

No. S277211

IN THE SUPREME COURT OF CALIFORNIA

CITY OF LOS ANGELES,

Plaintiff and Appellant,

v.

PRICEWATERHOUSECOOPERS, LLC,

Defendant and Respondent.

After a Decision of the Court of Appeal of the State of California,
Second Appellate District, Division Five,
Case No. B310118

On Appeal from the Superior Court of Los Angeles County
Case No. BC574690
The Honorable Elihu M. Berle, Presiding

**PRICEWATERHOUSECOOPERS LLP'S MOTION FOR
JUDICIAL NOTICE; SUPPORTING MEMORANDUM OF
POINTS AND AUTHORITIES; DECLARATION OF
RYAN AZAD; AND [PROPOSED] ORDER**

GIBSON, DUNN & CRUTCHER LLP GIBSON, DUNN & CRUTCHER LLP

* Julian W. Poon, SBN 219843
Casey J. McCracken, SBN 271202
Samuel Eckman, SBN 308923
Ryan Azad, SBN 321322
333 South Grand Avenue
Los Angeles, CA 90071-3197
Telephone: (213) 229-7000
Facsimile: (213) 229-7520
JPoon@gibsondunn.com
SEckman@gibsondunn.com
RAzad@gibsondunn.com

Daniel J. Thomasch (*pro hac vice*)
Lauren J. Elliot (*pro hac vice*)
200 Park Avenue
New York, NY 10166-0193
Telephone: (212) 351-3800
Facsimile: (212) 351-6200
DThomasch@gibsondunn.com

Attorneys for Defendant and Respondent PricewaterhouseCoopers LLP

MOTION FOR JUDICIAL NOTICE

PricewaterhouseCoopers LLP (“PwC”) respectfully requests that this Court take judicial notice, under Evidence Code sections 452 and 459 and California Rules of Court, rules 8.520(g) and 8.252(a), of the following materials, which are cited in PwC’s opening brief on the merits and are relevant to its description of the factual background giving rise to the issue presented:

1. **Exhibit A:** A true and correct copy of the Plea Agreement for Paul O. Paradis filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB, on November 29, 2021. In his appointed capacity as Special Counsel to the City of Los Angeles (“the City”), Paradis served as the City’s lead counsel in the trial court proceedings in this case until his forced resignation in March 2019.

2. **Exhibit B:** A true and correct copy of the Plea Agreement for David H. Wright filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB, on December 6, 2021. At the time of his resignation at the direction of the Mayor of Los Angeles on July 23, 2019, Wright was the General Manager of the Los Angeles Department of Water and Power.

3. **Exhibit C:** A true and correct copy of the Plea Agreement for Thomas H. Peters filed in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB, on January 10, 2022. Before his forced resignation on March 25, 2019, Peters was the Chief Assistant City Attorney and Chief of the Civil Litigation Branch of the Los Angeles City Attorney's Office; he had supervisory authority over all civil litigation matters within the Office, and specifically of Special Counsel's handling of this case. Peters also served as a Person Most Qualified (PMQ) witness for the City in the trial court proceedings in this case, and personally defended the continued PMQ deposition ordered by the trial court.

4. **Exhibit D:** A true and correct copy of the Minutes of Paradis's Change of Plea in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB, entered on January 28, 2022. The court accepted Paradis's plea of guilty to one felony bribery charge for accepting an illegal kickback of nearly \$2.2 million for getting another attorney to purportedly represent his ratepayer client, Antwon Jones, in a collusive lawsuit against the City.

5. **Exhibit E:** A true and correct copy of the Minutes of Wright’s Change of Plea in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB, entered on January 25, 2022. The court accepted Wright’s plea of guilty to one felony bribery charge for lying to federal investigators about not having any financial or business interest in which Paradis was associated.

6. **Exhibit F:** A true and correct copy of the Minutes of Peters’ Guilty Plea in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB, entered on April 5, 2022. The court accepted Peters’ plea of guilty to one felony charge for aiding and abetting extortion related to the City’s efforts to hide from PwC critical documents that would have revealed that the filing of the *Jones v. City of Los Angeles* complaint and subsequent settlement were a sham.

* * *

The Court may take judicial notice of the documents listed above under California Rules of Court, rules 8.520(g) and 8.252(a). The documents:

(A) are relevant to the background giving rise to this appeal because they illustrate the extent of the City’s discovery

misconduct, corruption, and criminality and describe some of the conduct for which the trial court sanctioned the City of Los Angeles;

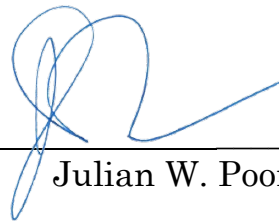
(B) were not presented to the trial court because they postdate the trial court's judgment;

(C) are subject to judicial notice under Evidence Code section 452, subdivision (d), because they are "[r]ecords of . . . [a] court of record of the United States"; and

(D) relate to criminal proceedings postdating the trial court's judgment.

Dated: April 10, 2023 Respectfully submitted,

GIBSON, DUNN & CRUTCHER LLP



Julian W. Poon

*Attorneys for Defendant and Respondent
PricewaterhouseCoopers LLP*

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

The Court should take judicial notice of (1) the Plea Agreement for Paul O. Paradis filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB; (2) the Plea Agreement for David H. Wright filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB; (3) the Plea Agreement for Thomas H. Peters filed in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB; (4) the Minutes of Paradis's Change of Plea in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB; (5) the Minutes of Wright's Change of Plea in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB; and (6) the Minutes of Peters' Guilty Plea in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB.

All of these items are judicially noticeable under Evidence Code section 452, subdivision (d), because they are "[r]ecords of" the U.S. District Court for the Central District of California, which is "[a] court of record of the United States." (Evid. Code § 452, subd. (d).)

The six court records are relevant to this appeal and to the issues before this Court because they provide additional factual context regarding the City’s egregious pattern of discovery abuse in this case detailed in PwC’s opening brief on the merits and describe just some of the conduct for which the trial court imposed sanctions against the City. The plea agreements and guilty pleas of Paradis, Wright, and Peters also demonstrate why the rule adopted by the Court of Appeal—which requires trial courts to allocate specific expenses to discrete instances of discovery misconduct—is an incredibly burdensome task in cases such as this where the whole of a party’s discovery misconduct and its deleterious effects on the administration of justice are far greater than the sum of its parts.

II. ARGUMENT

The plea agreements and guilty pleas of Paradis, Wright, and Peters are judicially noticeable because they are “[r]ecords of” the U.S. District Court for the Central District of California, which is “[a] court of record of the United States.” (Evid. Code § 452, subd. (d).)

These judicial records are relevant to this appeal because they are “clearly relevant for [PwC’s] description of the basic

factual background” giving rise to this appeal. (*Yee v. Superior Ct.* (2019) 31 Cal.App.5th 26, 30, fn. 3.) The conduct to which these three individuals have pleaded guilty demonstrate the scope of the City’s discovery abuse, lies, and fraudulent deceit before the trial court. (See 2AA952–990; 4AA1583–1696.) When PwC deposed Paradis and Wright, both invoked their Fifth Amendment privilege against self-incrimination. (4AA1671–1672, 1677.) And when PwC deposed Peters as the City’s Person Most Qualified witness, he defiantly boasted that he “did nothing to prepare” for the deposition and neither looked for nor produced any of the documents called for by the deposition notice. (4AA1644–1647.) Peters also perjured himself several times before Paradis improperly terminated the deposition and unilaterally walked out with Peters when PwC’s counsel questioned Peters about LADWP’s (now-admitted) knowledge of the relationship between Paradis and Jones’s counsel, Jack Landskroner, that predated the filing of the *Jones v. PwC* complaint. (4AA1644–47.)

The plea agreements and guilty pleas of Paradis, Wright, and Peters demonstrate that these now-admitted crimes would have been revealed by PwC’s discovery requests if the City had accurately and completely answered those requests, as required by

the Code of Civil Procedure. Yet rather than comply with its discovery obligations, the City engaged in persistent discovery abuse for the very purpose of concealing its employees' underlying criminal scheme. (4AA1689–90; 2RT3653–55.) As the trial court observed in its order granting PwC's motion for sanctions, the City's "serious abuse of discovery by the City and its counsel"—including conduct described in the attached plea agreements—warranted the imposition of \$2.5 million in sanctions against the City. (8AA4010–4011.)

This Court regularly takes judicial notice of court records such as plea agreements and guilty pleas when they are relevant to understanding the facts giving rise to cases before the Court. (See, e.g., *FilmOn.com Inc. v. DoubleVerify Inc.* (2019) 7 Cal.5th 133, 150, fn. 6; *Manta Mgmt. Corp. v. City of San Bernardino* (2008) 43 Cal.4th 400, 403, fn. 2; *Richardson v. Superior Court* (2008) 43 Cal.4th 1040, 1044, fn. 2; *Taus v. Loftus* (2007) 40 Cal.4th 683, 726; *People v. Boyer* (2006) 38 Cal.4th 412, 433, fn. 8; *People v. Lawley* (2002) 27 Cal.4th 102, 116, fn. 2; *In re Marquez* (2003) 30 Cal.4th 14, 18, fn. 2.)

