock,” providing one investor with a promissory note as evidence of the investment, and providing others with account statements falsely representing that they “had investments in,” among others, “PetroRock Mineral Holdings, LLC.” *See id.*, at \*2 & n.12 (individual who falsely represented to clients he was investing in an arbitrage program involving NYSE-traded securities acted as an investment adviser). Addington’s misappropriation of client funds satisfies the “for compensation” element of Section 202(a)(11). *See id.*, at \*2 & n.13. Finally, Addington’s “act[ing] as an unregistered investment adviser establishes that he was associated with an investment adviser for purposes of Advisers Act Section 203(f).” *Shreyans Desai*, Exchange Act Release No. 80129, at 4 & n.16, 2017 WL 782152 (Mar. 1, 2017). Therefore, the Commission has jurisdiction over Stein’s conduct both during and after his association with First Midwest.

**d. Industry and Penny Stock Bars Are Appropriate Sanctions**

In determining whether an administrative sanction is in the public interest, the Commission

considers, among other things, the egregiousness of the respondent's actions, the isolated or recurrent nature of the infraction, the degree of scienter involved, the sincerity of the respondent's assurances against future violations, the respondent's recognition of the wrongful nature of his conduct, and the likelihood that the respondent's occupation will present opportunities for future violations.

*David R. Wulf*, Exchange Act Rel. No. 77411, at 5-6, 2016 WL 1085661 (Mar. 21, 2016) (quotation and alterations omitted). “Absent extraordinary mitigating circumstances, an individual who has been convicted cannot be permitted to remain in the securities industry.” *Frederick W. Wall*, Exchange Act Rel. No. 52467, at 8, 2005 WL 2291407 (Sept. 19, 2005) (quotation omitted); *accord Shreyans Desai*, Exchange Act Rel. No. 80129, at 6, 2017 WL 782152 (Mar. 1, 2017).

Here, these factors weigh in favor of industry and penny stock bars. First, Addington's actions were egregious. His conviction establishes that he knowingly and willfully engaged in a scheme to defraud numerous victims and appropriate more than \$5 million for his own use.

Second, this was not a one-time lapse in judgment: Addington admitted to a scheme that continued for more than six years. Third, his level of scienter was extremely high, giving to a criminal conviction.

With respect to the fourth and fifth factors, notwithstanding his guilty plea, Addington has not participated in this matter, thus providing no assurances that he will avoid *future* violations of the law. Although “[c]ourts have held that the existence of a past violation, without more, is not a sufficient basis for imposing a bar, . . . the existence of a violation raises an inference that it will be repeated.” *Tzemach David Netzer Korem*, Exchange Act Release No. 70044, at 10 n.50, 2013 WL 3864511 (July 26, 2013) (quotation and alternations omitted).

Addington has offered no evidence to rebut that inference.

Sixth, although Addington is serving a lengthy sentence, he will eventually be released, and unless he is barred from the securities industry he will have the chance to again harm investors.

Finally, it serves the public interest to collaterally bar Addington from all association with the securities industry. Although Addington's scheme began prior to the July 2010 enactment of the Dodd-Frank Act, the collateral bars authorized therein may be imposed because his scheme extended into 2016. *See Wayne L. Palmer*, Initial Decision Rel. No. 1025, at 7, n.6, 2016 WL 3227658 (June 13, 2016) ("Because a portion of Palmer's misconduct occurred after July 22, 2010 . . . imposing a full collateral bar is not impermissibly retroactive."). Accordingly, the Law Judge should bar Addington to the full extent permitted by the Dodd-Frank Act, even though certain of his conduct occurred prior to that statute's enactment.

#### IV. Conclusion

For the reasons discussed above, the Division asks the Law Judge to sanction Respondent by issuing a penny stock bar and barring him from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent or NRSRO.

November 20, 2018

Respectfully submitted,



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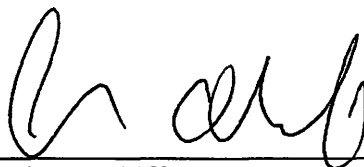


**CERTIFICATE OF SERVICE**

I hereby certify that an original and three copies of the foregoing were filed with the Securities and Exchange Commission, Office of the Secretary, 100 F Street, N.E., Washington, D.C. 20549-9303 and that a true and correct copy of the foregoing has been served by U.S. Mail, on this 20th day of November 2018, on the following persons entitled to notice:

The Honorable James Grimes  
Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

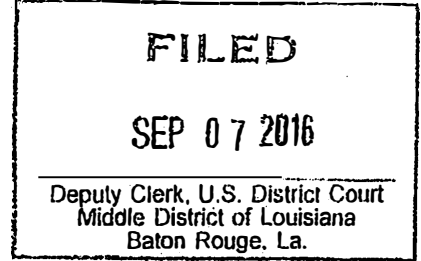
Mr. Bryan Lee Addington [REDACTED]  
Attn: L'Barker, Unit Manager  
[REDACTED]  
P.O. Box [REDACTED]  
Oakdale, LA [REDACTED]  
*Pro Se*



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Andrew Schiff, Esq.  
Regional Trial Counsel

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA



**INDICTMENT FOR MAIL FRAUD, AGGRAVATED  
IDENTITY THEFT, AND FORFEITURE ALLEGATION**

UNITED STATES OF AMERICA : CRIMINAL NO. 16-98-JJB-RLB  
: :  
versus : 18 U.S.C. § 1341  
: 18 U.S.C. § 1028A  
: 18 U.S.C. § 981(a)(1)(C)  
BRYAN LEE ADDINGTON : 18 U.S.C. § 2461(c)

**THE GRAND JURY CHARGES:**

**At times material to this indictment:**

1) BRYAN LEE ADDINGTON (“ADDINGTON”), the defendant herein, operated various entities including, as examples, Addington Investment Services, Bryan L. Addington Financial, SAL Financial Services, and DBR Holdings LLC.

