

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

**ADMINISTRATIVE PROCEEDING**

**File No. 3-20823**

**In the Matter of**

**LYNN D CAWTHORNE**

**Respondent.**

**DIVISION OF ENFORCEMENT’S MOTION FOR DEFAULT AND OTHER RELIEF**

**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 Lynn D. Cawthorne 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 April 15, 2022 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 Cawthorne, while associated with broker-dealers and investment advisers, defrauded the Food and Nutrition Service (“FNS”), an agency of the U.S. Department of Agriculture (“USDA”), by submitting a false claim for reimbursement claiming more than the actual number of children fed through the program, resulting in overpayment wired to his bank account. These facts led to Cawthorne’s guilty plea in the criminal case against him. Cawthorne pled guilty to one count of

wire fraud in violation of 18 U.S.C. §1343 and one count of failure to file tax returns in violation of 26 U.S.C. § 7203. *United States v. Cawthorne*, Case No. 5:18-cr-00107-EEF-MLF.

On July 25, 2022, the Division filed an Amended Notice of Proof of Service and Executed Affidavit of Service confirming that Cawthorne had been served with the OIP and the Division's Notice that Documents Are Available for Inspection and Copying. As of this date, Cawthorne has not filed an answer or any other response to the OIP.

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

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

On April 26, 2018, a federal grand jury in the Western District of Louisiana returned an indictment against Cawthorne charging him with one count of conspiracy to commit wire fraud (18 U.S.C. § 1349) and seven counts of wire fraud (18 U.S.C. § 1343).<sup>1</sup> On December 18, 2019, a federal grand jury in the Western District of Louisiana returned an indictment against Cawthorne charging him with two counts of aiding and assisting in making a false tax return (26 U.S.C. § 7206(2)).<sup>2</sup> On November 5, 2021, Cawthorne entered into a plea agreement resolving the criminal cases against him.<sup>3</sup> Cawthorne pled guilty to one count of wire fraud (18 U.S.C. § 1343)<sup>4</sup> and one count of making false statements in a tax return (26 U.S.C. § 7206(2))<sup>5</sup> Cawthorne was sentenced to 46 months of imprisonment and ordered to pay restitution in the amount of \$837,690.<sup>6</sup>

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<sup>1</sup>Exh. 1 (Indictment, DE 1, *United States v. Cawthorne*, No. 5:18-cr-00107-EEF-MLF (W.D. La.). On February 28, 2019, the grand jury returned a superseding indictment that added an additional 14 counts of money laundering in violation of 18 U.S.C. §1956. Exh. 2 (Superseding Indictment, DE 36).

<sup>2</sup> Exh. 3 (Indictment, DE 1, *United States v. Cawthorne*, No. 5:19-cr-00393 (W.D. La.). The two criminal cases were consolidated in January 2020. Exh. 4 (Order Consolidating cases, DE 14).

<sup>3</sup> Exh. 5 (Composite Exhibit: Plea Agreement, Understanding of Maximum Penalty and Constitutional Rights, Factual Basis, and Elements of Offense).

<sup>4</sup> Exh. 6 (Judgment in a Criminal Case, *United States v. Cawthorne*, No. 5:18-cr-00107).

<sup>5</sup> Exh. 7 (Judgment in a Criminal Case, *United States v. Cawthorne*, No. 5:19-cr-00393).

<sup>6</sup> Exh. 6. In the tax fraud case, he was sentenced to 36 months of imprisonment (to run concurrently with the 46 month sentence), and ordered to pay restitution in the amount of \$58,183.95. Exh. 7.

**B. Facts**

Based on Cawthorne's default, the allegations of the OIP "may be deemed to be true." 17 C.F.R. § 201.155(a). Moreover, Cawthorne's guilty plea binds him to the facts he admitted. *See Gary L. McDuff*, Exch. Act Rel. No. 74803, at 5 & n.18, 2015 WL 1873119, at n.18 (Apr. 23, 2015); *Don Warner Reinhard*, Exch. Act Rel. No. 63720, at 11-12, 2011 WL 121451, at \*7 (Jan. 14, 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*, Exch. Act Rel. No. 59403, at 12, 2009 WL 367635, at \*8 (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 as part of Cawthorne's guilty plea establish the following:

Between April 2013 and September 2018, Cawthorne was associated with a broker-dealer registered with the Commission and was an investment adviser representative of an investment adviser registered with the Commission. OIP, at ¶ II.A.1. In November 2020, FINRA barred Cawthorne from association with any FINRA member in any capacity for failing to respond to a FINRA request for information relating to the conduct at issue here. *Id.*

In connection with his guilty plea, Cawthorne admitted that defrauded the USDA's Child Nutrition Program, the Summer Feeding Service Program ("SFSP"), administered by the Louisiana Department of Education ("LDOE"). Specifically, while serving as president of a non-profit, Cawthorne caused the non-profit to apply to the LDOE to participate in the SFSP at various feeding sites in Louisiana. (Exh. 5, Factual Basis, at 3). Cawthorne created a catering company (in the name of an unindicted co-conspirator), through which Cawthorne submitted false claims to the LDOE, inflating the numbers of the meals fed to children in the program. As a result, excess funds were wired to the non-profit (for meals that were not provided), which in turn, were sent

paid to the catering company and Cawthorne. (*Id.* at 4). Cawthorne then failed to report this income on his 2013 tax return. (*Id.*).

**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 Commission “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, Cawthorne has not filed an answer, and therefore the proceeding should be determined against him based on the record.

The facts established by Cawthorne’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 or was seeking to become 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 Cawthorne 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*, Exch. Act Release No. 72031, at 4-6, 2014 WL 1665995, at 3 (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, Cawthorne was convicted in March 2022 and the OIP was issued in April 2022. Therefore, this matter was timely filed.

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

Under both the Exchange Act and the Advisers Act, the Commission may sanction Rockwell for an offense that “involves” wire fraud, or “embezzlement, fraudulent conversion, or misappropriation of funds.” *See* Exchange Act Sections 15(b)(4)(B)(iv), 15(b)(6)(A)(ii); Advisers Act Sections 203(e)(2)(D), 203(f). Here, Cawthorne was convicted of one count of wire fraud and one count of failure to file tax returns, and the underlying conduct involved filing false claims, defrauding a federal program to feed children, and tax fraud. Therefore, this condition is satisfied.

**c. Cawthorne Was Associated with a Broker and Investment Adviser at the Time of the Misconduct**

Exchange Act Section 15(b)(6)(A) and Advisers Act Section 203(f) each require that Cawthorne 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 Cawthorne was associated with dually registered broker-dealers and investment advisers from April 2013 and September 2018. In his plea, he admitted engaging in a scheme to defraud the USDA and LDOE that began in late May 2013 and continued through 2014, when he filed his false tax return. Thus, Cawthorne

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.’”).

**d. An Industry Bar Is an Appropriate Sanction**

In determining whether an industry bar is in the “public interest,” the Commission considers

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.

*Lawrence Deshetler*, Advisers Act Rel. No. 5411, at 4, 2019 WL 6221492, at \*2 (Nov. 21, 2019).

“Absent extraordinary mitigating circumstances, an individual who has been convicted cannot be permitted to remain in the securities industry.” *Frederick W. Wall*, Exch. Act Rel. No. 52467, at 8, 2005 WL 2291407, at \*4 (Sept. 19, 2005) (quotation omitted); *accord Shreyans Desai*, Exch. Act Rel. No. 80129, at 6, 2017 WL 782152, at \*4 (Mar. 1, 2017).

Here, these factors weigh in favor of an industry bar. As to the first, second and third factors, Cawthorne’s actions were egregious, recurrent, and involved a high degree of scienter: he has admitted to creating a company in the name of an unindicted co-conspirator through which he defrauded a federal food program for children of thousands of dollars. His convictions for wire fraud and tax fraud “require[] a specific intent to defraud.” *Deshetler*, Advisers Act Rel. No. 5411, at 4, 2019 WL 6221492, at \*3.