That the Court of Appeal declined to take judicial notice of three of these judicial records—the plea agreements of Paradis,

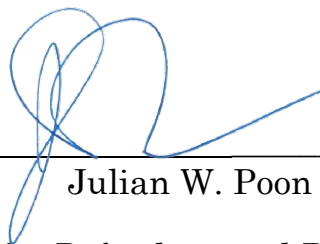
Wright, and Peters (Azad Decl., Exhibits A–C)—ought not affect this Court’s analysis. (See Op. at p. 37, fn. 4.) This Court independently considers requests for judicial notice and grants such motions when the documents may be noticed under the Evidence Code and are relevant to the cases before the Court—regardless of whether the Court of Appeal judicially noticed the documents. (See *Taus*, *supra*, 40 Cal.4th at p. 726 [taking judicial notice of court records even when “[t]he Court of Appeal denied . . . the request for judicial notice”].)

III. CONCLUSION

PwC respectfully requests that the Court grant its motion and take judicial notice of the six attached documents.

Dated: April 10, 2023 Respectfully submitted,

GIBSON, DUNN & CRUTCHER LLP



Julian W. Poon

*Attorneys for Defendant and Respondent
PricewaterhouseCoopers LLP*

DECLARATION OF RYAN AZAD

I, Ryan Azad, declare:

1. I am an attorney licensed to practice law in the State of California. I am an associate in the law firm of Gibson, Dunn & Crutcher LLP and counsel of record for PricewaterhouseCoopers LLP (“PwC”) in this case. I have personal knowledge of the facts addressed in this declaration unless the context indicates otherwise, and, if called and sworn as a witness, I could and would testify competently about them.

2. Attached to this declaration as Exhibit A is a true and correct copy of the Plea Agreement for Paul O. Paradis filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB, on November 29, 2021.

3. Attached to this declaration as Exhibit B is a true and correct copy of the Plea Agreement for David H. Wright filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB, on December 6, 2021.

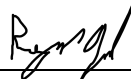
4. Attached to this declaration as Exhibit C is a true and correct copy of the Plea Agreement for Thomas H. Peters filed in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB, on January 10, 2022.

5. Attached to this declaration as Exhibit D is a true and correct copy of the Minutes of Paradis's Change of Plea in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB, entered on January 28, 2022.

6. Attached to this declaration as Exhibit E is a true and correct copy of the Minutes of Wright's Change of Plea in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB, entered on January 25, 2022.

7. Attached to this declaration as Exhibit F is a true and correct copy of the Minutes of Peters' Guilty Plea in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB, entered on April 5, 2022.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on April 10, 2023, in San Francisco, California.



Ryan Azad

No. S277211

**IN THE SUPREME COURT
OF THE STATE OF CALIFORNIA**

CITY OF LOS ANGELES,

Plaintiff and Appellant,

v.

PRICEWATERHOUSECOOPERS, LLC,

Defendant and Respondent.

**[PROPOSED] ORDER GRANTING
PRICEWATERHOUSECOOPERS LLP'S MOTION FOR
JUDICIAL NOTICE**

The Court grants PricewaterhouseCoopers LLP's motion and takes judicial notice of:

- (A) the Plea Agreement for Paul O. Paradis filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00540-SB, on November 29, 2021;
- (B) the Plea Agreement for David H. Wright filed in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB, on December 6, 2021;
- (C) the Plea Agreement for Thomas H. Peters filed in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB, on January 10, 2022;
- (D) the Change of Plea for Paul O. Paradis in the U.S. District

Court for the Central District of California, Case No. 2:21-cr-00540-SB, entered on January 28, 2022;

(E) the Change of Plea for David H. Wright in the U.S. District Court for the Central District of California, Case No. 2:21-cr-00559-SB, entered on January 25, 2022; and

(F) the Guilty Plea of Thomas H. Peters in the U.S. District Court for the Central District of California, Case No. 2:22-cr-00009-SB, entered on April 5, 2022.

IT IS SO ORDERED.

Dated: _____, 2023

The Honorable Patricia Guerrero
Chief Justice

PROOF OF SERVICE

I, Suzanne Wilson, declare as follows:

I am employed in the County of San Francisco, State of California; I am over the age of eighteen years and am not a party to this action; my business address is 555 Mission Street, San Francisco, California 94105, in said County and State. On April 10, 2023, I served the following document:

**PRICEWATERHOUSECOOPERS LLP'S MOTION
FOR JUDICIAL NOTICE; SUPPORTING
MEMORANDUM OF POINTS AND AUTHORITIES;
DECLARATION OF JULIAN W. POON; AND
[PROPOSED] ORDER**

to the persons named below at the address shown, in the manner described below:

Hydee F. Soto
Kathleen A. Kenealy
Joseph A. Brajevich
OFFICE OF THE CITY
ATTORNEY
200 North Main Street,
Suite 966
Los Angeles, CA 90012
Telephone: (213) 978-8100
hydee.feldsteinsoto@lacity.org
kathleen.kenealy@lacity.org
joseph.brajevich@ladwp.com

Attorneys for Plaintiff and
Appellant City of Los
Angeles
(Via TrueFiling only)

Eric M. George
Guy C. Nicholson
Kathryn L. McCann
ELLIS GEORGE CIPOLLONE
O'BRIEN ANNAGUEY LLP
2121 Avenue of the Stars,
Suite 2800
Los Angeles, CA 90067
Telephone: (310) 274-7100
egeorge@egcfirm.com
gnicholson@egcfirm.com
kmccann@egcfirm.com

Attorneys for Plaintiff and
Appellant City of Los
Angeles
(Via TrueFiling only)

Clerk
Court of Appeal
Second Appellate District
Division Five
Ronald Reagan State Building
300 S. Spring Street
2nd Floor, North Tower
Los Angeles, CA 90013
Telephone: (213) 830-7000

(Automatically served via
TrueFiling only)

Clerk
Superior Court of California
County of Los Angeles
Spring Street Courthouse
312 North Spring Street, Dept. 6
Los Angeles, CA 90012
Telephone: (213) 310-7000

Cal. Rules of Court, R.
8.212
(By Overnight Delivery
only)

- ☒ **BY OVERNIGHT DELIVERY:** On the above-mentioned date, I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the addresses shown above. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight delivery carrier with delivery fees paid or provided for.
- ☒ **BY ELECTRONICALLY FILING** the foregoing with the Clerk of the Court using TrueFiling electronic case filing system which will send notification of such electronic filing to counsel of record for all parties by operation of the TrueFiling system.

I certify under penalty of perjury that the foregoing is true and correct, that the foregoing document is printed on recycled paper, and that this Proof of Service was executed by me on April 10, 2023.



Suzanne Wilson

**EXHIBIT A: PLEA AGREEMENT
FOR PAUL O. PARADIS**

1 TRACY L. WILKISON
United States Attorney
2 SCOTT M. GARRINGER
Assistant United States Attorney
3 Chief, Criminal Division
MELISSA MILLS (Cal. Bar No. 248529)
4 J. JAMARI BUXTON (Cal. Bar No. pending)
SUSAN S. HAR (Cal. Bar No. 301924)
5 Assistant United States Attorneys
Public Corruption and Civil Rights Section
6 1500 United States Courthouse
312 North Spring Street
7 Los Angeles, California 90012
Telephone: (213) 894-0627
8 Facsimile: (213) 894-7631
E-mail: Melissa.Mills@usdoj.gov
Jamari.Buxton@usdoj.gov
9 Susan.Har@usdoj.gov



10 Attorneys for Plaintiff
11 UNITED STATES OF AMERICA

12 UNITED STATES DISTRICT COURT
13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 UNITED STATES OF AMERICA,

15 Plaintiff,

16 v.

17 PAUL O. PARADIS,

18 Defendant.

No. CR 2:21-cr-00540-SB

PLEA AGREEMENT FOR DEFENDANT
PAUL O. PARADIS

19
20 1. This constitutes the plea agreement between defendant PAUL
21 O. PARADIS ("defendant") and the United States Attorney's Office for
22 the Central District of California ("the USAO") in the above-
23 captioned case. This agreement is limited to the USAO and cannot
24 bind any other federal, state, local, or foreign prosecuting,
25 enforcement, administrative, regulatory, or licensing authorities.

26 DEFENDANT'S OBLIGATIONS

27 2. Defendant agrees to:
28

1 a. At the earliest opportunity requested by the USAO and
2 provided by the Court, appear and plead guilty to count one of the
3 information in the form attached to this agreement as Exhibit A or a
4 substantially similar form, which charges defendant with bribery
5 concerning programs receiving federal funds, in violation of 18
6 U.S.C. § 666(a)(1)(B).

7 b. Not contest facts agreed to in this agreement.

8 c. Abide by all agreements regarding sentencing contained
9 in this agreement.