2) ADDINGTON, through the entities he operated, solicited and obtained over \$3.5 million from numerous investors (hereinafter sometimes referred to as the “victim investors”). The money ADDINGTON solicited and obtained from victim investors often came from their retirement funds, including but not limited to their 401(k) retirement accounts.

**The Scheme to Defraud**

3) From no later than on or about January 1, 2010, through at least on or about April 14, 2016, in the Middle District of Louisiana and elsewhere, ADDINGTON, the defendant herein, devised and intended to devise a scheme to defraud the victim investors and to obtain money and property from the victim investors by means of materially false and fraudulent pretenses, promises, and representations.



4) **ADDINGTON's** scheme was to enrich himself by obtaining money through fraud from the victim investors.

**Manner and Means**

5) The scheme to defraud and to obtain money and property was executed in the following manner:

a. It was part of the scheme that, from no later than on or about January 1, 2010, through at least on or about April 14, 2016, **ADDINGTON**, through the entities he operated, solicited and obtained over \$3.5 million from the victim investors, a substantial portion of which he subsequently diverted to his own personal use, the use of others, and to make payments to other victim investors. Examples of his personal use include spending at Ruth's Chris Steak House, Galatoire's Bistro, Victoria's Secret, Boomtown Casino, Eldorado Resort Casino, Hard Rock Hotel, and Disney Resort, and thousands of dollars in purchases of Louisiana State University athletic tickets.

b. It was further part of the scheme that **ADDINGTON** deceived victim investors into believing that he would invest their money by, among other things, (i) causing them to complete various forms, including investment account applications, and (ii) sending them letters which thanked them for the opportunity to serve them and their financial needs.

c. It was further part of the scheme that **ADDINGTON** falsely represented to victim investors that their money would be invested in, among other things, real estate and land, insurance products, and stock, and would be used to purchase insurance policies.

d. It was further part of the scheme that ADDINGTON represented that such investments were safe and would yield good returns, and that they would, in some cases, bring guaranteed returns.

e. It was further part of the scheme that ADDINGTON hid from victim investors that (i) the Financial Industry Regulatory Authority had permanently barred him from acting as a broker or otherwise associating with firms that sell securities to the public and that (ii) he was no longer an employee of SAL Financial Services, Inc., an entity registered in the State of Alabama.

f. It was further part of the scheme that ADDINGTON lulled victim investors into believing that he had invested their money as promised by, among other things, (i) using promissory notes and other documents and (ii) periodically making payments to them, which he sometimes described as distributions.

g. It was further part of the scheme that ADDINGTON periodically sent victim investors account statements, often addressed from non-existent post office boxes, which misrepresented the value of their purported investments and holdings.

h. It was further part of the scheme that ADDINGTON deceived victim investors into believing that he would return them their money by, among other things, causing them to complete various forms, including investment account withdrawal forms.

#### The Mailings

6) On or about the following dates, in the Middle District of Louisiana, the defendant, BRYAN LEE ADDINGTON, having devised and intended to devise the above-described scheme to defraud and to obtain money and property, for the purpose of executing the scheme and attempting to do so, knowingly caused the following items to be sent and delivered

by mail and private and commercial interstate carrier from, through, and into the Middle District of Louisiana as described below, with each mailing constituting a separate count:

COUNT	DATE	DESCRIPTION
1	11/12/2012	ADDINGTON caused a letter to be sent to A.F. in Baker, Louisiana, thanking him for the opportunity to serve him and his financial needs. This was part of ADDINGTON's scheme to use thank you letters to deceive victim investors.
2	05/26/2014	ADDINGTON caused a letter to be sent to M.C. in Denham Springs, Louisiana, thanking him for the opportunity to serve him and his financial needs. This was part of ADDINGTON's scheme to use thank you letters to deceive victim investors.
3	11/30/2015	ADDINGTON caused an account statement to be sent to A.F. in Baker, Louisiana, which misrepresented the value of A.F.'s purported investments and holdings.
4	12/22/2015	ADDINGTON caused a letter to be sent to P.M. in Clinton, Louisiana, attempting to explain why her funds had not been returned to her.
5	12/23/2015	ADDINGTON caused a letter to be sent to D.M. in Clinton, Louisiana, attempting to explain why his funds had not been returned to him.

Each of the above is a violation of Title 18, United States Code, Section 1341.

**Count 6**  
**Aggravated Identity Theft**

7) Paragraphs 1 through 6 of this indictment are incorporated herein as factual allegations.

8) On or about August 5, 2015, in the Middle District of Louisiana, the defendant, **BRYAN LEE ADDINGTON**, did knowingly use, without lawful authority, a means of identification of another person, to wit, the name of R.B., during and in relation to a felony violation enumerated in 18 U.S.C. § 1028A(c), that is, the mail fraud set forth in Counts 1 through 5, knowing that the means of identification belonged to another actual person, in violation of Title 18, United States Code, Section 1028A(a)(1).

The above is a violation of Title 18, United States Code, Section 1028A.

**FORFEITURE ALLEGATION**

9) Paragraphs 1 through 6 of this indictment are incorporated herein as factual allegations for the purpose of alleging forfeiture.

10) Upon conviction of one or more of the mail fraud offenses charged in Counts 1 through 5 of this indictment, the defendant, **BRYAN LEE ADDINGTON**, shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property constituting or derived from the proceeds of the said violation, including but not limited to a sum of money equal to the amount of proceeds of the offense.