With respect to the fourth and fifth factors, notwithstanding his guilty plea, Cawthorne has not participated in this matter, thus providing no assurances that he will avoid future violations of the law. *Kimm Hannan*, Advisers Act Rel. No. 5906, at 4, 2021 WL 5161855, \*3 (Nov. 5, 2021)

(“Because Hannan failed to answer the OIP or respond to the order to show cause or to the Division’s motion, he has made no assurances to us that he will not commit future violations or that he recognizes the wrongful nature of his conduct.”); *Oscar Ferrer Rivera*, Advisers Act Rel. No. 5759, at 6, 2021 WL 2593642, \*4 (June 24, 2021) (“Although his guilty plea indicates that Ferrer might have some appreciation for the wrongfulness of his conduct, it does not outweigh the evidence that he poses a risk to the investing public.”). While “[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.” *Tzernach David Netzer Korem*, Exchange Act Rel. No. 70044, at 10 n.50, 2013 WL 3864511, at n.50 (July 26, 2013) (quotation and alternations omitted). Cawthorne has offered no evidence to rebut that inference.

Sixth, although Cawthorne is currently in custody, he will be released in approximately 2026, and unless he is barred from the securities industry he will have the chance to again harm investors. *Hannan*, Advisers Act Rel. No. 5906, at 4, 2021 WL 5161855, \*3 (“Although Hannan is currently incarcerated, absent a bar, he would have the opportunity to re-enter the securities industry and commit further violations upon his release.”).

#### **IV. Conclusion**

For the reasons discussed above, the Division asks the Commission to sanction Cawthorne by barring him from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, and by imposing a penny stock bar.

October 6, 2022

Respectfully submitted,

**TERESA  
VERGES**

Digitally signed by  
TERESA VERGES  
Date: 2022.10.05  
14:20:49 -04'00'

Teresa J. Verges  
Regional Trial Counsel

Direct Line: (305) 982-6376  
vergest@sec.gov

DIVISION OF ENFORCEMENT  
SECURITIES AND EXCHANGE COMMISSION  
801 Brickell Avenue, Suite 1950  
Miami, FL 33131  
Phone: (305) 982-6300  
Fax: (305) 536-4154

**CERTIFICATE OF SERVICE**

Pursuant to Rule 150 of the Commission's Rules of Practice, I hereby certify that on October 6, 2022, the foregoing document was filed using the eFAP system and has been served by certified mail, on the following persons entitled to notice:

**CERTIFIED MAIL**

Mr. Lynn D. Cawthorne



TERESA VERGES  
Digitally signed by  
TERESA VERGES  
Date: 2022.10.05  
14:21:40 -04'00'

Teresa J. Verges  
Regional Trial Counsel

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

**ADMINISTRATIVE PROCEEDING**

**File No. 3-20823**

**In the Matter of**

**LYNN D CAWTHORNE**

**Respondent.**

**CAWTHORNE'S INDEX OF ATTACHMENTS**

<b><u>Attachment</u></b>	<b><u>Description</u></b>
1	Wire Fraud Indictment
2	Superseding Indictment Wire Fraud
3	Tax Indictment
4	Order Consolidating Cases
5	Plea Agreement Composite
6	Cawthorne Criminal Judgment 18-cr-107
7	Cawthorne Criminal Judgment 19-cr-393

# **CAWTHORNE Attachment 1**

RECEIVED

APR 26 2018

TONY R. MOORE, CLERK  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT, LOUISIANA  
BY 

UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA

VERSUS

LYNN D. CAWTHORNE (01) and  
BELENA C. TURNER (02)

\* CRIMINAL NO. 5:18-cr-00107  
\*  
\*  
\*  
\* JUDGE Foote  
\* MAGISTRATE JUDGE HORNSBY

INDICTMENT

THE GRAND JURY CHARGES:

Count 1  
Conspiracy – Wire Fraud  
18 U.S.C. § 1349

I. AT ALL TIMES MATERIAL HEREIN:

A. The Food and Nutrition Service is an agency of the United States Department of Agriculture (USDA) which administers the Child Nutrition Programs. The Child Nutrition Programs include the Summer Feeding Service Program (SFSP).

B. The SFSP was established to ensure that children in low-income areas continue to receive nutritious meals when school is not in session during the summer.

C. In Louisiana, the SFSP is administered by the Louisiana Department of Education's (LDOE) Division of Nutrition Support. Meals are prepared and served by SFSP sponsors who are required to follow rules and regulations issued by the USDA and LDOE.

D. To participate in the SFSP, sponsors are required to submit a "sponsor application" that includes, among other things, a budget estimating revenues and



expenses related to the feeding program. The applications and budgets are evaluated and approved by LDOE employees.

E. To participate in the SFSP, sponsors are also required to submit a “site application” listing the physical address where meals will be served. In the application, sponsors agree to oversee the administration of SFSP at each approved site.

F. Based on guidelines published by the USDA, LDOE regulations set forth specific requirements for persons who are eligible to receive meals under the SFSP (“Eligible Persons”) and for what meals are eligible to be served under the SFSP (“Eligible Meals”).

G. Based on guidelines published by the USDA, LDOE regulations require sponsors to maintain certain records, including, but not limited to, daily site records documenting the number of Eligible Meals served to Eligible Persons.

H. Sponsors are reimbursed for expenses after electronically submitting claims to LDOE certifying that each claim is true and accurate. To submit a claim, sponsors access the LDOE website using their personalized login information and submit data for their sites to include the number of Eligible Meals served to generate a reimbursement claim. Sponsors can also receive an advance of funds to help pay approved expenses. Advances are calculated based on the budget submitted in the sponsor application.

I. United Citizens and Neighborhoods (UCAN) is a non-profit corporation that participated as a sponsor in the SFSP.



J. The defendant, LYNN D. CAWTHORNE, is the president of UCAN.

K. The defendant, BELENA C. TURNER, is a director of UCAN and represented herself to be its executive director.

L. Cawthorne Catering was a business that allegedly provided catering services for UCAN.

M. Harvest Catering, Inc. (Harvest Catering) is a corporation that allegedly provided catering services for UCAN and others.

## II. THE CONSPIRACY:

Beginning sometime in early 2011, and continuing until sometime in December 2015, the exact dates being unknown to the Grand Jury, in the Western District of Louisiana and elsewhere, the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, and others known and unknown to the Grand Jury, did knowingly and willfully conspire to commit wire fraud in violation of Title 18, United States Code, Section 1343.

## III. THE OBJECT OF THE CONSPIRACY:

The object of the conspiracy was for the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, to fraudulently obtain money from the SFSP to which they were not entitled.

## IV. MANNER AND MEANS:

The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, engaged in numerous activities to accomplish the object of the conspiracy and the scheme and artifice to defraud. Such activities included, but were not limited to, the following:

A. In April of 2011, the defendant, BELENA C. TURNER, caused UCAN to enter into an agreement with LDOE to participate in the SFSP and to submit sponsor applications using the online system. Thereafter, the defendant, BELENA C. TURNER, submitted sponsor applications in the spring of 2011, 2012, 2013, and 2014.

B. Based on these applications, the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, caused UCAN to participate as a sponsor in the SFSP during the summers of 2011, 2012, 2013, and 2014.

C. The defendant, BELENA C. TURNER, caused LDOE to advance funds to UCAN by requesting advances in the sponsor application.

D. The defendant, BELENA C. TURNER, caused UCAN to file claims for reimbursement during the summers of 2011, 2012, 2013, and 2014 that greatly inflated the number of Eligible Meals provided, thus claiming more children were fed at UCAN sites than were actually fed.