10 d. Appear for all court appearances, surrender if ordered
11 for service of sentence, obey all conditions of any bond, and obey
12 any other ongoing court order in this matter.

13 e. Not commit any crime; however, offenses that would be
14 excluded for sentencing purposes under United States Sentencing
15 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
16 within the scope of this agreement.

17 f. Be truthful at all times with the United States
18 Probation and Pretrial Services Office and the Court.

19 g. Pay the applicable special assessment at or before the
20 time of sentencing unless defendant has demonstrated a lack of
21 ability to pay such assessments.

22 h. Give up the right to indictment by a grand jury.

23 3. Defendant further agrees to cooperate fully with the USAO,
24 the Federal Bureau of Investigation, and, as directed by the USAO,
25 any other federal, state, local, or foreign prosecuting, enforcement,
26 administrative, regulatory, or licensing authority, including the Bar
27 of any state. This cooperation requires defendant to:

1 a. Respond truthfully and completely to all questions
2 that may be put to defendant, whether in interviews, before a grand
3 jury, or at any trial or other court proceeding.

4 b. Attend all meetings, grand jury sessions, trials or
5 other proceedings at which defendant's presence is requested by the
6 USAO or compelled by subpoena or court order.

7 c. Produce voluntarily all documents, records, or other
8 tangible evidence relating to matters about which the USAO, or its
9 designee, inquires.

10 4. For purposes of this agreement: (1) "Cooperation
11 Information" shall mean any statements made, or documents, records,
12 tangible evidence, or other information provided, by defendant
13 pursuant to defendant's cooperation under this agreement; and
14 (2) "Plea Information" shall mean any statements made by defendant,
15 under oath, at the guilty plea hearing and the agreed-to factual
16 basis statement in this agreement.

17 THE USAO'S OBLIGATIONS

18 5. The USAO agrees to:

19 a. Not contest facts agreed to in this agreement.

20 b. Abide by all agreements regarding sentencing contained
21 in this agreement.

22 c. Except for criminal tax violations (including
23 conspiracy to commit such violations chargeable under 18 U.S.C.
24 § 371), not further criminally prosecute defendant for conduct
25 described in the agreed-to factual basis set forth in Attachment A.
26 Defendant understands that the USAO is free to criminally prosecute
27 defendant for any other unlawful past conduct or any unlawful conduct
28 that occurs after the date of this agreement. Defendant agrees that

1 at the time of sentencing the Court may consider the uncharged
2 conduct in determining the applicable Sentencing Guidelines range,
3 the propriety and extent of any departure from that range, and the
4 sentence to be imposed after consideration of the Sentencing
5 Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

6 d. At the time of sentencing, provided that defendant
7 demonstrates an acceptance of responsibility for the offense conduct,
8 including the relevant conduct described in the agreed-upon factual
9 basis, up to and including the time of sentencing, recommend a two-
10 level reduction in the applicable Sentencing Guidelines offense
11 level, pursuant to U.S.S.G. § 3E1.1, and recommend and, if
12 appropriate, move for an additional one-level reduction if available
13 under that section.

14 6. The USAO further agrees:

15 a. Not to offer as evidence in its case-in-chief in the
16 above-captioned case or any other criminal prosecution that may be
17 brought against defendant by the USAO, any Cooperation Information.
18 Defendant agrees, however, that the USAO may use both Cooperation
19 Information and Plea Information: (1) to obtain and pursue leads to
20 other evidence, which evidence may be used for any purpose, including
21 any criminal prosecution of defendant; (2) to cross-examine defendant
22 should defendant testify, or to rebut any evidence offered, or
23 argument or representation made, by defendant, defendant's counsel,
24 or a witness called by defendant in any trial, sentencing hearing, or
25 other court proceeding; (3) in any criminal prosecution of defendant
26 for false statement, obstruction of justice, or perjury; and (4) at
27 defendant's sentencing. Defendant understands that Cooperation
28

1 Information will be disclosed to the United States Probation and
2 Pretrial Services Office and the Court.

3 b. In connection with defendant's sentencing, to bring to
4 the Court's attention the nature and extent of defendant's
5 cooperation.

6 c. If the USAO determines, in its exclusive judgment,
7 that defendant has both complied with defendant's obligations under
8 paragraphs 2 and 3 above and provided substantial assistance to law
9 enforcement in the prosecution or investigation of another
10 ("substantial assistance"), to move the Court pursuant to U.S.S.G.
11 § 5K1.1 to fix an offense level and corresponding guideline range
12 below that otherwise dictated by the sentencing guidelines, and to
13 recommend a sentence at the low end of or below this reduced range.

14 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

15 7. Defendant understands the following:

16 a. Any knowingly false or misleading statement by
17 defendant will subject defendant to prosecution for false statement,
18 obstruction of justice, and perjury and will constitute a breach by
19 defendant of this agreement.

20 b. Nothing in this agreement requires the USAO or any
21 other prosecuting, enforcement, administrative, regulatory, or
22 licensing authority to accept any cooperation or assistance that
23 defendant may offer, or to use it in any particular way.

24 c. Defendant cannot withdraw defendant's guilty plea if
25 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a
26 reduced guideline range or if the USAO makes such a motion and the
27 Court does not grant it or if the Court grants such a USAO motion but
28 elects to sentence above the reduced range.

1 d. At this time the USAO makes no agreement or
2 representation as to whether any cooperation that defendant has
3 provided or intends to provide constitutes or will constitute
4 substantial assistance. The decision whether defendant has provided
5 substantial assistance will rest solely within the exclusive judgment
6 of the USAO.

7 e. The USAO's determination whether defendant has
8 provided substantial assistance will not depend in any way on whether
9 the government prevails at any trial or court hearing in which
10 defendant testifies or in which the government otherwise presents
11 information resulting from defendant's cooperation.

12 NATURE OF THE OFFENSE

13 8. Defendant understands that for defendant to be guilty of
14 the crime charged in count one of the information, that is, bribery
15 concerning programs receiving federal funds, in violation of Title
16 18, United States Code, Section 666(a)(1)(B), the following must be
17 true:

18 a. The defendant was an agent of the Los Angeles City
19 Attorney's Office and the City of Los Angeles;

20 b. The defendant corruptly solicited or demanded for the
21 benefit of any person, or accepted or agreed to accept anything of
22 value from any person;

23 c. The defendant intended to be influenced or rewarded in
24 connection with any business, transaction, or series of transactions
25 of the Los Angeles City Attorney's Office and the City of Los Angeles
26 involving anything of value of \$5,000 or more; and

27 d. The Los Angeles City Attorney's Office was an agency
28 of the City of Los Angeles, which received, during the years 2015-

1 2017, annual benefits in excess of \$10,000 under a Federal program
2 involving a grant, contract, subsidy, loan, guarantee, insurance, or
3 any other form of Federal assistance.

4 PENALTIES

5 9. Defendant understands that the statutory maximum sentence
6 that the Court can impose for a violation of Title 18, United States
7 Code, Section 666(a)(1)(B), is: 10 years' imprisonment; a three-year
8 period of supervised release; a fine of \$250,000 or twice the gross
9 gain or gross loss resulting from the offense, whichever is greatest;
10 and a mandatory special assessment of \$100.

11 10. Defendant understands that supervised release is a period
12 of time following imprisonment during which defendant will be subject
13 to various restrictions and requirements. Defendant understands that
14 if defendant violates one or more of the conditions of any supervised
15 release imposed, defendant may be returned to prison for all or part
16 of the term of supervised release authorized by statute for the
17 offense that resulted in the term of supervised release, which could
18 result in defendant serving a total term of imprisonment greater than
19 the statutory maximum stated above.

20 11. Defendant understands that, by pleading guilty, defendant
21 may be giving up valuable government benefits and valuable civic
22 rights, such as the right to vote, the right to possess a firearm,
23 the right to hold office, and the right to serve on a jury.
24 Defendant understands that he is pleading guilty to a felony and that
25 it is a federal crime for a convicted felon to possess a firearm or
26 ammunition. Defendant understands that the conviction in this case
27 may also subject defendant to various other collateral consequences,
28 including but not limited to revocation of probation, parole, or

1 supervised release in another case and suspension or revocation of a
2 professional license. Defendant understands that unanticipated
3 collateral consequences will not serve as grounds to withdraw
4 defendant's guilty plea.

5 12. Defendant understands that, if defendant is not a United
6 States citizen, the felony conviction in this case may subject
7 defendant to: removal, also known as deportation, which may, under
8 some circumstances, be mandatory; denial of citizenship; and denial
9 of admission to the United States in the future. The Court cannot,
10 and defendant's attorney also may not be able to, advise defendant
11 fully regarding the immigration consequences of the felony conviction
12 in this case. Defendant understands that unexpected immigration
13 consequences will not serve as grounds to withdraw defendant's guilty
14 plea.