11) If any of the above-described forfeitable property, as a result of any act or omissions of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) as incorporated by 18 U.S.C. § 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

UNITED STATES OF AMERICA, BY



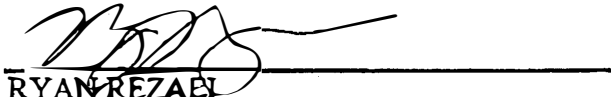
J. WALTER GREEN  
UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF LOUISIANA

A TRUE BILL

REDACTED  
PER PRIVACY ACT



GRAND JURY FOREPERSON



RYAN REZAEI  
ASSISTANT UNITED STATES ATTORNEY

9-17-16  
DATE



RYAN R. CROSSWELL  
ASSISTANT UNITED STATES ATTORNEY

**Place of Offense:**

**Matter to be sealed:**  No  Yes

City Baton Rouge

**Related Case Information:**

County/Parish East Baton Rouge Parish

Superseding Indictment \_\_\_\_\_ Docket Number \_\_\_\_\_  
 Same Defendant \_\_\_\_\_ New Defendant \_\_\_\_\_  
 Magistrate Case Number \_\_\_\_\_  
 Search Warrant Case No. \_\_\_\_\_  
 R 20/ R 40 from District of \_\_\_\_\_  
 Any Other Related Cases: \_\_\_\_\_

**Defendant Information:**

Defendant Name Bryan Lee Addington

Alias \_\_\_\_\_

Address \_\_\_\_\_

Birthdate \_\_\_\_\_

SS # \_\_\_\_\_

Sex \_\_\_\_\_

Race \_\_\_\_\_

Nationality \_\_\_\_\_

**U.S. Attorney Information:**

AUSA Ryan Rezaei

Bar # CA 285133

**Interpreter:**  No  Yes

**List language and/or dialect:** \_\_\_\_\_

**Location Status:**

Arrest Date \_\_\_\_\_

\_\_\_\_\_ Already in Federal Custody as of \_\_\_\_\_

\_\_\_\_\_ Already in State Custody

\_\_\_\_\_ On Pretrial Release

**U.S.C. Citations:**

Total # of Counts: 6

<u>Index Key/Code</u>	<u>Description of Offense Charged</u>	<u>Count(s)</u>	<u>Petty/ Misdemeanor/ Felony</u>
<u>18 U.S.C. § 1341</u>	<u>Mail Fraud</u>	<u>1-5</u>	<u>F</u>
<u>18 U.S.C. § 1028A</u>	<u>Aggravated Identity Theft</u>	<u>6</u>	<u>F</u>

**Date:** \_\_\_\_\_

**Signature of AUSA:** \_\_\_\_\_

**District Court Case Number (To be filled in by deputy clerk):** \_\_\_\_\_



UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA

MINUTE ENTRY:  
MARCH 6, 2017  
BRADY, J.

UNITED STATES OF AMERICA

CRIMINAL

VERSUS

NO. 16-98-JJB-RLB

BRYAN LEE ADDINGTON

This cause came on this day for re-arraignment.

PRESENT: Ryan Arash Rezaei, Esq.  
Ryan Crosswell, Esq.  
Counsel for United States

Dustin Charles Talbot, Esq.  
Assistant Federal Public Defender

The defendant is sworn and questioned by the court.

Plea agreement filed into the record. The court defers acceptance of the plea agreement pending receipt of the presentence report.

Factual basis read into the record.

The defendant enters a plea of GUILTY to Counts Three and Six of the Indictment.

The court accepts the plea and refers this to the probation office for a presentence report.

The defendant is released on the bond previously set by the Magistrate Judge.

\*\*\*\*\*

S. Thompson/Reporter



UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA :  
 :  
 *versus* : CRIMINAL NO. 16-98-JJB-RLB  
 :  
 BRYAN LEE ADDINGTON :

**PLEA AGREEMENT**

The United States Attorney's Office for the Middle District of Louisiana ("the United States") and Bryan Lee Addington ("the defendant") hereby enter into the following plea agreement pursuant to Fed. R. Crim. P. 11(c).

A. **THE DEFENDANT'S OBLIGATIONS**

1. **Guilty Pleas**

The defendant agrees to enter pleas of guilty to Count 3 of an Indictment charging him with mail fraud in violation of 18 U.S.C. § 1341, and Count 6 charging him with aggravated identity theft in violation of 18 U.S.C. § 1028A.

2. **Financial Information**

The defendant agrees to fully and truthfully complete the financial statement provided to him by the United States and to return the financial statement to the United States within ten days of this agreement being filed with the Court. Further, the defendant agrees to provide the United States with any information or documentation in his possession regarding his financial affairs and to submit to a debtor's examination upon request. Any financial information provided by the defendant may be used by the United States to collect any



financial obligations imposed in this prosecution and may be considered by the Court in imposing sentence.

**B. UNITED STATES' OBLIGATIONS**

**1. Non-prosecution/Dismissal of Charges**

The United States agrees that, if the Court accepts the defendant's guilty pleas, it will move to dismiss the remaining counts of the Indictment after sentencing, and it will not prosecute the defendant for any offense related to the offenses charged in the Indictment.

**2. Motion for Third Point for Acceptance of Responsibility**

The United States acknowledges that the defendant has assisted authorities in the investigation or prosecution of the defendant's own misconduct by timely notifying authorities of his intention to enter pleas of guilty, thereby permitting the United States to avoid preparing for trial and permitting the United States and the Court to allocate their resources efficiently. The United States therefore agrees that, if the Court finds that the defendant qualifies for a two-level decrease in offense level for acceptance of responsibility under USSG § 3E1.1(a) and, prior to the operation of USSG § 3E1.1(a), the defendant's offense level is 16 or greater, the United States will move the Court pursuant to USSG § 3E1.1(b) to decrease the defendant's offense level by one additional level. The United States reserves the right to object to a decrease in offense level for acceptance of responsibility based on information received by the United States after the effective date of this agreement, including information that the defendant failed to timely submit the financial statement required by Section A(2) of this agreement.

**C. SENTENCING**

**1. Maximum Statutory Penalties**

The maximum possible penalty on Count 3 is a term of imprisonment of 20 years, a fine of up to \$250,000 or twice the gross gain or twice the gross loss, whichever is greater, and a term of supervised release of not more than three years.

The maximum possible penalty on Count 6 is a mandatory term of imprisonment of two years consecutive to any other term of imprisonment, and a term of supervised release of one year.

In addition to the above, the Court must impose a special assessment of \$100 per count which is due at the time of sentencing. The Court may also order restitution.