E. The defendant, LYNN D. CAWTHORNE, caused UCAN to transfer money to Cawthorne Catering, the Cawthorne Corporation, and other entities in order for defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, and others, known and unknown to the Grand Jury, to improperly use funds entrusted to UCAN for the SFSP.

F. The defendant, LYNN D. CAWTHORNE, formed Harvest Catering and put it in the name of an individual known to the Grand Jury but identified herein as

“Unindicted Coconspirator-A” to make it appear that Unindicted Coconspirator-A controlled Harvest Catering.

G. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, made it appear as if Harvest Catering was providing catering services for UCAN connected to the SFSP.

H. The defendant, LYNN D. CAWTHORNE, caused UCAN to transfer money to Harvest Catering and other entities in order for defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, and others, known and unknown to the Grand Jury, to improperly use funds entrusted to UCAN for the SFSP.

I. The advances received and the claims filed by UCAN referenced in paragraphs C and D above were submitted through the internet, and the claims, including those set forth below in Counts 2 through 8, were paid through wire transfers from the State of Louisiana which traveled in interstate commerce to UCAN's bank account.

All in violation of Title 18, United States Code, Section 1349. [18 U.S.C. § 1349].

Counts 2 - 8  
Wire Fraud  
18 U.S.C. § 1343

I. The allegations of Count 1 are re-alleged and incorporated by reference as though set forth in full herein as the scheme to defraud.

II. On or about each of the dates set forth below, in the Western District of Louisiana and elsewhere, the defendants, LYNN D. CAWTHORNE and BELENA C.



TURNER, for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

Count	Date	Amount of Wire Transfer from State of Louisiana to UCAN Account
2	05/20/2013	\$33,080.78
3	07/15/2013	\$92,314.14
4	11/12/2013	\$152,817.23
5	05/27/2014	\$25,587.79
6	07/14/2014	\$105,225.47
7	08/25/2014	\$126,355.69
8	12/08/2014	\$754.19

All in violation of Title 18, United States Code, Sections 1343 and 2. [18 U.S.C.

§§ 1343 and 2].

A TRUE BILL:

**REDACTED**

Grand Jury Foreperson

DAVID C. JOSEPH  
United States Attorney

*Alex C. Van Hook*

ALEXANDER C. VAN HOOK (LA Bar # 25281)  
First Assistant United States Attorney  
300 Fannin Street, Suite 3201  
Shreveport, Louisiana 71101  
(318) 676-3600

# **CAWTHORNE Attachment 1**

**RECEIVED**

FEB 28 2019

TONY R. MOORE CLERK  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT, LOUISIANA  
BY 

UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-CR-00107
	*	
VERSUS	*	
	*	
LYNN D. CAWTHORNE (01) and	*	JUDGE FOOTE
BELENA C. TURNER (02)	*	MAGISTRATE JUDGE HORNSBY

**SUPERSEDING INDICTMENT**

THE GRAND JURY CHARGES:

Count 1  
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B. The SFSP was established to ensure that children in low-income areas continue to receive nutritious meals when school is not in session during the summer.

C. In Louisiana, the SFSP is administered by the Louisiana Department of Education's (LDOE) Division of Nutrition Support. Meals are prepared and served by SFSP sponsors who are required to follow rules and regulations issued by the USDA and LDOE.

D. To participate in the SFSP, sponsors are required to submit a “sponsor application” that includes, among other things, a budget estimating revenues and expenses related to the feeding program. The applications and budgets are evaluated and approved by LDOE employees.

E. To participate in the SFSP, sponsors are also required to submit a “site application” listing the physical address where meals will be served. In the application, sponsors agree to oversee the administration of SFSP at each approved site.

F. Based on guidelines published by the USDA, LDOE regulations set forth specific requirements for persons who are eligible to receive meals under the SFSP (“Eligible Persons”) and for what meals are eligible to be served under the SFSP (“Eligible Meals”).

G. Based on guidelines published by the USDA, LDOE regulations require sponsors to maintain certain records, including but not limited to daily site records documenting the number of Eligible Meals served to Eligible Persons.

H. Sponsors are reimbursed for expenses after electronically submitting claims to LDOE certifying that each claim is true and accurate. To submit a claim, sponsors access the LDOE website using their personalized login information and submit data for their sites to include the number of Eligible Meals served to generate a reimbursement claim. Sponsors can also receive an advance of funds to help pay approved expenses. Advances are calculated based on the budget submitted in the sponsor application.



I. United Citizens and Neighborhoods (UCAN) is a non-profit corporation that participated as a sponsor in the SFSP.

J. The defendant, LYNN D. CAWTHORNE, is the president of UCAN.

K. The defendant, BELENA C. TURNER, is a director of UCAN and represented herself to be its executive director.

L. Cawthorne Catering was a business that allegedly provided catering services for UCAN.

M. Harvest Catering, Inc. (Harvest Catering) is a corporation that allegedly provided catering services for UCAN and others.

## II. THE CONSPIRACY:

Beginning sometime in early 2011 and continuing until sometime in December 2015, the exact dates being unknown to the Grand Jury, in the Western District of Louisiana and elsewhere, the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, and others known and unknown to the Grand Jury, did knowingly and willfully conspire to commit wire fraud in violation of Title 18, United States Code, Section 1343.

## III. THE OBJECT OF THE CONSPIRACY:

The object of the conspiracy was for the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, to fraudulently obtain money from the SFSP to which they were not entitled.



IV. MANNER AND MEANS:

The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, engaged in numerous activities to accomplish the object of the conspiracy and the scheme and artifice to defraud. Such activities included, but were not limited to, the following:

A. In April of 2011, the defendant, BELENA C. TURNER, caused UCAN to enter into an agreement with LDOE to participate in the SFSP and to submit sponsor applications using the online system. Thereafter, the defendant, BELENA C. TURNER, submitted sponsor applications in the spring of 2011, 2012, 2013, and 2014.

B. Based on these applications, the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, caused UCAN to participate as a sponsor in the SFSP during the summers of 2011, 2012, 2013, and 2014.

C. The defendant, BELENA C. TURNER, caused LDOE to advance funds to UCAN by requesting advances in the sponsor application.

D. The defendant, BELENA C. TURNER, caused UCAN to file claims for reimbursement during the summers of 2011, 2012, 2013, and 2014 that greatly inflated the number of Eligible Meals provided, thus claiming more children were fed at UCAN sites than were actually fed.

E. The defendant, LYNN D. CAWTHORNE, caused UCAN to transfer money to Cawthorne Catering, the Cawthorne Corporation, and other entities in order for defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, and

others, known and unknown to the Grand Jury, to improperly use funds entrusted to UCAN for the SFSP.

F. The defendant, LYNN D. CAWTHORNE, formed Harvest Catering and put it in the name of an individual known to the Grand Jury but identified herein as "Unindicted Coconspirator A" to make it appear that Unindicted Coconspirator A controlled Harvest Catering.

G. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, made it appear as if Harvest Catering was providing catering services for UCAN connected to the SFSP.

H. The defendant, LYNN D. CAWTHORNE, caused UCAN to transfer money to Harvest Catering and other entities in order for defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, and others, known and unknown to the Grand Jury, to improperly use funds entrusted to UCAN for the SFSP.

I. The advances received and the claims filed by UCAN referenced in paragraphs C and D above were submitted through the internet; and the claims, including those set forth below in Counts 2 through 8, were paid through wire transfers from the State of Louisiana which traveled in interstate commerce to UCAN's bank account in Shreveport, Louisiana.

All in violation of Title 18, United States Code, Section 1349. [18 U.S.C. § 1349].

Counts 2 - 8  
Wire Fraud  
18 U.S.C. § 1343

I. The allegations of Count 1 are re-alleged and incorporated by reference as though set forth in full herein as the scheme to defraud.