15 FACTUAL BASIS

16 13. Defendant admits that defendant is, in fact, guilty of the
17 offense to which defendant is agreeing to plead guilty. Defendant
18 and the USAO agree to the statement of facts provided in Attachment A
19 hereto and agree that this statement of facts is sufficient to
20 support a plea of guilty to the charge described in this agreement
21 and to establish the Sentencing Guidelines factors set forth in
22 paragraph 15 below but is not meant to be a complete recitation of
23 all facts relevant to the underlying criminal conduct or all facts
24 known to either party that relate to that conduct.

25 SENTENCING FACTORS

26 14. Defendant understands that in determining defendant's
27 sentence the Court is required to calculate the applicable Sentencing
28 Guidelines range and to consider that range, possible departures

1 under the Sentencing Guidelines, and the other sentencing factors set
 2 forth in 18 U.S.C. § 3553(a). Defendant understands that the
 3 Sentencing Guidelines are advisory only, that defendant cannot have
 4 any expectation of receiving a sentence within the calculated
 5 Sentencing Guidelines range, and that after considering the
 6 Sentencing Guidelines and the other § 3553(a) factors, the Court will
 7 be free to exercise its discretion to impose any sentence it finds
 8 appropriate up to the maximum set by statute for the crime of
 9 conviction.

10 15. Defendant and the USAO agree to the following applicable
 11 Sentencing Guidelines factors:

12	Base Offense Level:	14	[U.S.S.G. § 2C1.1(a)(1)]
13	Value of bribe between		
14	\$1,500,001-\$3,500,000	+16	[U.S.S.G. § 2B1.1(b)(1)(I)]
15	Involved more than one bribe	+2	[U.S.S.G. § 2C1.1(b)(1)]
16	Involved high-level/sensitive	+4	[U.S.S.G. § 2C1.1(b)(3)]
17	position		

18 Defendant and the USAO reserve the right to argue that additional
 19 specific offense characteristics, adjustments, and departures under
 20 the Sentencing Guidelines are appropriate. In particular, defendant
 21 may argue for downward departures under U.S.S.G. § 5H1.4 (physical
 22 condition) and U.S.S.G. § 5K2.16 (voluntary disclosure).

23 16. Defendant understands that there is no agreement as to
 24 defendant's criminal history or criminal history category.

25 17. Defendant and the USAO reserve the right to argue for a
 26 sentence outside the sentencing range established by the Sentencing
 27 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
 28 (a)(2), (a)(3), (a)(6), and (a)(7).

WAIVER OF CONSTITUTIONAL RIGHTS

18. Defendant understands that by pleading guilty, defendant gives up the following rights:

a. The right to persist in a plea of not guilty.
b. The right to a speedy and public trial by jury.
c. The right to be represented by counsel -- and if necessary have the Court appoint counsel -- at trial. Defendant understands, however, that, defendant retains the right to be represented by counsel -- and if necessary have the Court appoint counsel -- at every other stage of the proceeding.

d. The right to be presumed innocent and to have the burden of proof placed on the government to prove defendant guilty beyond a reasonable doubt.

e. The right to confront and cross-examine witnesses against defendant.

f. The right to testify and to present evidence in opposition to the charges, including the right to compel the attendance of witnesses to testify.

g. The right not to be compelled to testify, and, if defendant chose not to testify or present evidence, to have that choice not be used against defendant.

h. Any and all rights to pursue any affirmative defenses, Fourth Amendment or Fifth Amendment claims, and other pretrial motions that have been filed or could be filed.

WAIVER OF APPEAL OF CONVICTION

19. Defendant understands that, with the exception of an appeal based on a claim that defendant's guilty plea was involuntary, by pleading guilty defendant is waiving and giving up any right to

1 appeal defendant's conviction on the offense to which defendant is
2 pleading guilty. Defendant understands that this waiver includes,
3 but is not limited to, arguments that the statute to which defendant
4 is pleading guilty is unconstitutional, and any and all claims that
5 the statement of facts provided herein is insufficient to support
6 defendant's plea of guilty.

7 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE AND COLLATERAL ATTACK

8 20. Defendant agrees that, provided the Court imposes a total
9 term of imprisonment on the count of conviction of no more than the
10 statutory maximum of ten years, defendant gives up the right to
11 appeal all of the following: (a) the procedures and calculations used
12 to determine and impose any portion of the sentence; (b) the term of
13 imprisonment imposed by the Court; (c) the fine imposed by the Court,
14 provided it is within the statutory maximum; (d) to the extent
15 permitted by law, the constitutionality or legality of defendant's
16 sentence, provided it is within the statutory maximum; (e) the term
17 of probation or supervised release imposed by the Court, provided it
18 is within the statutory maximum; and (f) any of the following
19 conditions of probation or supervised release imposed by the Court:
20 the conditions set forth in Second Amended General Order 20-04 of
21 this Court; the drug testing conditions mandated by 18 U.S.C.
22 §§ 3563(a)(5) and 3583(d); and the alcohol and drug use conditions
23 authorized by 18 U.S.C. § 3563(b)(7).

24 21. The USAO agrees that, provided all portions of the sentence
25 are at or below the statutory maximum specified above, the USAO gives
26 up its right to appeal any portion of the sentence.

27 22. Defendant also gives up any right to bring a post-
28 conviction collateral attack on the conviction or sentence, except a

1 post-conviction collateral attack based on a claim of ineffective
2 assistance of counsel, a claim of newly discovered evidence, or an
3 explicitly retroactive change in the applicable Sentencing
4 Guidelines, sentencing statutes, or statutes of conviction.
5 Defendant understands that this waiver includes, but is not limited
6 to, arguments that the statute to which defendant is pleading guilty
7 is unconstitutional, and any and all claims that the statement of
8 facts provided herein is insufficient to support defendant's plea of
9 guilty.

10 RESULT OF WITHDRAWAL OF GUILTY PLEA

11 23. Defendant agrees that if, after entering a guilty plea
12 pursuant to this agreement, defendant seeks to withdraw and succeeds
13 in withdrawing defendant's guilty plea on any basis other than a
14 claim and finding that entry into this plea agreement was
15 involuntary, then (a) the USAO will be relieved of all of its
16 obligations under this agreement, including in particular its
17 obligations regarding the use of Cooperation Information; (b) in any
18 investigation, criminal prosecution, or civil, administrative, or
19 regulatory action, defendant agrees that any Cooperation Information
20 and any evidence derived from any Cooperation Information shall be
21 admissible against defendant, and defendant will not assert, and
22 hereby waives and gives up, any claim under the United States
23 Constitution, any statute, or any federal rule, that any Cooperation
24 Information or any evidence derived from any Cooperation Information
25 should be suppressed or is inadmissible, and (c) should the USAO
26 choose to pursue any charge that was either dismissed or not filed as
27 a result of this agreement, then (i) any applicable statute of
28 limitations will be tolled between the date of defendant's signing of

1 this agreement and the filing commencing any such action; and
2 (ii) defendant waives and gives up all defenses based on the statute
3 of limitations, any claim of pre-indictment delay, or any speedy
4 trial claim with respect to any such action, except to the extent
5 that such defenses existed as of the date of defendant's signing this
6 agreement.

7 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

8 24. Defendant agrees that if the count of conviction is
9 vacated, reversed, or set aside, both the USAO and defendant will be
10 released from all their obligations under this agreement.

11 EFFECTIVE DATE OF AGREEMENT

12 25. This agreement is effective upon signature and execution of
13 all required certifications by defendant, defendant's counsel, and an
14 Assistant United States Attorney.

15 BREACH OF AGREEMENT

16 26. Defendant agrees that if defendant, at any time after the
17 signature of this agreement and execution of all required
18 certifications by defendant, defendant's counsel, and an Assistant
19 United States Attorney, knowingly violates or fails to perform any of
20 defendant's obligations under this agreement ("a breach"), the USAO
21 may declare this agreement breached. For example, if defendant
22 knowingly, in an interview, before a grand jury, or at trial, falsely
23 accuses another person of criminal conduct or falsely minimizes
24 defendant's own role, or the role of another, in criminal conduct,
25 defendant will have breached this agreement. All of defendant's
26 obligations are material, a single breach of this agreement is
27 sufficient for the USAO to declare a breach, and defendant shall not
28 be deemed to have cured a breach without the express agreement of the

1 USAO in writing. If the USAO declares this agreement breached, and
2 the Court finds such a breach to have occurred, then:

3 a. If defendant has previously entered a guilty plea
4 pursuant to this agreement, defendant will not be able to withdraw
5 the guilty plea.

6 b. The USAO will be relieved of all its obligations under
7 this agreement; in particular, the USAO: (i) will no longer be bound
8 by any agreements concerning sentencing and will be free to seek any
9 sentence up to the statutory maximum for the crime to which defendant
10 has pleaded guilty; (ii) will no longer be bound by any agreements
11 regarding criminal prosecution, and will be free to criminally
12 prosecute defendant for any crime, including charges that the USAO
13 would otherwise have been obligated not to criminally prosecute]
14 pursuant to this agreement; and (iii) will no longer be bound by any
15 agreement regarding the use of Cooperation Information and will be
16 free to use any Cooperation Information in any way in any
17 investigation, criminal prosecution, or civil, administrative,
18 regulatory, or licensing action.