**2. Supervised Release**

Supervised release is a period following release from imprisonment during which the defendant's conduct is monitored by the Court and the United States Probation Office and during which the defendant must comply with certain conditions. Supervised release is imposed in addition to a sentence of imprisonment, and a violation of the conditions of supervised release can subject the defendant to imprisonment over and above any period of imprisonment initially ordered by the Court for a term of up to two years, without credit for any time already served on the term of supervised release.

**3. Sentencing Guidelines**

The Court will determine in its sole discretion what the defendant's sentence will be. While the Court must consider the United States Sentencing Guidelines in imposing

sentence, the Sentencing Guidelines are not binding on the Court. The Court could impose any sentence up to the maximum possible penalty as set out above despite any lesser or greater sentencing range provided for by the Sentencing Guidelines.

**4. Agreement Regarding Sentencing**

The defendant and the United States agree, pursuant to 18 U.S.C. § 3663(a)(3), that the Court shall not be limited to the counts of conviction for purposes of ordering restitution. Instead, the defendant and the United States agree that the Court will order full restitution from the defendant's scheme, as outlined in the Indictment (Doc. 1). Otherwise, except as set forth in this agreement, the United States makes no promises, representations, or agreements regarding sentencing. In particular, the United States reserves the right to present any evidence and information to the Court and the United States Probation Office regarding sentencing.

**5. Forfeiture**

The defendant agrees to forfeit any property constituting, or derived from, proceeds he obtained directly, or indirectly, as a result of the offense charged in Count 3 of the Indictment, including but not limited to a sum of money equal to the amount of the proceeds of the offense as well as any substitute property, as set forth in the forfeiture allegation of the Indictment. The amount of the personal judgment, if ordered, is to be determined by the Court.

The defendant understands that forfeiture of his property will not be treated as satisfaction of any fine, restitution, cost of imprisonment, or other penalty which may be

imposed upon him as part of his sentence. The defendant further understands that, separate and apart from his sentence in this case, the United States may also institute civil or administrative forfeiture proceedings of any property, real or personal, which is subject to forfeiture.

The defendant agrees to fully and truthfully disclose the existence, nature, and location of all assets and to fully and completely assist the United States in the recovery and forfeiture of all forfeitable assets, including taking all steps as requested by the United States to pass clear title to forfeitable assets to the United States. The defendant agrees to hold the United States, its agents, and its employees harmless from any claims whatsoever in connection with the seizure or forfeiture of property pursuant to the Court's forfeiture orders.

The defendant hereby waives the following: (1) all statutory and constitutional defenses to the forfeiture, including any claim that the forfeiture constitutes an excessive fine or punishment; (2) any failure by the Court to ensure at sentencing that the defendant is aware of the forfeiture or to incorporate the forfeiture in the judgment as required by Fed. R. Crim. P. 32.2(b)(4)(B); and (3) any failure by the Court to inform the defendant of, and determine that the defendant understands, the applicable forfeiture prior to accepting the defendant's pleas.

**D. FACTUAL BASIS**

The United States and the defendant stipulate to the following facts:

Count 3

Bryan Lee Addington (hereinafter, the "defendant") was an investment adviser who operated various entities including Addington Investment

Services, Bryan L. Addington Financial, SAL Financial Services, and DBR Holdings LLC. While the defendant maintains that he provided legitimate investment services to many clients, he also fully admits and acknowledges that he unlawfully used these entities, in the Middle District of Louisiana and elsewhere, to solicit and obtain money from victim investors in a scheme to defraud. The defendant's scheme to defraud employed materially false and fraudulent pretenses, promises, and representations, and was executed for the purpose of enriching himself. Furthermore, the defendant, in executing the scheme to defraud, acted with the specific intent to defraud.

The defendant, in the Middle District of Louisiana and elsewhere, knowingly devised and intended to devise his scheme to defraud from no later than on or about January 1, 2010, through at least on or about April 14, 2016. The defendant executed his scheme to defraud by doing, among other things, the following:

a. He deceived victim investors into believing that he would invest their money as promised by causing them to complete various forms, including investment account applications, and sending them letters which thanked them for the opportunity to serve them and their financial needs.

b. He falsely represented to victim investors that their money would be invested in, among other things, real estate and land, insurance products, film tax credits, annuities, and stock, and would be used to purchase insurance policies.

c. He falsely represented that such investments were safe and would yield good returns, and that they would, in some cases, bring guaranteed returns.

d. He lulled victim investors into believing that he had invested their money as promised by giving them promissory notes and other documents. For example, in one such instance, the defendant gave M.C., a victim investor, a fraudulent promissory note which stated that M.C.'s investment would accrue interest at a rate of twelve percent (12%) per annum until the note's maturity. In fact, the defendant had not made any such investment on M.C.'s behalf. The defendant further lulled victim investors by periodically making payments to them which he sometimes described as distributions. These distributions were often paid from money which actually belonged to other victim investors.

e. He sent victim investors account statements and similar documents, often addressed from non-existent post office boxes, which falsely represented that their money had been invested as promised. For example, such statements falsely provided that victim investors had investments in, among others, Petro Rock Lease Bank, PetroRock Mineral Holdings, LLC, McKinney 90 Project, Anchor II Well Package, and Life Settlements Policies.

For the purpose of executing his scheme and attempting to do so, on or about November 30, 2015, the defendant, from a location in the Middle District of Louisiana, caused an account statement to be delivered through the United States Postal Service to A.F., in Baker, Louisiana. The defendant had falsely represented to A.F. that A.F.'s money would be invested in some type of insurance investment. Instead, the defendant had used A.F.'s money on personal expenses and to make payments to other victim investors. The defendant sent the account statement in an attempt to lull A.F. into believing that he had invested A.F.'s money as he had promised.

During the execution of his scheme to defraud, the defendant, by means of materially false and fraudulent pretenses, promises, and representations, solicited and obtained, from at least ten victim investors, more than \$1.5 million but less \$9.5 million. The parties stipulate that the amount of loss in this case falls within that monetary range under Section 2B1.1(b)(1) of the U.S. Sentencing Guidelines.