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2	05/20/2013	\$33,080.78
3	07/15/2013	\$92,314.14
4	11/12/2013	\$152,817.23
5	05/27/2014	\$25,587.79
6	07/14/2014	\$105,225.47
7	08/25/2014	\$126,355.69
8	12/08/2014	\$754.19

All in violation of Title 18, United States Code, Sections 1343 and 2. [18 U.S.C. §§ 1343 and 2].



Count 9  
Conspiracy – Money Laundering Conspiracy  
18 U.S.C. § 1956(h)

I. AT ALL TIMES MATERIAL HEREIN:

A. The allegations of Count 1 through 8 are re-alleged and incorporated by reference as though set forth in full herein.

B. Title 18, United States Code, Section 1343, is a “specified unlawful activity” as that term is used in Title 18, United States Code, Section 1956.

C. The Cawthorne Financial Group, L.L.C. (Cawthorne Financial) is a company controlled by the defendant, LYNN D. CAWTHORNE.

D. The defendant, LYNN D. CAWTHORNE, maintained a bank account for Cawthorne Financial at Capital One Bank in Shreveport, Louisiana.

E. The Cawthorne Corporation is a company controlled by the defendant, LYNN D. CAWTHORNE.

F. The defendant, LYNN D. CAWTHORNE, maintained a bank account for the Cawthorne Corporation at JPMorgan Chase Bank, N.A. (Chase) in Shreveport, Louisiana.

G. The Power Project, A Division of Dreamkeepers Academy, Inc., (The Power Project) is a non-profit corporation controlled by the defendant, BELENA C. TURNER.

H. The defendant, BELENA C. TURNER, maintained bank accounts for The Power Project and Dreamkeepers Academy at various banks including Chase in Shreveport, Louisiana.

## II. THE CONSPIRACY:

Beginning sometime in the summer of 2011, and continuing until sometime in December 2015, the exact dates being unknown to the Grand Jury, in the Western District of Louisiana and elsewhere, the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, did knowingly combine, conspire, and agree with each other and other persons, known and unknown to the Grand Jury, to knowingly conduct and attempt to conduct financial transactions affecting interstate commerce involving the proceeds of a specified unlawful activity, that is, wire fraud, in violation of Title 18, United States Code, Section 1343, knowing that the transactions were in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of a specified unlawful activity, and that while conducting and attempting to conduct such financial transactions, knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, all in violation of Title 18, United States Code, Section 956(a)(1)(B)(i).

## III. THE OBJECT OF THE CONSPIRACY:

The object of the conspiracy was for the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, to conceal that they fraudulently obtained money from the SFSP to which they were not entitled.

## IV. MANNER AND MEANS:

The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, engaged in numerous activities to accomplish the object of the conspiracy. Such activities included, but were not limited to, the following:

A. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, caused UCAN to receive electronic transfers of funds from the SFSP as set forth in Counts 2 through 8.

B. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, falsely claimed that Cawthorne Catering was owned and operated by their brother to conceal that they used Cawthorne Catering to benefit themselves.

C. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, prepared false invoices from Cawthorne Catering to UCAN to make it appear as if Cawthorne Catering was providing thousands of meals for UCAN in connection with the SFSP.

D. When the use of Cawthorne Catering was scrutinized by an independent accountant, the defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, established Harvest Catering as a shell corporation to help conceal the fact that they improperly benefitted financially from the SFSP.

E. The defendant, LYNN D. CAWTHORNE, used the Cawthorne Corporation to conceal the fact that he improperly benefitted financially from the SFSP by, among other things, depositing money from Harvest Catering into a bank account maintained by the Cawthorne Corporation.

F. The defendant, LYNN D. CAWTHORNE, used Cawthorne Financial to conceal the fact that he improperly benefitted financially from the SFSP by, among other things, depositing money from Harvest Catering into a bank account maintained by Cawthorne Financial.



G. The defendant, BELENA C. TURNER, used The Power Project to conceal the fact that she improperly benefited financially from the SFSP by, among other things, depositing money from Harvest Catering into bank accounts maintained by The Power Project.

H. The defendant, LYNN D. CAWTHORNE, would issue checks from an account maintained by UCAN and cause them to be deposited into an account maintained by Harvest Catering at Chase in Shreveport, Louisiana.

I. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, caused Harvest Catering to improperly issue checks to BELENA C. TURNER and others.

J. The defendant, BELENA C. TURNER, used a debit card connected to the Dreamkeepers Academy bank account to make purchases for her personal benefit. These purchases included, but were not limited to, travel expenses, ATM withdrawals, and meals at restaurants.

K. The defendants, LYNN D. CAWTHORNE and BELENA C. TURNER, caused Harvest Catering to improperly issue checks to The Power Project.

L. The defendant, LYNN D. CAWTHORNE, used a debit card connected to the Harvest Catering bank account to make purchases for his personal benefit. These purchases included, but were not limited to, travel expenses, utility expenses, furniture, clothing, car repairs, meals at restaurants, and campaign expenses.

M. The defendant, LYNN D. CAWTHORNE, used a debit card connected to the Harvest Catering bank account to make thousands of dollars of ATM

withdrawals and deposited some of these funds into a bank account maintained by Cawthorne Corporation.

N. Counts 10 through 27 are incorporated herein as additional manner and means in furtherance of the conspiracy.

All in violation of Title, 18, United States Code, Section 1956(h). [18 U.S.C. § 1956(h)].

Count 10  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about March 18, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to State Farm Insurance in the amount of \$413.90 from a bank account maintained by Harvest Catering, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].



Count 11  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about April 25, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to K & G Men's Center in the amount of \$242.39 from a bank account maintained by Harvest Catering, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 12  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about July 14, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, the deposit of a check from UCAN in the amount of \$95,000 to a bank account maintained by Harvest Catering, which involved the proceeds of a specified unlawful activity,

that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 13  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about July 17, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, the deposit of a check from Harvest Catering in the amount of \$33,000 to a bank account maintained by Cawthorne Financial, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 14  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about July 19, 2014, in the Western District of Louisiana and elsewhere, the defendant, BELENA C. TURNER, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, the deposit of a check from Harvest Catering in the amount of \$39,976 to a bank account maintained by The Power Project, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 15  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about July 25, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to United Airlines in the amount of \$496.20 from a bank account maintained by Cawthorne Financial which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in



whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 16  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about August 13, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, an ATM withdrawal in the amount of \$500 from the Harvest Catering bank account, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 17  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about August 15, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to Loyola College Prep in the amount of \$101.95 from a bank account maintained by Harvest Catering, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 18  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about August 25, 2014, in the Western District of Louisiana and elsewhere, the defendant, BELENA C. TURNER, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a wire transfer to The Power Project in the amount of \$20,000 from a bank account maintained by Harvest Catering, which involved the proceeds of a specified unlawful

activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 19  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about September 4, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to Kappa Alpha Psi Fraternity in the amount of \$2,500 from a bank account maintained by Cawthorne Financial, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].



Count 20  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about September 29, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to White's Printing in the amount of \$700 from a bank account maintained by Harvest Catering, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 21  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about October 3, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, the delivery of a check payable to White's Printing in the amount of \$1,245.55 from a bank account maintained by Harvest Catering, which involved the proceeds of

a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 22  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about October 17, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, an ATM withdrawal in the amount of \$500 from the Harvest Catering bank account, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].