19 c. The USAO will be free to criminally prosecute
20 defendant for false statement, obstruction of justice, and perjury
21 based on any knowingly false or misleading statement by defendant.

22 d. In any investigation, criminal prosecution, or civil,
23 administrative, or regulatory action: (i) defendant will not assert,
24 and hereby waives and gives up, any claim that any Cooperation
25 Information was obtained in violation of the Fifth Amendment
26 privilege against compelled self-incrimination; and (ii) defendant
27 agrees that any Cooperation Information and any Plea Information, as
28 well as any evidence derived from any Cooperation Information or any

1 Plea Information, shall be admissible against defendant, and
2 defendant will not assert, and hereby waives and gives up, any claim
3 under the United States Constitution, any statute, Rule 410 of the
4 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
5 Criminal Procedure, or any other federal rule, that any Cooperation
6 Information, any Plea Information, or any evidence derived from any
7 Cooperation Information or any Plea Information should be suppressed
8 or is inadmissible.

9 27. Following the Court's finding of a knowing breach of this
10 agreement by defendant, should the USAO choose to pursue any charge
11 that was either dismissed or not filed as a result of this agreement,
12 then:

13 a. Defendant agrees that any applicable statute of
14 limitations is tolled between the date of defendant's signing of this
15 agreement and the filing commencing any such action.

16 b. Defendant waives and gives up all defenses based on
17 the statute of limitations, any claim of pre-indictment delay, or any
18 speedy trial claim with respect to any such action, except to the
19 extent that such defenses existed as of the date of defendant's
20 signing this agreement.

21 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

22 OFFICE NOT PARTIES

23 28. Defendant understands that the Court and the United States
24 Probation and Pretrial Services Office are not parties to this
25 agreement and need not accept any of the USAO's sentencing
26 recommendations or the parties' agreements to facts or sentencing
27 factors.
28

1 29. Defendant understands that both defendant and the USAO are
2 free to: (a) supplement the facts by supplying relevant information
3 to the United States Probation and Pretrial Services Office and the
4 Court, (b) correct any and all factual misstatements relating to the
5 Court's Sentencing Guidelines calculations and determination of
6 sentence, and (c) argue on appeal and collateral review that the
7 Court's Sentencing Guidelines calculations and the sentence it
8 chooses to impose are not error, although each party agrees to
9 maintain its view that the calculations in paragraph 15 are
10 consistent with the facts of this case. This paragraph permits both
11 the USAO and defendant to submit full and complete factual
12 information to the United States Probation and Pretrial Services
13 Office and the Court, even if that factual information may be viewed
14 as inconsistent with the Factual Basis or Sentencing Factors agreed
15 to in this agreement.

16 30. Defendant understands that even if the Court ignores any
17 sentencing recommendation, finds facts or reaches conclusions
18 different from those agreed to, and/or imposes any sentence up to the
19 maximum established by statute, defendant cannot, for that reason,
20 withdraw defendant's guilty plea, and defendant will remain bound to
21 fulfill all defendant's obligations under this agreement. Defendant
22 understands that no one -- not the prosecutor, defendant's attorney,
23 or the Court -- can make a binding prediction or promise regarding
24 the sentence defendant will receive, except that it will be within
25 the statutory maximum.

26 NO ADDITIONAL AGREEMENTS

27 31. Defendant understands that, except as set forth herein,
28 there are no promises, understandings, or agreements between the USAO

1 and defendant or defendant's attorney, and that no additional
2 promise, understanding, or agreement may be entered into unless in a
3 writing signed by all parties or on the record in court.


4 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

5 32. The parties agree that this agreement will be considered
6 part of the record of defendant's guilty plea hearing as if the
7 entire agreement had been read into the record of the proceeding.

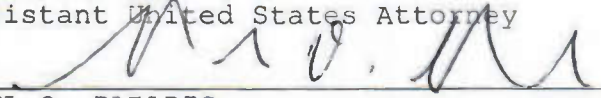
8 AGREED AND ACCEPTED

9 UNITED STATES ATTORNEY'S OFFICE
10 FOR THE CENTRAL DISTRICT OF
CALIFORNIA

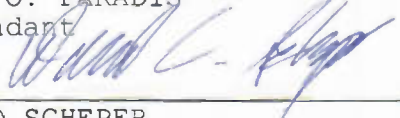
11 TRACY L. WILKISON
12 United States Attorney

13 
14 MELISSA MILLS
Assistant United States Attorney

11/24/2021
Date

15 
16 PAUL O. PARADIS
Defendant


Date 11/19/2021

17 
18 DAVID SCHEPER
19 Attorney for Defendant PAUL O.
PARADIS

11/19/2021
Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.



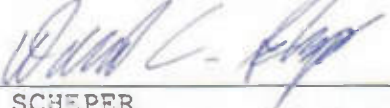
PAUL O. PARADIS
Defendant

Date

11/19/2021

1 CERTIFICATION OF DEFENDANT'S ATTORNEY

2 I am PAUL O. PARADIS's attorney. I have carefully and
3 thoroughly discussed every part of this agreement with my client.
4 Further, I have fully advised my client of his rights, of possible
5 pretrial motions that might be filed, of possible defenses that might
6 be asserted either prior to or at trial, of the sentencing factors
7 set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
8 provisions, and of the consequences of entering into this agreement.
9 To my knowledge: no promises, inducements, or representations of any
10 kind have been made to my client other than those contained in this
11 agreement; no one has threatened or forced my client in any way to
12 enter into this agreement; my client's decision to enter into this
13 agreement is an informed and voluntary one; and the factual basis set
14 forth in this agreement is sufficient to support my client's entry of
15 a guilty plea pursuant to this agreement.

16 
17 DAVID SCHEPER
18 Attorney for Defendant PAUL O.
19 PARADIS

11/19/2021

Date

ATTACHMENT A

FACTUAL BASIS

I. THE COLLUSIVE LITIGATION AND KICKBACK SCHEME

A. BACKGROUND ON COLLUSIVE LITIGATION

1. At all relevant times, defendant PAUL O. PARADIS was an attorney licensed in New York and the sole owner and operator of Paradis Law Group, PLLC. In fall of 2014, through a website service to which he subscribed, defendant PARADIS received inquiries from Los Angeles Department of Water and Power ("LADWP") ratepayers interested in commencing litigation related to LADWP's billing system, which had erroneously billed hundreds of thousands of LADWP ratepayers and spawned multiple class action lawsuits against LADWP and the City of Los Angeles (the "City"). In early December 2014, defendant PARADIS was retained by ratepayer Antwon Jones.

2. On December 16, 2014, defendant PARADIS and Paul Kiesel, a California attorney with whom defendant PARADIS was acquainted, met with two top Los Angeles City Attorney's Office ("City Attorney's Office") officials to request the City's help with a potential lawsuit on behalf of Mr. Jones against PricewaterhouseCoopers ("PwC"), the vendor of LADWP's billing system. At this meeting, defendant PARADIS and Kiesel were asked to represent the City in an affirmative lawsuit against PwC, and they agreed. During this meeting, PARADIS informed the City Attorney's Office officials that defendant PARADIS also then represented Mr. Jones, the LADWP ratepayer, for purposes of litigation related to the LADWP billing system.

3. In January and February 2015, the City Attorney's Office, along with defendant PARADIS and Kiesel, pursued a strategy whereby

1 defendant PARADIS and Kiesel would represent both the City and Mr.
2 Jones in parallel lawsuits against PwC (the "parallel litigation
3 strategy"). The parallel litigation strategy entailed convincing
4 counsel for the plaintiffs in the existing class action billing
5 lawsuits already facing the City to dismiss their claims and join the
6 City in coordinated litigation against PwC. In furtherance of the
7 parallel litigation strategy, in January of 2015, defendant PARADIS
8 drafted a complaint, styled *Antwon Jones v. PwC*, and circulated it
9 among members of the City Attorney's Office for their review and
10 feedback.

11 4. In late February 2015, defendant PARADIS was informed by
12 members of the City Attorney's Office that the City would no longer
13 proceed with the parallel litigation strategy.

14 5. In a meeting on or about February 23, 2015, defendant
15 PARADIS, Kiesel, and defendant PARADIS's law partner ("Paradis Law
16 Partner") met with at least one member of the City Attorney's Office
17 to discuss how the City intended to proceed in lieu of the abandoned
18 parallel litigation strategy. At the meeting, defendant PARADIS and
19 Kiesel were directed and authorized to find outside counsel that
20 would be friendly to the City and its litigation goals to supposedly
21 represent Mr. Jones in a class action lawsuit against the City. This
22 strategy came to be known as the "white knight" strategy, reflecting
23 the understanding that this plaintiff would not be adverse to the
24 City but would allow the City to save itself from the existing
25 claims. It was the stated intent of all participants in this meeting
26 to use this class action lawsuit by Mr. Jones against the City as a
27 vehicle to quickly settle all existing LADWP-billing-related claims
28

Defendant's initials: P.P. 2

1 against the City on the City's desired terms. In addition, it was
2 agreed that defendant PARADIS and Kiesel would continue to prepare
3 the City's intended lawsuit against PwC.