More than five but fewer than twenty-five victim investors have suffered a "substantial financial hardship" within the meaning of U.S.S.G. § 2B1.1(b)(2)(B), given that, among other things, the victim investors suffered a substantial loss of their retirement savings. Accordingly, the parties stipulate that the defendant's base offense level should be increased by four levels under U.S.S.G. § 2B1.1(b)(2)(B).

#### Count 6

During and in relation to the commission of the offenses alleged in Counts 1 through 5 of the Indictment, the defendant, in an attempt to convince A.M., another victim, that he had invested A.M.'s money as promised, forged the signature of R.B. and presented it to A.M.

Specifically, the defendant created a "Collateral Assignment of Real Estate" (hereinafter, the "Collateral Assignment") which purportedly assigned a collateral interest in an investment to A.M. The defendant forged the signature of R.B., whom the defendant had met previously, on the final page



of the Collateral Assignment. The defendant then presented the Collateral Assignment to A.M. in an attempt to lull A.M. into believing that he had such a collateral interest. No such collateral interest ever existed.

A Special Agent with the Federal Bureau of Investigation interviewed R.B. During the interview, R.B. confirmed that he personally knew the defendant, and that the signature on the Collateral Assignment was not his own. Instead, it had been signed without his permission or knowledge, that is, it had been forged.

The parties agree that as of the date of the U.S. Attorney's signature, the defendant has accepted responsibility for his offenses. The parties also agree that as of the date of the U.S. Attorney's signature, the defendant has not obstructed the investigation or prosecution of the matter within the meaning of U.S.S.G. § 3C1.1.

The defendant admits that, to the best of his knowledge and belief, the stipulated statement of facts is true and correct in all respects. The United States and the defendant agree that, had this matter gone to trial, the United States could have proved such facts. The United States and the defendant further agree that such facts are sufficient to support conviction of the offenses to which the defendant has agreed to plead guilty. The defendant understands that, by the terms of USSG § 6B1.4, the Court is not limited by the stipulated facts, or any other stipulations contained in the Factual Basis, for purposes of sentencing. Rather, in determining the factual basis for the sentence, the Court will consider the stipulations, together with the results of the presentence investigation and any other relevant information.

**E. BREACH AND ITS CONSEQUENCES**

**1. Conduct Constituting Breach**

Any of the following actions by the defendant constitutes a material breach of this agreement:

- a. failing to plead guilty to Counts 3 and 6 of the Indictment at re-arraignment;
- b. representing, directly or through counsel, to the United States or the Court that he will not plead guilty to Counts 3 and 6 of the Indictment;
- c. moving to withdraw his guilty pleas;
- d. filing an appeal or instituting other post-conviction proceedings not authorized in Section F(2);
- e. disputing or denying guilt of the offenses to which the defendant has agreed to plead guilty or denying or disputing any fact contained in the stipulated factual basis;
- f. concealing or disposing of assets with the specific intent of shielding such assets from forfeiture;
- g. providing false, misleading, or incomplete information or testimony, including financial information and testimony provided pursuant to Section A(2), to the United States; or
- h. violating the terms of this agreement or the supplement to the plea agreement in any other manner.

**2. Consequences of Breach**

In the event of a breach by the defendant, the United States is relieved of its obligations under the agreement and the supplement to the plea agreement. In particular, the United States may prosecute the defendant for any criminal offense. In addition, any statements and information provided by the defendant pursuant to this agreement (or the

supplement to the plea agreement) or otherwise, and any information and evidence derived therefrom, may be used against the defendant in this or any other prosecution or proceeding without limitation. Such statements and information include, but are not limited to, the plea agreement itself (including the factual basis contained in Section D), the supplement to the plea agreement, statements made to law enforcement agents or prosecutors, testimony before a grand jury or other tribunal, statements made pursuant to a proffer agreement, statements made in the course of any proceedings under Rule 11, Fed. R. Crim. P. (including the defendant's entry of the guilty pleas), and statements made in the course of plea discussions. The defendant expressly and voluntarily waives the protection afforded by Fed. R. Evid. 410 as to any statements made by him personally (but not as to statements made by his counsel). The defendant is not entitled to withdraw his guilty pleas.

**3. Procedure for Establishing Breach**

The United States will provide written notice to the defendant or his attorney if it intends to be relieved of its obligations under the agreement and the supplement to the plea agreement as a result of a breach by the defendant. After providing such notice, the United States may institute or proceed with any charges against the defendant prior to any judicial determination regarding breach. However, the United States will obtain a judicial determination regarding breach prior to using statements and information provided by the defendant or any act of producing documents or items by the defendant pursuant to this agreement or the supplement to the plea agreement, or any evidence or information derived therefrom, in its case-in-chief in a criminal trial or in sentencing the defendant in this case.

The standard of proof in any proceeding to determine whether the plea agreement or the supplement to the plea agreement has been breached is preponderance of the evidence. To prove a breach, the United States may use (1) any and all statements of the defendant, (2) any and all statements of his counsel to the Court (including the United States Probation Office), and (3) any representation by defense counsel to the United States that the defendant will not plead guilty.

**F. WAIVERS BY THE DEFENDANT**

**1. Waiver of Trial Rights**

By pleading guilty, the defendant waives the right to plead not guilty or to persist in a not guilty plea and waives the right to a jury trial. At a trial, the defendant would have the trial rights to be represented by counsel (and if necessary have the Court appoint counsel), to confront and examine adverse witnesses, to be protected against compelled self-incrimination, to testify and present evidence, to compel the attendance of witnesses, and to have the jury instructed that the defendant is presumed innocent and the burden is on the United States to prove the defendant's guilt beyond a reasonable doubt. By waiving his right to a trial and pleading guilty, the defendant is waiving these trial rights.