Count 23  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about December 22, 2014, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to Dillard's in the amount of \$94.48 from the Harvest Catering bank account, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 24  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about January 16, 2015, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to Euroteck, Inc. in the amount of \$562.09 from the Harvest Catering bank account, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and

in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 25  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about February 5, 2015, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to Howard University in the amount of \$200 from the Harvest Catering bank account, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

Count 26  
Money Laundering  
18 U.S.C. § 1956(a)(1)(B)(i)

On or about June 26, 2015, in the Western District of Louisiana and elsewhere, the defendant, LYNN D. CAWTHORNE, did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce; to wit, a debit card payment to Euroteck, Inc. in the amount of \$800 from the Harvest Catering bank account, which involved the proceeds of a specified unlawful activity, that is wire fraud, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i). [18 U.S.C. § 1956(a)(1)(B)(i)].

A TRUE BILL:

**REDACTED**

Grand Jury Foreperson

DAVID C. JOSEPH  
United States Attorney



ALEXANDER C. VAN HOOK (LA Bar # 25281)  
First Assistant United States Attorney



TENNILLE M. GILREATH (AR Bar # 2005145)  
Assistant United States Attorney  
300 Fannin Street, Suite 3201  
Shreveport, Louisiana 71101  
(318) 676-3600

# **CAWTHORNE Attachment 3**



**RECEIVED**

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TONY R. MOORE, CLERK  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT, LOUISIANA

UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA

VERSUS

LYNN D. CAWTHORNE

\*  
\*  
\*  
\*  
\*

5:19-cr-00393-01  
Chief Judge Hicks  
Magistrate Judge Hornsby

INDICTMENT

THE GRAND JURY CHARGES:

COUNT 1

26 U.S.C. § 7206(2)  
Aiding and Assisting in Making  
and Subscribing a False Return

On or about April 15, 2014, in the Western District of Louisiana and elsewhere, the Defendant, LYNN D. CAWTHORNE, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of the Forms 1040, U.S. Individual Income Tax Return, for himself, which was false and fraudulent as to material matters, in that he reported an adjusted gross income of \$7,555.00 during the calendar year 2013; whereas, in truth and fact, as the Defendant then and there well knew, said information, as presented to his accountant, was false, all in violation of Title 26, United States Code, Section 7206(2) [26 U.S.C. § 7206(2)].

**DIVISION  
EXHIBIT  
3**

**COUNT 2**

26 U.S.C. § 7206(2)  
Aiding and Assisting in Making  
and Subscribing a False Return

On or about April 15, 2015, in the Western District of Louisiana and elsewhere, the Defendant, LYNN D. CAWTHORNE, did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of the Forms 1040, U.S. Individual Income Tax Return, for himself, which was false and fraudulent as to material matters, in that he reported an adjusted gross income of \$9,529.00 during the calendar year 2014; whereas, in truth and fact, as the Defendant then and there well knew, said information, as presented to his accountant, was false, all in violation of Title 26, United States Code, Section 7206(2) [26 U.S.C. § 7206(2)].

A TRUE BILL:

DAVID C. JOSEPH  
United States Attorney

***REDACTED***

Grand Jury Foreperson



TENNILLE M. GILREATH (AR Bar # 2005145)  
Assistant United States Attorney  
300 Fannin Street, Suite 32091  
Shreveport, LA 71101  
(318) 676-3600

# **CAWTHORNE Attachment 4**



UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	:	CRIMINAL NO. 5:19-cr-00393-01
VERSUS	:	JUDGE HICKS
LYNN D. CAWTHORNE	:	MAGISTRATE-JUDGE HORNSBY

ORDER

CONSIDERING THE UNOPPOSED MOTION FOR JOINDER (REC. DOC. 7),

IT IS HEREBY ORDERED that that the Motion for Joinder (Rec. Doc. 7) is

**GRANTED** and Docket No. 5:19-cr-00393-01 be joined with Docket No. 5:18-CR-00107-01.

THUS DONE AND SIGNED, in Shreveport, Louisiana, this 13th day of January, 2020.

  
U. S. DISTRICT COURT JUDGE

# **CAWTHORNE Attachment 5**

UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-CR-00107
	*	Consolidated with 19-cr-00393
VERSUS	*	
	*	JUDGE FOOTE
LYNN D. CAWTHORNE (01)	*	MAGISTRATE JUDGE HORNSBY

PLEA AGREEMENT

A. INTRODUCTION

1. This document contains the complete plea agreement between the government and LYNN D. CAWTHORNE, the Defendant. No other agreement, understanding, promise, or condition exists, nor will any such agreement, understanding, promise or condition exist unless it is committed to writing in an amendment attached to this document and signed by the Defendant, an attorney for the Defendant, and an attorney for the government. The terms of this plea agreement are only binding on the Defendant and the government if the Court accepts the Defendant's guilty plea.

B. THE DEFENDANT'S OBLIGATIONS

1. LYNN D. CAWTHORNE shall appear in open court and plead guilty to Count 2 of the Superseding Indictment pending in 18-cr-00107 and Count 1 of the indictment pending in 19-cr-00393.

2. Defendant agrees to provide the United States Probation Office and the United States Attorney's Office with a signed, sworn financial statement, which

accurately reflects the Defendant's financial condition, within two weeks after entering the plea contemplated by this agreement. Defendant further agrees that this financial statement will be made in a form provided by or acceptable to the United States Attorney. Additionally, the Defendant will give the United States Attorney's Office and the Probation Office full access to the Defendant's bank and other financial records and does now waive any rights to financial privacy that the Defendant may have under federal or state statutes or regulations.

3. The Defendant further agrees to sign any Internal Revenue Service form or other form presented by the Government in order for the Government to have access to all of the Defendant's income tax returns, including personal, corporations, or trusts to which the Defendant may have participated in or signed. The Defendant acknowledges that failure to provide an accurate financial statement and tax return information within the time noted is a violation of this Plea Agreement and will be a basis for the United States Attorney to move to set aside the Plea Agreement.

C. THE GOVERNMENT'S OBLIGATIONS

1. If the Defendant completely fulfills all of his obligations and agreements under this plea agreement, the Government agrees to dismiss the remaining counts of the superseding indictment pending in 18-cr-00107 and of the indictment pending in 19-cr-00393 after sentencing, and it will not prosecute the Defendant for any other offense known to the United States Attorney's Office, based on the investigation, which forms the basis of the Indictment.



2. The Government will make a non-binding recommendation that the Defendant's sentences on Count 2 of the Superseding Indictment in 18-cr-00107 and Count 1 of the Indictment in 19-cr-00393 run concurrently.

D. SENTENCING

LYNN D. CAWTHORNE, understands and agrees that:

1. The maximum punishment on Count 2, 18-cr-00107, is a term of imprisonment of not more than 20 years (pursuant to 18 U.S.C. § 1343) and a fine of not more than \$250,000 (pursuant to 18 U.S.C. § 3571);

2. The maximum punishment on Count 1, 19-cr-00393, is a term of imprisonment of three years (pursuant to 26 U.S.C. § 7206), and a fine of not more than \$100,000 (pursuant to 26 U.S.C. § 7206);

3. The Defendant shall be required to pay a special assessment of \$200 at the time of the guilty plea by means of a cashier's check, bank official check, or money order payable to "Clerk, U.S. District Court";

4. He may receive a term of Supervised Release of not less than two (2) years nor more than five (5) years in length in addition to any term of imprisonment imposed by the Court for Count 2, 18-cr-00107. He may receive a term of Supervised Release of not more than one year in length in addition to any term of imprisonment imposed by the Court for Count 1, 19-cr-00393.