4 **B. DEFENDANT MAKES KICKBACK AGREEMENT WITH OHIO ATTORNEY**

5 6. On or about February 25, 2015, in furtherance of the
6 agreed-upon white knight strategy, defendant PARADIS contacted an
7 Ohio attorney ("Ohio Attorney") with whom he was acquainted and asked
8 Ohio Attorney to play the role of the attorney representing Mr. Jones
9 in the lawsuit against the City ("*Jones v. City*"). Defendant PARADIS
10 informed Ohio Attorney of his understanding that the City wanted the
11 case "pre-settled" on the City's desired terms. Defendant PARADIS
12 told Ohio Attorney that defendant PARADIS would do all or most of the
13 work in the case, and that in exchange, defendant PARADIS wanted
14 twenty percent of Ohio Attorney's fees as a kickback. Ohio Attorney
15 agreed to this arrangement. By this scheme, defendant PARADIS
16 intended to defraud 1) Mr. Jones and LADWP ratepayers of their right
17 to the honest services of Ohio Attorney, and 2) the citizens of the
18 City of Los Angeles of their right to defendant PARADIS's honest
19 services, and he did so knowing that it was illegal.

20 7. Defendant PARADIS and Ohio Attorney agreed that, because
21 defendant PARADIS understood that the City did not intend for this
22 lawsuit to be adversarial and wanted this lawsuit to be resolved as
23 quickly as possible on the terms desired by the City, Ohio Attorney
24 would refrain from demanding any discovery or filing any adversarial
25 motions against the City.

26 8. Defendant PARADIS and Ohio Attorney, among others, agreed
27 that Ohio Attorney would purport to represent the interests of Mr.

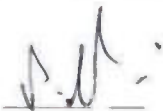
28

Defendant's initials: 

1 Jones and the class of LADWP ratepayers in filing and prosecuting a
2 class action lawsuit. However, as defendant PARADIS knew and
3 intended, Ohio Attorney would instead guide the lawsuit toward a
4 rapid and preordained settlement orchestrated by the City on the
5 terms desired by the City, with no attorney fulfilling the ethical
6 duty to represent the best interests of Mr. Jones or the class of
7 LADWP ratepayers through a true adversarial process.

8 9. Defendant PARADIS and Ohio Attorney agreed that to conceal
9 defendant PARADIS's involvement in the *Jones v. City* lawsuit, Ohio
10 Attorney would sign the correspondence and filings that defendant
11 PARADIS drafted. Defendant PARADIS knew and intended that by these
12 actions, Ohio Attorney would impliedly and falsely represent that he
13 was independently litigating the matter and conducting the
14 investigation into the merits of a potential settlement with the goal
15 of obtaining the best result for his client. In fact, as defendant
16 PARADIS at all times knew, Ohio Attorney did not do any of those
17 things and instead relied heavily on defendant PARADIS's work product
18 and representations.


19 10. Defendant PARADIS, Ohio Attorney, and others agreed that to
20 further conceal from, among others, the court, the mediator, and Mr.
21 Jones, the collusive nature of the *Jones v. City* settlement,
22 defendant PARADIS and Ohio Attorney would engage in multiple sham
23 mediation sessions with the City, wherein they would act as though
24 each side was zealously advocating for the interests of its
25 respective client, even though, in fact, defendant PARADIS knew that
26 the key terms of the class settlement had already been substantively
27 agreed upon by the City and Ohio Attorney on behalf of the class

28 Defendant's initials:  4

1 prior to the first mediation.

2 11. Defendant PARADIS and Ohio Attorney agreed that they would
3 each endeavor to ensure that Ohio Attorney was awarded as much money
4 in attorney's fees as possible, because they understood and intended
5 that doing so would financially benefit them both. To ensure that
6 the court would award Ohio Attorney and his firm the highest attorney
7 fees award possible, Ohio Attorney submitted, at defendant PARADIS's
8 direction, billing records to the court falsely indicating that he
9 began working on *Jones v. City* as early as November 2014 and spent
10 hundreds of hours drafting the complaint, conducting discovery, and
11 engaging in strategy and analysis. In fact, as defendant PARADIS
12 then knew, Ohio Attorney only learned of the opportunity to represent
13 Mr. Jones on February 25, 2015, did not conduct any discovery, and
14 did not engage in any legitimate strategy or analysis because members
15 of the City Attorney's Office and defendant PARADIS had already
16 decided on the key terms of settlement.

17 12. Defendant PARADIS and Ohio Attorney agreed that they, among
18 others, would conceal from the court, the mediator, and Mr. Jones the
19 collusion — including defendant PARADIS's work on behalf of Ohio
20 Attorney, the lack of an independent attorney representing the
21 ratepayers' interests in the adversarial process, and the
22 orchestrated nature of the settlement — from, among others, the
23 court overseeing the litigation, Mr. Jones, other class action
24 plaintiffs whose claims would be forcibly resolved pursuant to the
25 City's orchestrated settlement, counsel for other class action
26 plaintiffs, the mediator that was used to guide the *Jones v. City*
27 case toward settlement, LADWP ratepayers, City residents, and the

28 Defendant's initials:  5

1 public.

2 **C. DEFENDANT REPRESENTS CITY AGAINST PwC, AND SIMULTANEOUSLY**
3 **PREPARES RELATED LAWSUIT AGAINST CITY**

4 13. On March 6, 2015, the City filed a civil lawsuit against
5 PwC ("City v. PwC"), which generally alleged that PwC was responsible
6 for LADWP's billing problems. Defendant PARADIS and Kiesel
7 represented the City in that action for approximately four years,
8 before resigning at the City's request on March 6, 2019.

9 14. Because defendant PARADIS knew that the plan to find
10 another lawyer to putatively represent his ratepayer client in a
11 lawsuit against the City for purposes of facilitating a rapid
12 settlement on the City's terms had been directed and authorized by at
13 least one senior member of the City Attorney's Office, defendant
14 PARADIS did not hide, and made no attempts to hide, the City's plan
15 from other members of the City Attorney's Office. In or around late
16 February or March of 2015, defendant PARADIS advised multiple members
17 of the City Attorney's Office that an Ohio attorney with whom he had
18 previously worked would soon be filing a new class action lawsuit to
19 serve as a vehicle for the City to quickly settle all LADWP billing
20 claims against the City on the terms the City desired. Defendant
21 PARADIS also sent a draft of the *Jones v. City* complaint to at least
22 one member of the City Attorney's Office for review and feedback
23 before it was filed.

24 15. During March of 2015, pursuant to the agreed-upon white
25 knight strategy, defendant PARADIS, using nonpublic information
26 provided to him by members of the City Attorney's Office and LADWP,
27 drafted a detailed complaint for a class action lawsuit against the
28 City with Mr. Jones as the named class representative. The complaint

Defendant's initials:  6

1 bore the distinctive name of the same plaintiff — Antwon Jones —
2 whom members of the City Attorney's Office had learned in December
3 2014 that defendant PARADIS represented in connection with the LADWP
4 billing debacle. The *Antwon Jones v. City* complaint also contained
5 voluminous nonpublic information that LADWP and the City Attorney's
6 Office had provided to defendant PARADIS, and it was substantially
7 similar to the draft *Antwon Jones v. PwC* complaint that defendant had
8 circulated to members of the City Attorney's Office for review and
9 feedback at their direction in the preceding months.

10 16. During March of 2015, pursuant to the agreed-upon white
11 knight strategy, defendant PARADIS, using nonpublic information
12 provided to him by members of the City Attorney's Office and LADWP,
13 drafted a detailed settlement demand letter for the *Jones v. City*
14 case and provided it to Ohio Attorney to be served on the City after
15 filing the complaint.

16 17. On March 26, 2015, defendant PARADIS introduced his client,
17 Mr. Jones, to Ohio Attorney, misleadingly informing Mr. Jones that
18 Ohio Attorney would be another attorney working on his case and
19 intentionally omitting the salient fact that defendant PARADIS
20 represented the City in a matter related to the LADWP billing system.
21 In doing so, defendant PARADIS concealed from Mr. Jones the fact that
22 defendant PARADIS was by then also representing the City — Mr.
23 Jones's intended litigation opponent — in a matter related to the
24 intended litigation as well as the fact of his collusion with Ohio
25 Attorney in connection with Mr. Jones's intended lawsuit.

26 18. On March 26, 2015, defendant PARADIS provided the draft
27 *Jones v. City* complaint to Ohio Attorney for filing. Defendant
28

Defendant's initials:  7


1 PARADIS directed Ohio Attorney to file the complaint by April 1,
2 2015, in order to preempt settlement efforts then being pursued by
3 the City's class action counsel with another class action plaintiff.
4 Defendant PARADIS did so on the understanding that the City wanted to
5 use Ohio Attorney and Mr. Jones to settle the cases quickly on the
6 City's terms. Defendant PARADIS also did so with the knowledge that
7 the intended settlement with Ohio Attorney would secretly benefit
8 defendant PARADIS financially.