**2. Waiver of Appeal and Collateral Remedies**

Except as otherwise provided in this section, the defendant hereby expressly waives the right to appeal his conviction and sentence, including any appeal right conferred by 28 U.S.C. § 1291 and 18 U.S.C. § 3742, and to challenge the conviction and sentence in any post-conviction proceeding, including a proceeding under 28 U.S.C. § 2241, 28 U.S.C. §

2255, or 18 U.S.C. § 3582(c)(2). This waiver applies to any challenge on appeal or in any post-conviction proceeding to any aspect of the defendant's sentence, including imprisonment, fine, special assessment, restitution, forfeiture or the length and conditions of supervised release or probation. The defendant, however, reserves the right to appeal the following: (a) any sentence which is in excess of the statutory maximum; (b) any sentence which is an upward departure pursuant to the Sentencing Guidelines; and (c) any non-Guidelines sentence or "variance" which is above the guidelines range calculated by the Court. Notwithstanding this waiver of appeal and collateral remedies, the defendant may bring any claim of ineffectiveness of counsel.

**3. Waiver of Statute of Limitations**

The defendant hereby waives all defenses based on the applicable statutes of limitation as to all offenses charged in the Indictment including those that the United States has agreed to dismiss in Section B(1) and all offenses that the United States has agreed not to prosecute, as long as such offenses are not time-barred on the effective date of this agreement. The defendant likewise waives any common law, equitable, or constitutional claim of pre-indictment delay as to such offenses, as long as such offenses are not time-barred on the effective date of this agreement. The waivers contained in this paragraph will expire one year after the date of any of the following: (1) a judicial finding that defendant has breached the plea agreement; (2) the withdrawal of any plea entered pursuant to this plea agreement; or (3) the vacating of any conviction resulting from a guilty plea pursuant to this plea agreement.

**4. Waiver of Speedy Trial Rights**

The defendant hereby waives any common law, equitable, or constitutional claim regarding post-indictment delay as to all offenses charged in the Indictment including those that the United States has agreed to dismiss in Section B(1). The waiver contained in this paragraph will expire one year after the date of any of the following: (1) a judicial finding that defendant has breached the plea agreement; (2) the withdrawal of any plea entered pursuant to this plea agreement; or (3) the vacating of any conviction resulting from a guilty plea pursuant to this plea agreement.

**G. EFFECT OF AGREEMENT**

**1. Effective Date**

This agreement and the supplement to the plea agreement are not binding on any party until both are signed by the defendant, defendant's counsel, and an attorney for the United States. Once signed by the defendant, his counsel, and an attorney for the United States, the agreement and the supplement are binding on the defendant and the United States.

**2. Effect on Other Agreements**

This agreement incorporates the supplement to the plea agreement which will be filed under seal with the Court. In this district, the Court requires that a sealed supplement be filed with every plea agreement regardless of whether the defendant is cooperating. The supplement either states that the defendant is not cooperating or provides the terms of the defendant's agreement to cooperate. This plea agreement, along with the aforementioned

supplement to the plea agreement, supersedes any prior agreements, promises, or understandings between the parties, written or oral, including any proffer agreement.

**3. Effect on Other Authorities**

The agreement does not bind any federal, state, or local prosecuting authority other than the United States Attorney's Office for the Middle District of Louisiana.

**4. Effect of Rejection by Court**

Pursuant to Fed. R. Crim. P. 11, the Court may accept or reject this plea agreement and the supplement to the plea agreement. If the Court rejects the plea agreement and the supplement, the plea agreement and the supplement are no longer binding on the parties and are not binding on the Court. If the Court rejects the plea agreement and the supplement, the defendant will be given the opportunity to withdraw his pleas and such withdrawal will not constitute a breach of the agreement. If the defendant does not withdraw his pleas following rejection of the plea agreement and the supplement, the disposition of the case may be less favorable to the defendant than contemplated by the plea agreement.

**H. REPRESENTATIONS AND SIGNATURES**

**1. By The Defendant**

I, Bryan Lee Addington, have read this plea agreement and have discussed it with my attorney. I fully understand the agreement and enter into it knowingly, voluntarily, and without reservation. I have not been threatened, intimidated, pressured, or coerced in any manner. I am not under the influence of any substance or circumstance that could impede my ability to understand the agreement and its consequences.

I affirm that absolutely no promises, agreements, understandings, or conditions have been made, agreed to, or imposed by the United States in connection with my decision to plead guilty except those set forth in this agreement and the supplement to the plea agreement.

I acknowledge that no promises or assurances have been made to me by anyone as to what my sentence will be. I understand that representations by my attorney (or anyone else) regarding application of the Sentencing Guidelines and/or my possible sentence are merely estimates and are not binding on the Court.

I have read the Indictment and discussed it with my attorney. I fully understand the nature of the charges, including the elements.

I have accepted this plea agreement and agreed to plead guilty because I am in fact guilty of Counts 3 and 6 of the Indictment.

I am satisfied with the legal services provided by my attorney and have no objection to the legal representation I have received.

  
\_\_\_\_\_  
Bryan Lee Addington  
Defendant


DATE: 2-17-17

**2. By Defense Counsel**

I have read the Indictment and this plea agreement and have discussed both with my client, Bryan Lee Addington, who is the defendant in this matter. I am satisfied that the defendant understands the agreement and the charges against him, including the elements. I am also satisfied that the defendant is entering into the agreement knowingly and voluntarily.



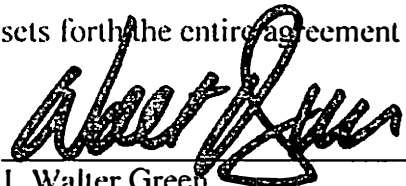
This agreement, together with the supplement to the plea agreement, accurately and completely sets forth the entire agreement between the defendant and the United States.

  
\_\_\_\_\_  
Dustin C. Talbot  
Counsel for Defendant


DATE: 2/17/17

3. By the United States

We accept and agree to this plea agreement on behalf of the United States. This agreement, together with the supplement to the plea agreement, accurately and completely sets forth the entire agreement between the defendant and the United States.