5. A violation of any condition of supervised release at any time during the period of supervised release may result in the defendant being incarcerated over and above any period of imprisonment initially ordered by the Court;

6. The period of incarceration for a violation of a condition of supervised release could be as much as the full term of supervised release initially ordered by the Court regardless of the amount of time of the supervised release the defendant had successfully completed;

7. In addition to the penalties set forth in the preceding paragraphs, the Court must order restitution in this case, and the Defendant agrees that restitution in this case is not limited to the amounts or victims referred to in the specific charges to which the Defendant has pled guilty and will be determined by the Court after a complete review of the evidence developed in the investigation of this case by the government and further investigation by the United States Probation Office as contained in the presentence report;

8. Any fine and/or restitution imposed as part of the Defendant's sentence will be made due and payable immediately, that the Defendant will be held liable for all restitution jointly and severally with his co-defendant, and any federal income tax refund received by the Defendant from the Internal Revenue Service while there is an outstanding fine and/or restitution shall be applied toward the fine and/or restitution award;

9. As part of the presentence investigation, the government will make available to the Court all evidence developed in the investigation of this case;

10. This case is governed by the Sentencing Reform Act as modified by United States v. Booker, 543 U.S. 220 (2005), that the Defendant has discussed the Sentencing Guidelines and their applicability with Defendant's counsel, and



understands and acknowledges that a final determination of the applicable guidelines range cannot be made until the completion of the presentence investigation;

11. The sentencing judge alone will decide what sentence to impose; and

12. The failure of the Court to adhere to a sentencing recommendation tendered by counsel shall not be a basis for setting aside the guilty plea which is the subject of this agreement.

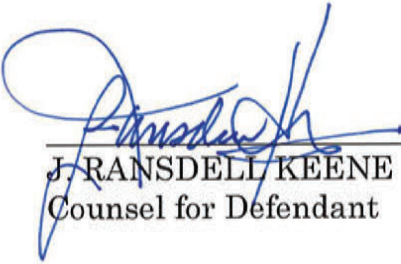
E. REINSTATEMENT OF ORIGINAL INDICTMENT

1. LYNN D. CAWTHORNE, understands and agrees that should this plea be overturned for any reason at a later date, the Superseding Indictment, 18-cr-00107, and the Indictment, 19-cr-00393, in their entirety, will be automatically reinstated without need for presentment to a Grand Jury or any motion or other action by the government.

F. SIGNATURE OF ATTORNEY FOR THE DEFENDANT, THE DEFENDANT, AND THE ATTORNEY FOR THE GOVERNMENT

I have read this plea agreement and have discussed it fully with my client, LYNN D. CAWTHORNE. It accurately and completely sets forth the entire plea agreement. I concur in LYNN D. CAWTHORNE, pleading guilty as set forth in this plea agreement.

Dated: 11-5-21

  
\_\_\_\_\_  
J. RANSDALL KEENE  
Counsel for Defendant


I have read this plea agreement and have discussed it with my attorney. I fully understand the plea agreement and accept and agree to it without reservation. I do

this voluntarily and of my own free will. No threats have been made to me, nor am I under the influence of anything that could impede my ability to fully understand this plea agreement.

I affirm that absolutely no promises, agreements, understandings, or conditions have been made or entered into in connection with my decision to plead guilty except those set forth in this plea agreement.

I am satisfied with the legal services provided by my attorney in connection with this plea agreement and the matters related to this case.

Dated: 11/5/2021


  
\_\_\_\_\_  
LYNN D. CAWTHORNE  
Defendant



I accept and agree to this plea agreement on behalf of the United States of America.

Dated: 11/5/21

ALEXANDER C. VAN HOOK  
United States Attorney

  
TENNILLE GILREATH  
Assistant United States Attorney

UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-CR-00107
	*	Consolidated with 19-cr-00393
VERSUS	*	
	*	JUDGE FOOTE
LYNN D. CAWTHORNE (01)	*	MAGISTRATE JUDGE HORNSBY

**UNDERSTANDING OF MAXIMUM PENALTY  
AND CONSTITUTIONAL RIGHTS**

I, LYNN D. CAWTHORNE, the above-named defendant, having been furnished a copy of the charges and having discussed same with my attorney, state that I understand the nature of the charges against me and the maximum possible penalties that may be imposed against me as set forth in the Plea Agreement.

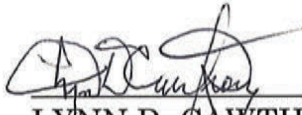
I further state that I understand:

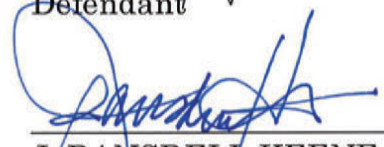
1. My right to be represented by counsel (a lawyer) of my choice, or if I cannot afford counsel, my right to be represented by court-appointed counsel at no cost to me.
2. My right to plead guilty or not guilty.
3. My right to have a jury trial with twelve jurors who must all agree as to my guilt in order to convict.
4. My right not to be required to testify against myself or at all, if I do not so desire.
5. My right to confront and cross-examine witnesses against me.
6. My right to use the Court's compulsory process to require witnesses to appear at trial and testify.

I realize that by pleading guilty, I stand convicted of the crimes charged and waive my privilege against self-incrimination, my right to jury trial, my right to confront and cross-examine witnesses, and my right of compulsory process.

I further state that my plea in these matters is free and voluntary and that it has been made without any threats or inducements whatsoever (except the Plea Agreement) from anyone associated with the State or United States Government or my attorney, and that the only reason I am pleading guilty is that I am in fact guilty as charged.

Read, Understood, Agreed and Signed this 5<sup>th</sup> day of November, 2021.

  
\_\_\_\_\_  
LYNN D. CAWTHORNE  
Defendant

  
\_\_\_\_\_  
J. RANDELL KEENE  
Attorney for Defendant

UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-CR-00107
	*	Consolidated with 19-cr-00393
VERSUS	*	
	*	JUDGE FOOTE
LYNN D. CAWTHORNE (01)	*	MAGISTRATE JUDGE HORNSBY

**FACTUAL BASIS**

This Factual Basis is submitted in accordance with Federal Rules of Criminal Procedure, Rule 11(b)(3). The parties signing below agree and stipulate to the following factual matters, as the basis for the Defendant pleading guilty to Counts 2 of the Superseding Indictment, 18-cr-00107, and Count 1 of the Indictment, 19-cr-393:

The Food and Nutrition Service is an agency of the United States Department of Agriculture (USDA) which administers the Child Nutrition Programs. The Child Nutrition Programs include the Summer Feeding Service Program (SFSP). The SFSP was established to ensure that children in low-income areas continue to receive nutritious meals when school is not in session during the summer. In Louisiana, the SFSP is administered by the Louisiana Department of Education's (LDOE) Division of Nutrition Support. Meals are prepared and served by SFSP sponsors who are required to follow rules and regulations issued by the USDA and LDOE. To participate in the SFSP, sponsors are required to submit a "sponsor application" that



includes, among other things, a budget estimating revenues and expenses related to the feeding program.

To participate in the SFSP, sponsors are also required to submit a "site application" listing the physical address where meals will be served. In the application, sponsors agree to oversee the administration of SFSP at each approved site. Based on guidelines published by the USDA, LDOE regulations require sponsors to maintain certain records, including but not limited to daily site records documenting the number of Eligible Meals served to Eligible Persons. Sponsors are reimbursed for expenses after electronically submitting claims to LDOE certifying that each claim is true and accurate. Sponsors can also receive an advance of funds to help pay approved expenses.

In 2013, LYNN D. CAWTHORNE ("CAWTHORNE"), was president of United Citizens and Neighborhoods, Inc. (UCAN) and BELENA C. TURNER ("TURNER"), was the executive director. In 2013, TURNER and CAWTHORNE caused UCAN to apply to the LDOE to participate in the SFSP at various feeding sites in the Western District of Louisiana. In late May 2013, CAWTHORNE created Harvest Catering in the name of an unindicted coconspirator. However, CAWTHORNE maintained actual control and decision making over Harvest Catering's financial activity. More specifically, CAWTHORNE drafted Harvest Catering checks and maintained a Harvest Catering debit card.