9 **D. DEFENDANT ARRANGES FOR FILING OF LAWSUIT AGAINST CITY,**
10 **WHICH IMMEDIATELY BECOMES VEHICLE FOR CITY'S DESIRED**
11 **SETTLEMENT**

12 19. On or about April 1, 2015, at defendant PARADIS's direction
13 and pursuant to the white knight strategy, Ohio Attorney caused the
14 *Antwon Jones v. City* complaint that defendant PARADIS had drafted to
15 be filed in Los Angeles County Superior Court. The complaint was
16 substantially similar to the draft *Antwon Jones v. PwC* complaint that
17 defendant PARADIS had circulated to City Attorney's Office personnel
18 in the preceding months, and it contained voluminous nonpublic LADWP
19 information that the City Attorney's Office and LADWP had provided to
20 defendant PARADIS.

21 20. On or about April 2, 2015, at defendant PARADIS's
22 direction, Ohio Attorney sent to the City a detailed settlement
23 demand letter on behalf of Mr. Jones that defendant PARADIS had
24 drafted.

25 21. Between on or about June 11, 2015, and on or about July 31,
26 2015, and again on October 31, 2016, defendant PARADIS and others on
27 behalf of the City participated in confidential mediation sessions
28 with Ohio Attorney. With defendant PARADIS's knowledge and

Defendant's initials:  8

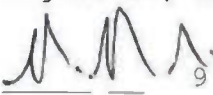
1 acquiescence, Ohio Attorney instructed his client, Mr. Jones, not to
2 attend the mediation sessions, so that Mr. Jones would not learn that
3 defendant PARADIS — whom Mr. Jones still believed was representing
4 him in his lawsuit against the City — was participating on behalf of
5 the City.

6 22. In accordance with the agreement between defendant PARADIS
7 and Ohio Attorney, and in fulfillment of the City's stated intent to
8 settle all claims globally with a malleable opposing counsel, or
9 "white knight," the mediation sessions were largely performative,
10 with the general terms of settlement understood by both sides from
11 the outset. Defendant PARADIS played an important role on behalf of
12 the City in all mediation sessions in the *Jones v. City* case, despite
13 not being counsel of record for the City in that matter, and he and
14 others intentionally ensured that the mediation sessions appeared to
15 reflect legitimate adversity between the parties where, in fact,
16 there was no actual adversity.

17 **E. DEFENDANT AND OHIO ATTORNEY WORK TOGETHER TO INCREASE**
18 **PLAINTIFF ATTORNEY FEES FOR THEIR MUTUAL FINANCIAL BENEFIT**

19 23. On or about August 17, 2015, at defendant PARADIS's
20 direction, Ohio Attorney filed an amended complaint in *Jones v. City*
21 that included additional factual allegations intended to aid the
22 City's case against PwC. Defendant PARADIS directed Ohio Attorney to
23 do so in part because the original complaint did not encompass all
24 claims asserted by other classes against the City, as contemplated by
25 the City's white knight strategy. These amendments to the complaint
26 had the impact of increasing the settlement, and thus increasing Ohio
27 Attorney's fees.

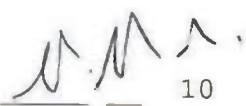
28 24. On or about August 17, 2015, with defendant PARADIS's

Defendant's initials: 

1 knowledge and support, Ohio Attorney moved for preliminary approval
2 of the settlement terms to which he and the City had agreed. This
3 preliminary settlement included approximately \$13,000,000 in attorney
4 fees. Defendant PARADIS knew that, pursuant to his agreement with
5 Ohio Attorney, he would receive twenty percent of Ohio Attorney's
6 share of that fee award.

7 25. Thereafter, with defendant PARADIS's knowledge and support,
8 Ohio Attorney asked the City for more attorney fees. The increase in
9 attorney fees also increased defendant PARADIS's own secret financial
10 benefit from the settlement. On or about May 5, 2017, Ohio Attorney
11 filed a declaration containing a demand for approximately \$19,000,000
12 in attorney fees. In support of his demand, Ohio Attorney falsely
13 attested to work that he had purportedly performed on the case, when,
14 in fact, both Ohio Attorney and defendant PARADIS knew that defendant
15 PARADIS had performed much of the work for which Ohio Attorney was
16 demanding compensation. Defendant PARADIS concealed from the court,
17 Mr. Jones, and others the fact of his own performance of Ohio
18 Attorney's work in order to make the *Jones v. City* case look like an
19 adversarial lawsuit, when in fact the plaintiff's lawyer was acting
20 at the control and direction of a lawyer acting on behalf of the
21 defendant throughout the entirety of the litigation.

22 26. On July 20, 2017, relying on false representations by Ohio
23 Attorney and others that defendant PARADIS knew to be false, the Los
24 Angeles Superior Court judge overseeing the *Jones v. City* matter
25 granted final approval to the parties' requested settlement, which
26 contained terms awarding approximately \$19,000,000 in plaintiff
27 attorney fees, of which approximately \$10,300,000 was awarded to Ohio
28

Defendant's initials: 

1 Attorney.

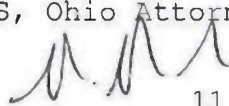
2 **F. DEFENDANT SECRETLY OBTAINS \$2,175,000 KICKBACK FROM OHIO**
3 **ATTORNEY, WHICH IS CONCEALED THROUGH SHELL COMPANIES**

4 27. By the terms of defendant PARADIS's secret kickback
5 agreement with Ohio Attorney, defendant PARADIS was to receive twenty
6 percent of Ohio Attorney's fees in the *Jones v. City* case. Pursuant
7 to this agreement, defendant PARADIS and Ohio Attorney determined
8 that defendant PARADIS would receive a kickback of \$2,175,000.

9 28. In July of 2017, defendant PARADIS reminded Ohio Attorney
10 of their prior agreement whereby Ohio Attorney would pay a kickback
11 of twenty percent of his attorney fee share to defendant PARADIS.
12 Ohio Attorney again agreed to fulfill his end of the deal. Defendant
13 PARADIS and Ohio Attorney discussed and agreed that they would each
14 form a shell company to facilitate and conceal the kickback payment,
15 which they both knew needed to be concealed because it was illegal.

16 29. On November 1, 2017, in furtherance of his agreement with
17 Ohio Attorney, defendant PARADIS created S.M.A. Property Holdings,
18 LLC, a shell company that he and Ohio Attorney intended to use to
19 transfer and conceal Ohio Attorney's illegal kickback to defendant
20 PARADIS. While the operating agreement for S.M.A. Property Holdings,
21 LLC, expressly stated that the entity's "mission" was "to create a
22 portfolio of income-producing assets that will appreciate in value
23 over a three to five year time horizon," defendant PARADIS never put
24 such assets into the company, because it was not in fact a legitimate
25 investment company and was intended only to transfer and conceal the
26 illegal kickback payment.

27 30. On November 10, 2017, pursuant to his kickback agreement
28 with defendant PARADIS, Ohio Attorney secretly paid and caused to be

Defendant's initials: 

1 paid \$2,175,000 to defendant PARADIS. Ohio Attorney transferred the
2 funds through a shell company, Tarten Investments, Inc., which he had
3 set up for that purpose, to defendant PARADIS via the S.M.A. Property
4 Holdings, LLC, shell company. Both defendant PARADIS and Ohio
5 Attorney intended for this transfer of funds to appear to be a
6 legitimate real estate investment, when both knew that it was not,
7 and that instead, it was a means to conceal the illegal kickback.

8 **II. DEFENDANT PARADIS'S CRIMINAL OFFENSES RELATED TO THE COLLUSIVE**
9 **LITIGATION SCHEME**

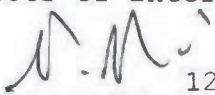
10 **A. CONSPIRACY**

11 31. As described herein, beginning on or about February 25,
12 2015, and continuing through on or about November 10, 2017, defendant
13 PARADIS knowingly and willfully conspired with Ohio Attorney and
14 others to knowingly and intentionally commit honest services fraud,
15 wire fraud and mail fraud.

16 **B. HONEST SERVICES WIRE AND MAIL FRAUD**

17 32. As described herein, beginning on or about February 25,
18 2015, and continuing through at least on or about November 10, 2017,
19 in Los Angeles County, within the Central District of California, and
20 elsewhere, defendant PARADIS knowingly and with intent to defraud,
21 devised, participated in, and executed a scheme to defraud LADWP
22 ratepayers and the City of Los Angeles and its residents as to
23 material matters, including:

24 a. By depriving Mr. Jones and LADWP ratepayers of their
25 right to the honest services of Ohio Attorney, namely, the honest
26 performance of Ohio Attorney's fiduciary duties as class counsel on
27 behalf of Mr. Jones and LADWP ratepayers in a class action against
28 LADWP free from conflicts of interest, self-enrichment, self-dealing,

Defendant's initials:  12

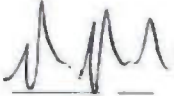
1 concealment, deceit, fraud, and kickbacks;

2 b. By depriving the citizens of the City of Los Angeles
3 and ratepayers of LADWP of their right to the honest services of
4 defendant PARADIS, namely, the honest performance of defendant
5 PARADIS's fiduciary duties as an authorized representative of the
6 City of Los Angeles and LADWP in connection with the *Jones v. City*
7 litigation free from conflicts of interest, self-enrichment, self-
8 dealing, concealment, deceit, fraud, and kickbacks; and

9 c. By depriving Mr. Jones of his right to the honest
10 services of defendant PARADIS, namely, the honest performance of
11 defendant PARADIS's fiduciary duties as counsel to Jones free from
12 conflicts of interest, self-enrichment, self-dealing, concealment,
13 deceit, fraud, and kickbacks.