  
\_\_\_\_\_  
J. Walter Green  
United States Attorney  
Middle District of Louisiana

DATE: 2 FEB 17

  
\_\_\_\_\_  
Ryan Rezaei  
Assistant United States Attorney  
Middle District of Louisiana

DATE: 2/13/17

**UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA

v.

**BRYAN LEE ADDINGTON**

§ **JUDGMENT IN A CRIMINAL CASE**

§

§

§ Case Number: **3:16-CR-00098-JJB-RLB(1)**

§ USM Number: XXXXXXXXXX

§ **Dustin Charles Talbot**

§ Defendant's Attorney

**THE DEFENDANT:**

<input checked="" type="checkbox"/>	pleaded guilty to count(s)	<b>3 and 6 of the Indictment</b>
<input type="checkbox"/>	pleaded guilty to count(s) before a U.S. Magistrate Judge, which was accepted by the court.	
<input type="checkbox"/>	pleaded nolo contendere to count(s) which was accepted by the court	
<input type="checkbox"/>	was found guilty on count(s) after a plea of not guilty	

The defendant is adjudicated guilty of these offenses:

**Title & Section / Nature of Offense**

18:1341 / Mail Fraud  
18:1028A / Aggravated Identity Theft

**Offense Ended**

11/30/2015  
08/05/2015

**Count**

3  
6

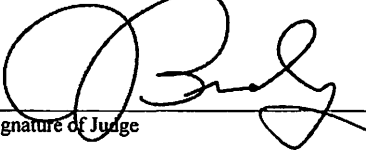
The defendant is sentenced as provided in pages 2 through 7 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

- The defendant has been found not guilty on count(s)
- Count(s)  is  are dismissed on the motion of the United States

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

**November 1, 2017**

Date of Imposition of Judgment



Signature of Judge

**JAMES J. BRADY  
UNITED STATES DISTRICT JUDGE**

Name and Title of Judge

**November 9, 2017**

Date



DEFENDANT: BRYAN LEE ADDINGTON  
CASE NUMBER: 3:16-CR-00098-JJB-RLB(1)

**IMPRISONMENT**

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of: 135 months on count three and 24 months on count six, to run consecutive, for a total of 159 months.

The court makes the following recommendations to the Bureau of Prisons:

The defendant is remanded to the custody of the United States Marshal.

The defendant shall surrender to the United States Marshal for this district:

at  a.m.  p.m. on

as notified by the United States Marshal.

The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

before 2 p.m. on December 4, 2017

as notified by the United States Marshal.

as notified by the Probation or Pretrial Services Office.

**RETURN**

I have executed this judgment as follows:

Defendant delivered on \_\_\_\_\_ to

at \_\_\_\_\_, with a certified copy of this judgment.

UNITED STATES MARSHAL

By  
DEPUTY UNITED STATES MARSHAL

DEFENDANT: BRYAN LEE ADDINGTON  
CASE NUMBER: 3:16-CR-00098-JJB-RLB(1)

### SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of: **three (3) years.**

### MANDATORY CONDITIONS

1. You must not commit another federal, state or local crime.
2. You must not unlawfully possess a controlled substance.
3. You must refrain from any unlawful use of a controlled substance. You must submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.  
 The above drug testing condition is suspended, based on the court's determination that you pose a low risk of future substance abuse. *(check if applicable)*
4.  You must make restitution in accordance with 18 U.S.C. § 3663 and 3663A or any other statute authorizing a sentence of restitution. *(check if applicable)*
5.  You must cooperate in the collection of DNA as directed by the probation officer. *(check if applicable)*
6.  You must comply with the requirements of the Sex Offender Registration and Notification Act (42 U.S.C. § 16901, et seq.) as directed by the probation officer, the Bureau of Prisons, or any state sex offender registration agency in which you reside, work, are a student, or were convicted of a qualifying offense. *(check if applicable)*
7.  You must participate in an approved program for domestic violence. *(check if applicable)*

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

DEFENDANT: BRYAN LEE ADDINGTON  
CASE NUMBER: 3:16-CR-00098-JJB-RLB(1)

**STANDARD CONDITIONS OF SUPERVISION**

As part of your supervised release, you must comply with the following standard conditions of supervision. These conditions are imposed because they establish the basic expectations for your behavior while on supervision and identify the minimum tools needed by probation officers to keep informed, report to the court about, and bring about improvements in your conduct and condition.

1. You must report to the probation office in the federal judicial district where you are authorized to reside within 72 hours of your release from imprisonment, or if placed on probation, within 72 hours of the time you were sentenced, unless the probation officer instructs you to report to a different probation office or within a different time frame.
2. After initially reporting to the probation office, you will receive instructions from the court or the probation officer about how and when you must report to the probation officer, and you must report to the probation officer as instructed.
3. You must not knowingly leave the federal judicial district where you are authorized to reside without first getting permission from the court or the probation officer.
4. You must answer truthfully the questions asked by your probation officer.
5. You must live at a place approved by the probation officer. If you plan to change where you live or anything about your living arrangements (such as the people you live with), you must notify the probation officer at least 10 days before the change. If notifying the probation officer in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
6. You must allow the probation officer to visit you at any time at your home or elsewhere, and you must permit the probation officer to take any items prohibited by the conditions of supervision that the probation officer observes in plain view.
7. You must work full time (at least 30 hours per week) at a lawful type of employment, unless the probation officer excuses you from doing so. If you do not have full-time employment you must try to find full-time employment, unless the probation officer excuses you from doing so. If you plan to change where you work or anything about your work (such as the position or job responsibilities), you must notify the probation officer at least 10 days before the change. If notifying the probation officer at least 10 days in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
8. You must not communicate or interact with someone you know is engaged in criminal activity. If you know someone has been convicted of a felony, you must not knowingly communicate or interact with that person without first getting the permission of the probation officer.
9. If you are arrested or questioned by a law enforcement officer, you must notify the probation officer within 72 hours.
10. You must not own, possess, or have access to a firearm, ammunition, destructive device, or dangerous weapon (i.e., anything that was designed, or was modified, for the specific purpose of causing bodily injury or death to another person such as nunchakus or tasers).
11. You must not act or make any agreement with a law enforcement agency to act as a confidential human source or informant without first getting the permission of the court.
12. If the probation officer determines that you pose a risk to another person (including an organization), the probation officer may require you to notify the person about the risk and you must comply with that instruction. The probation officer may contact the person and confirm that you have notified the person about the risk.
13. You must follow the instructions of the probation officer related to the conditions of supervision.