TURNER and CAWTHORNE represented to the LDOE that Harvest Catering would be providing catering services to UCAN at its SFSP sites. In a claim for

reimbursement, TURNER and CAWTHORNE submitted a false claim which inflated the numbers of meals fed that resulted in a wire being sent on May 20, 2013.

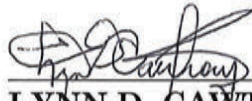
On May 20, 2013, the LDOE electronically transferred \$33,080.78 to UCAN's bank account using a wire communication traveling in interstate commerce through the Western District of Louisiana.

At all times between 2013 and 2014, CAWTHORNE admits he controlled and operated Harvest Catering. CAWTHORNE hired a tax return preparer to prepare his 2013 tax return. He admits he assisted in the preparation of his tax return for the 2013 tax year. He likewise admits that he received income from Harvest Catering, that he failed to report and fraudulently reported an adjusted gross income of \$7,555.00 during the 2013 calendar year. CAWTHORNE admits that he knew the statement in his 2013 tax return was false and admits that such statement was material. He filed his 2013 tax return on or about April 15, 2014 knowing that it contained false information.


Wherefore, the parties signing below agree and stipulate that the preceding paragraphs are a summary of the principal facts that constitute the legal elements of the crimes for which the defendant is pleading guilty. This summary does not describe all of the evidence that the United States would present at trial or all of the relevant conduct that would be used to determine the defendant's sentence under the United States Sentencing Guidelines. The defendant acknowledges that the forgoing factual basis does not describe all of his conduct relating to the offenses in this case, but the

facts do establish his guilt beyond a reasonable doubt to Count 2 of the Superseding Indictment 18-cr-00107, and Count 1 of the Indictment, 19-cr-393.

Signed this 5<sup>th</sup> day of November 2021.

  
\_\_\_\_\_  
LYNN D. CAWTHORNE  
Defendant  
\_\_\_\_\_  
J. RANSDALL KEENE  
Counsel for Defendant

ALEXANDER C. VAN HOOK  
Acting United States Attorney

  
\_\_\_\_\_  
TENNILLE GILREATH (AR Bar # 2005145)



UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-CR-00107
	*	Consolidated with 19-cr-00393
VERSUS	*	
	*	JUDGE FOOTE
LYNN D. CAWTHORNE (01)	*	MAGISTRATE JUDGE HORNSBY

**ELEMENTS OF OFFENSE**

18 U.S.C. § 1343  
Wire Fraud

**Title 18, United States Code, Section 1343**, makes it a crime for anyone to use interstate wire communications in carrying out a scheme to defraud.

For you to be found guilty of this crime, the government must prove to the jury each of the following essential elements beyond a reasonable doubt:

- First:* That you knowingly devised or intended to devise any scheme to defraud, that is you transmitted by means of a wire communication claims for reimbursements and/or advancements from the Louisiana Department of Education that greatly inflated the number of Eligible Meals provided to children participating in the Summer Feeding Service Program;
- Second:* That the scheme to defraud employed false material representations;
- Third:* That you transmitted, caused to be transmitted, by way of wire communications, in interstate commerce, any writing for the purpose of executing such scheme; and
- Fourth:* That you acted with a specific intent to defraud.



UNITED STATES OF AMERICA  
WESTERN DISTRICT OF LOUISIANA  
SHREVEPORT DIVISION

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-CR-00107
	*	Consolidated with 19-cr-00393
VERSUS	*	
	*	JUDGE FOOTE
LYNN D. CAWTHORNE (01)	*	MAGISTRATE JUDGE HORNSBY

**ELEMENTS OF OFFENSE**

26 U.S.C. § 7206(2)

Aiding or Assisting in Preparation of False  
Documents under Internal Revenue Laws

**Title 26, United States Code, Section 7206(2)** makes it a crime for anyone to willfully aid or assist in the preparation of a document, under the internal revenue laws, that is false or fraudulent as to any material matter.

For you to be found guilty of the crime, the Government must prove to the jury each of the following essential elements beyond a reasonable doubt:

- First:* That you aided in, assisted in, counseled, or advised the preparation of a return arising under or in connection with any mater arising under the internal revenue laws;
- Second:* That this return, falsely or fraudulently stated an adjusted gross income of \$7,555.00 during the 2013 calendar year;
- Third:* That you knew the statement in the return claim was false or fraudulent;
- Fourth:* That the false or fraudulent statement was material; and
- Fifth:* That you aided in, assisted in, counseled, or advised the preparation of this false or fraudulent statement willfully, that is, with the intent to violate a known legal duty.

It is not necessary that the government prove that the falsity or fraud was with the knowledge or consent of the person authorized or required to present such return.

A statement is "material" if it has a natural tendency to influence, or is capable of influencing, the Internal Revenue Service in investigating or auditing a tax return or in verifying or monitoring the reporting of income by a taxpayer.

# **CAWTHORNE Attachment 6**

## UNITED STATES DISTRICT COURT

Western District of Louisiana

Shreveport Division

UNITED STATES OF AMERICA

v.

LYNN D CAWTHORNE

## JUDGMENT IN A CRIMINAL CASE

Case Number: 5:18-CR-00107-1

USM Number: 20593-035

J Ransdell Keene  
Defendant's Attorney

## THE DEFENDANT:

☒ pleaded guilty to count(s) 2 of the Superseding Indictment☐ pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court.☐ 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	Offense Ended	Count
18:1343	Fraud By Wire, Radio, Or Television - Wire Fraud	05/20/2013	2s

The defendant is sentenced as provided in pages 2 through 6 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) \_\_\_\_\_ all remaining ☐ 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.

Date of Imposition of Judgment March 16, 2022

Signature of Judge

ELIZABETH E. FOOTE, United States District Judge

Name of Judge

Title of Judge

Date

3/18/22



DEFENDANT: LYNN D CAWTHORNE  
CASE NUMBER: 5:18-CR-00107-1

### IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons to be imprisoned for a total term of: 46 months as to count 2s. This sentence is to run concurrently with the sentence imposed in Docket No. 5:19-CR-00393-01.

- ☐ 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 May 2, 2022
- ☐ 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: LYNN D CAWTHORNE  
CASE NUMBER: 5:18-CR-00107-1

### SUPERVISED RELEASE

Upon release from imprisonment, you will be on supervised release for a term of: three (3) years

### MANDATORY CONDITIONS (MC)

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.
4. ☐ 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)*
5. ☒ 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)*
6. ☒ You must cooperate in the collection of DNA as directed by the probation officer. *(check if applicable)*
7. ☐ You must comply with the requirements of the Sex Offender Registration and Notification Act (34 U.S.C. § 20901, *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)*
8. ☐ You must participate in an approved program for domestic violence. *(check if applicable)*
9. ☐ The passport restriction imposed at the time of initial release is hereby suspended, and defendant's passport is ordered released to defendant's attorney. *(check if applicable)*
10. ☐ The passport restriction imposed at the time of initial release is continued, and defendant's passport is ordered transferred to the U. S. Department of State. *(check if applicable)*
11. You must comply with the standard conditions that have been adopted by this court as well as any other conditions on the attached page.

### STANDARD CONDITIONS OF SUPERVISION (SC)

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, 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 your supervision that he or she 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 your position or your 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. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: [www.uscourts.gov](http://www.uscourts.gov).

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

Date \_\_\_\_\_



DEFENDANT: LYNN D CAWTHORNE  
CASE NUMBER: 5:18-CR-00107-1

### **SPECIAL CONDITIONS OF SUPERVISION (SP)**

1. The defendant shall not incur new credit charges, or open additional lines of credit without the approval of the probation officer.
2. The defendant shall be subject to financial disclosure throughout the period of supervised release and shall provide U.S. Probation with all requested financial documentation. The defendant shall report all household income to U.S. Probation as requested.
3. The defendant is prohibited from operating any entity that receives federal funding.
4. In the event the restitution is not paid prior to the commencement of supervised release, the defendant shall make monthly payments at a rate not less than 25% of the defendant's gross monthly income to the District Clerk of Court. Payments shall begin within 30 days of the commencement of supervised release.