**U.S. Probation Office Use Only**

A U.S. probation officer has instructed me on the conditions specified by the court and has provided me with a written copy of this judgment containing these conditions. I understand additional information regarding these conditions is available at the [www.uscourts.gov](http://www.uscourts.gov).

Defendant's Signature \_\_\_\_\_

Date \_\_\_\_\_

DEFENDANT: BRYAN LEE ADDINGTON  
CASE NUMBER: 3:16-CR-00098-JJB-RLB(1)

### **SPECIAL CONDITIONS OF SUPERVISION**

You must provide the probation officer with access to any requested financial information and authorize the release of any financial information. The probation office may share financial information with the U.S. Attorney's Office.

You must not incur new credit charges, or open additional lines of credit, without the approval of the probation officer.

If the judgment imposes a financial penalty, you must pay the financial penalty in accordance with the Schedule of Payments sheet of the judgment. You must also notify the court, through the probation officer, of any changes in economic circumstances that might affect the ability to pay this financial penalty.

You must not work in any type of employment without the prior approval of the probation officer.

You must submit your person, property, house, residence, vehicle, papers, computers (as defined in 18 U.S.C. § 1030(e)(1)), other electronic communications or data storage devices or media, or office, to a search conducted by a United States probation officer. Failure to submit to a search may be grounds for revocation of release. You must warn any other occupants that the premises may be subject to searches pursuant to this condition. The probation officer may conduct a search under this condition only when reasonable suspicion exists that you have violated a condition of supervision and that the areas to be searched contain evidence of this violation. Any search must be conducted at a reasonable time and in a reasonable manner.

DEFENDANT: BRYAN LEE ADDINGTON  
CASE NUMBER: 3:16-CR-00098-JJB-RLB(1)

**CRIMINAL MONETARY PENALTIES**

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	Assessment	JVTA Assessment*	Fine	Restitution
<b>TOTALS</b>	\$200.00		\$ .00	\$5,393,346.63

- The determination of restitution is deferred until *An Amended Judgment in a Criminal Case (AO245C)* will be entered after such determination.
- The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

Restitution of \$5,393,346.63 to:

Assad and Najwa Mouhaffel	\$1,026,914.12
Aaron Marquardt	\$935,288.96
James L. McCartney	\$293,678.25
Truby S. Brashier	\$658,266.13
Elizabeth Addington	\$140,139.95
Jaya Rani McSharma	\$286,675.03
James Dale Davis	\$132,195.02
Maynard E. Carney	\$263,560.84
Sandra DeLasalle	\$220,262.88
David and Prudence Moreland	\$81,637.85
Jason Egloff and Megha Chandoke	\$178,340.44
Robert M. Parker, Sr.	\$82,094.45
Ellen Marie Zwank	\$151,193.00
Jeffrey Combetta	\$28,941.18
Scott St. Arnauld	\$126,317.23
Albert Farris	\$65,065.09
Diane Gervickas	\$76,940.00
Brian Stutzman	\$99,972.97
Robert and Allison Parker	\$98,000.00
Brian C. Spangler	\$67,512.22
Nancy Semones	\$80,772.61
Brenda K. Chauvin	\$47,258.57
Fred D. Torres	\$66,183.69
Janice and James Broussard	\$50,000.00
Pauline G. & Bobby Burdette	\$44,434.95
Nikkie and Chris Hopson	\$25,000.00
Kevin Thibodeaux	\$20,098.32
Edward L. Daigle, Jr.	\$13,140.00
Linda Gilleon	\$13,049.98
Esther Davis	\$9,039.42
Far North Capital	\$6,376.48
Thibco LLC	\$5,000.00
<b>Total:</b>	<b>\$5,393,346.63</b>

- Restitution amount ordered pursuant to plea agreement \$
- The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- The court determined that the defendant does not have the ability to pay interest and it is ordered that:
  - the interest requirement is waived for the  fine  restitution
  - the interest requirement for the  fine  restitution is modified as follows:

\* Justice for Victims of Trafficking Act of 2015, Pub. L. No. 114-22

\*\* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: BRYAN LEE ADDINGTON  
CASE NUMBER: 3:16-CR-00098-JJB-RLB(1)

### SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties is due as follows:

- A  Lump sum payments of \$ \_\_\_\_\_ due immediately, balance due  
 not later than \_\_\_\_\_, or  
 in accordance  C,  D,  E, or  F below; or
- B  Payment to begin immediately (may be combined with  C,  D, or  F below); or
- C  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment;  
or
- D  Payment in equal 20 (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E  Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F  Special instructions regarding the payment of criminal monetary penalties:  
It is ordered that the Defendant shall pay to the United States a special assessment of \$200.00 for Counts 3 and 6 which shall be due immediately. Said special assessment shall be paid to the Clerk, U.S. District Court. The restitution balance shall be due immediately, but nonpayment is not a violation of supervision so long as the defendant makes the required monthly payments. Upon release from incarceration, any unpaid restitution balance shall be paid at a monthly rate to be determined by the Court. Such payments shall begin within 60 days after release from imprisonment.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

- Joint and Several  
See above for Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.
- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:  
Pursuant to 18 U.S.C. § 981(a)(1)(c) and 28 U.S.C. § 24619(c), the defendant shall forfeit to the United States any property constituting or derived from the proceeds of the violation, including but not limited to a sum of money equal to \$5,980,706.15, representing the value of the proceeds of the offense.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) JVTA Assessment, (8) penalties, and (9) costs, including cost of prosecution and court costs.