DEFENDANT: LYNN D CAWTHORNE  
CASE NUMBER: 5:18-CR-00107-1

**CRIMINAL MONETARY PENALTIES**

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

	<u>Assessment</u>	<u>Restitution</u>	<u>Fine</u>	<u>AVAA Assessment*</u>	<u>JVTA Assessment**</u>
<b>TOTALS</b>	\$100.00	\$837,690.01	\$0.00	\$0.00	\$0.00

☐ The determination of restitution is deferred until \_\_\_\_\_. An *Amended Judgment in a Criminal Case (AO 245C)* 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, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

Restitution of \$837,690.01 to:

Department of Agriculture  
USDA-FNS-HQ  
PO Box 979027  
Saint Louis, MO 63197-9000

- ☐ 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/or penalties and it is ordered that:
- ☒ the interest and/or ☒ penalty requirement is waived for the ☐ fine ☒ restitution.
- ☐ the interest and/or ☐ penalty requirement for the ☐ fine ☐ restitution is modified as follows:

\* Amy, Vicky, and Andy Child Pornography Victim Assistance Act of 2018, Pub. L. No. 115-299..

\*\* 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: LYNN D CAWTHORNE  
CASE NUMBER: 5:18-CR-00107-1

### 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 payment of \$ 837,790.01 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 \_\_\_\_\_ (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: The defendant shall make monthly payments at a rate not less than 25% of the defendant's gross monthly income to the District Clerk of Court. Payments shall begin within 30 days of the commencement of supervised release.
- The Court orders that any federal income tax refund payable to the defendant from the Internal Revenue Service will be turned over to the Clerk of Court and applied toward any outstanding balance with regard to the outstanding financial obligations ordered by the Court.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during the period of 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, or, unless ordered otherwise, criminal debt payments may be made online at [www.lawd.uscourts.gov/fees](http://www.lawd.uscourts.gov/fees).

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

- ☒ Joint and Several  
☒ Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

Restitution of \$837,690.01, jointly and severally with co-defendant Belena C Turner (5:18-cr-00107-2)

☐ The Court gives notice this case involves other defendants who may be held jointly and several liable for payment of all or part of the restitution ordered herein and may order such payment in the future.

- ☐ 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:

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) penalties, and (8) costs, including cost of prosecution and court costs.

# **CAWTHORNE Attachment 7**

## UNITED STATES DISTRICT COURT

Western District of Louisiana

Shreveport Division

UNITED STATES OF AMERICA

v.

LYNN D CAWTHORNE

## JUDGMENT IN A CRIMINAL CASE

Case Number: 5:19-CR-00393-1

USM Number: 20593-035

J Ransdell Keene

Defendant's Attorney

## THE DEFENDANT:

☒ pleaded guilty to count(s) 1 of the Indictment☐ pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court.☐ 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	Offense Ended	Count
26:7206(2)	Fraud and False Statements - Aiding and Assisting In Making and Subscribing A False Return	04/15/2014	1

The defendant is sentenced as provided in pages 2 through 6 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) 2 ☒ 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.

Date of Imposition of Judgment March 16, 2022

Signature of Judge

Name of Judge ELIZABETH E. FOOTE, United States District Judge Title of Judge

Date 3/22/22

DIVISION  
EXHIBIT

7



DEFENDANT: LYNN D CAWTHORNE  
CASE NUMBER: 5:19-CR-00393-1

## IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons to be imprisoned for a total term of: 36 months as to Count 1. Term to run concurrent with the sentence imposed in 5:18-CR-00107-01.

- ☐ 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 May 2, 2022
- ☐ 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: LYNN D CAWTHORNE  
CASE NUMBER: 5:19-CR-00393-1

### SUPERVISED RELEASE

Upon release from imprisonment, you will be on supervised release for a term of: one (1) year, to run concurrent with the term imposed in 5:18-CR-00107-01 as to Count 2.

### MANDATORY CONDITIONS (MC)

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.
4. ☐ 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*)
5. ☒ 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*)
6. ☒ You must cooperate in the collection of DNA as directed by the probation officer. (*check if applicable*)
7. ☐ You must comply with the requirements of the Sex Offender Registration and Notification Act (34 U.S.C. § 20901, *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*)
8. ☐ You must participate in an approved program for domestic violence. (*check if applicable*)
9. ☐ The passport restriction imposed at the time of initial release is hereby suspended, and defendant's passport is ordered released to defendant's attorney. (*check if applicable*)
10. ☐ The passport restriction imposed at the time of initial release is continued, and defendant's passport is ordered transferred to the U. S. Department of State. (*check if applicable*)
11. You must comply with the standard conditions that have been adopted by this court as well as any other conditions on the attached page.

### STANDARD CONDITIONS OF SUPERVISION (SC)

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, 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 your supervision that he or she 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 your position or your 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. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: [www.uscourts.gov](http://www.uscourts.gov).

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

Date \_\_\_\_\_



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### **SPECIAL CONDITIONS OF SUPERVISION (SP)**

1. The defendant shall not incur new credit charges, or open additional lines of credit without the approval of the probation officer.
2. The defendant shall be subject to financial disclosure throughout the period of supervised release and shall provide U.S. Probation with all requested financial documentation. The defendant shall report all household income to U.S. Probation as requested.
3. The defendant is prohibited from operating any entity that receives federal funding.
4. In the event the restitution is not paid prior to the commencement of supervised release, the defendant shall make monthly payments at a rate not less than 25% of the defendant's gross monthly income to the District Clerk of Court. Payments shall begin within 30 days of the commencement of supervised release.

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**CRIMINAL MONETARY PENALTIES**

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

	<u>Assessment</u>	<u>Restitution</u>	<u>Fine</u>	<u>AVAA Assessment*</u>	<u>JVTA Assessment**</u>
<b>TOTALS</b>	\$100.00	\$58,183.95	\$0.00	\$0.00	\$0.00

- ☐ The determination of restitution is deferred until \_\_\_\_\_. An *Amended Judgment in a Criminal Case (AO 245C)* 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, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

Restitution of \$58,183.95 to:

Department of Treasury  
Internal Revenue Service  
MSC 6261 Restitution  
333 W Pershing Rd  
Kansas City, MO 64108-4302

- ☐ 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/or penalties and it is ordered that:
- ☒ the interest and/or ☒ penalty requirement is waived for the ☐ fine ☒ restitution.
- ☐ the interest and/or ☐ penalty requirement for the ☐ fine ☐ restitution is modified as follows:

\* Amy, Vicky, and Andy Child Pornography Victim Assistance Act of 2018, Pub. L. No. 115-299..

\*\* 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.



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### 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 payment of \$ 58,283.95 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 \_\_\_\_\_ (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: The defendant shall make monthly payments at a rate of not less than 25% of the defendant's gross monthly income to the District Clerk of Court. Payments shall begin within 30 days of the commencement of supervised release.
- The Court orders that any federal income tax refund payable to the defendant from the Internal Revenue Service will be turned over to the Clerk of Court and applied toward any outstanding balance with regard to the outstanding financial obligations ordered by the Court.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during the period of 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, or, unless ordered otherwise, criminal debt payments may be made online at [www.lawd.uscourts.gov/fees](http://www.lawd.uscourts.gov/fees).

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

- ☐ Joint and Several  
☐ Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.
- ☐ The Court gives notice this case involves other defendants who may be held jointly and several liable for payment of all or part of the restitution ordered herein and may order such payment in the future.
- ☐ 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:

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) penalties, and (8) costs, including cost of prosecution and court costs.