14 33. Defendant PARADIS did so with the intent to obtain money
15 and property by means of materially false and fraudulent pretenses,
16 representations and promises, to wit, by using Ohio Attorney's
17 position as class counsel to enrich defendant PARADIS through the
18 procurement of a \$10,300,000 attorney's fee award for Ohio Attorney
19 in exchange for the orchestrated settlement of *Jones v. City*, and
20 broad release of claims against the City of Los Angeles, through a
21 \$2,175,000 kickback from Ohio Attorney to defendant PARADIS, and
22 through the concealment of material information, which violation was
23 effected by defendant PARADIS's use, and cause of others' use, of the
24 mails and wire communications in interstate commerce, including the
25 following items:

26 a. On March 26, 2015, a draft complaint sent via email
27 from defendant PARADIS in Los Angeles, California, to Ohio Attorney

28 Defendant's initials:  13

1 in Cleveland, Ohio.

2 b. On May 5, 2017, a Notice of Unopposed Motion and
3 Motion for Final Approval of Class Action Settlement and Award of
4 Attorneys' Fees, Costs and Service Awards, electronically filed by
5 Ohio Attorney's law firm in Cleveland, Ohio, with the Los Angeles
6 County Superior Court.

7 c. On October 19, 2017, transfer by Ohio Attorney of
8 \$1,468,740.55 to Tarten Investment, Inc.

9 d. On November 10, 2017, transfer by Ohio Attorney of
10 \$2,175,000 from Tarten Investment, Inc., via a bank in Ohio, to
11 defendant PARADIS using S.M.A. Property Holdings, LLC, via a bank in
12 Delaware.

13 34. In addition, for the purpose of executing this scheme to
14 defraud, defendant PARADIS and Ohio Attorney caused the following
15 item, among others, to be placed in an authorized depository for mail
16 matter to be sent and delivered by the United States Postal Service
17 or by any private or commercial interstate carrier:


18 a. On July 28, 2017, a check from the City of Los Angeles
19 to Ohio Attorney for \$19,241,003.99, sent and delivered by Federal
20 Express.

21 **III. THE AVENTADOR BRIBERY SCHEME**

22 **A. DEFENDANT PARADIS'S FIRST CONTRACT WITH LADWP**

23 35. Through his work as Special Counsel, which involved
24 investigating, filing, and litigating the City v. PwC case, defendant
25 PARADIS developed specialized knowledge regarding LADWP's billing
26 system.

27 36. On or about October 19, 2015, LADWP's five-person Board of
28

Defendant's initials: 

1 Commissioners (the "LADWP Board") awarded a one-year, approximately
2 \$1,304,090 no-bid contract to defendant PARADIS's law firm, the
3 Paradis Law Group, PLLC ("PLG"), to provide project management
4 services in connection with LADWP's billing system remediation.

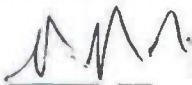
5 37. On or about May 23, 2016, the LADWP Board extended PLG's
6 project management services contract for another year and awarded PLG
7 an additional \$4,725,675.

8 **B. DEFENDANT PARADIS BEGINS GHOSTWRITING THE INDEPENDENT**
9 **MONITOR'S REPORTS**

10 38. In or around December 2015, the Los Angeles Superior Court
11 judge overseeing the *Jones v. City* lawsuit appointed an Independent
12 Monitor ("Independent Monitor") to oversee LADWP's performance under
13 the Settlement Agreement in that case, which required LADWP to
14 remediate its billing system and meet various benchmarks over a
15 specific period of time, among other obligations.

16 39. During the course of Independent Monitor's court-appointed
17 tenure to deliver objective and unbiased reports, defendant PARADIS
18 and Independent Monitor formed a personal relationship. Over the
19 course of that relationship and during the independent monitorship,
20 defendant PARADIS treated Independent Monitor to sporting events, as
21 well as meals and drinks, on multiple occasions.

22 40. As part of Independent Monitor's duties, the court required
23 Independent Monitor to file periodic reports with the court
24 describing, among other things, LADWP's progress in meeting its
25 remediation obligations and the benchmarks contained in the *Jones v.*
26 *City* Settlement Agreement. With the knowledge and approval of
27 multiple LADWP officials and employees, among others, defendant
28 PARADIS drafted nearly all of Independent Monitor's reports to the

Defendant's initials:  15

1 court. Specifically, defendant PARADIS would circulate drafts of the
2 reports to Independent Monitor and others and then incorporate edits
3 before Independent Monitor signed the reports and had them filed with
4 the court.

5 **C. DEFENDANT FORMS A PERSONAL RELATIONSHIP WITH LADWP GENERAL**
6 **MANAGER AND THEY BEGIN PLANNING FOR A FUTURE LADWP CONTRACT**

7 41. Through his involvement in the *City v. PwC* case and
8 providing project management services for LADWP's billing system,
9 defendant PARADIS formed a close working and personal relationship
10 with the General Manager of LADWP ("LADWP General Manager"), an agent
11 of LADWP. Defendant PARADIS and LADWP General Manager traveled
12 together for work and personal purposes, attended concerts and other
13 events together, and dined together at expensive restaurants.
14 Defendant PARADIS regularly paid for LADWP General Manager at these
15 outings.

16 42. During the course of defendant PARADIS's remediation work
17 for LADWP, defendant PARADIS, LADWP General Manager, and others at
18 LADWP learned about certain cyber-security vulnerabilities that posed
19 potential threats to LADWP's network, computer systems, and/or
20 operations. After learning about these vulnerabilities, defendant
21 PARADIS, LADWP General Manager, and others at LADWP discussed the
22 possibility that defendant PARADIS could expand his work for LADWP to
23 include cyber-related services to address these vulnerabilities.

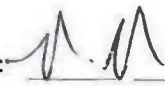
24 43. In or around early 2017, defendant PARADIS determined that,
25 as a law firm, PLG could not provide future remediation or other
26 services for LADWP based on state bar rules prohibiting PLG from
27 providing non-legal services. Defendant PARADIS and LADWP General
28 Manager discussed and agreed that, in order for defendant PARADIS to

Defendant's initials: 

1 provide future remediation and other services to LADWP, including
2 cyber-security services, defendant PARADIS would need to form a new
3 company that could contract with LADWP in place of PLG. Thereafter,
4 with the knowledge and authorization of LADWP General Manager and
5 others at LADWP, defendant PARADIS created a new company known as
6 Aventador Utility Solutions, LLC ("Aventador") that would secure
7 contracts with LADWP.

8 **D. DEFENDANT PARADIS AGREES TO GIVE LADWP GENERAL MANAGER A**
9 **FUTURE JOB, MILLION-DOLLAR SALARY, AND COMPANY CAR IN**
10 **EXCHANGE FOR LADWP GENERAL MANAGER'S HELP SECURING A**
11 **LUCRATIVE CONTRACT FOR AVENTADOR**

12 44. On or about February 10, 2017, defendant PARADIS met
13 privately with LADWP General Manager at a hotel in Riverside,
14 California. During this meeting, defendant PARADIS and LADWP General
15 Manager discussed the fact that defendant PARADIS was forming
16 Aventador and the fact that they intended for Aventador to secure a
17 lucrative no-bid contract with LADWP that would include, among other
18 work, continued remediation services as well as cyber-related
19 services. Defendant PARADIS and LADWP General Manager went on to
20 discuss ways that LADWP General Manager could benefit financially
21 from Aventador. Specifically, defendant PARADIS and LADWP General
22 Manager agreed that LADWP General Manager would work to ensure that
23 the LAWDWP Board awarded a contract to Aventador. In exchange,
24 defendant PARADIS and LADWP General Manager agreed that LADWP General
25 Manager would receive, among other benefits: (1) the title of Chief
26 Executive Officer ("CEO") of Aventador upon LADWP General Manager's
27 retirement from LADWP; (2) an approximately \$1,000,000 annual salary
28 upon joining Aventador; and (3) a new Mercedes SL 550 as LADWP
General Manager's company car. At various points, LADWP General

Defendant's initials:  17

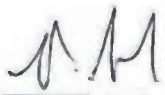
1 Manager and defendant PARADIS also discussed a possible signing bonus
2 for LADWP General Manager.

3 45. On or about March 28, 2017, defendant PARADIS registered
4 Aventador with the California Secretary of State. In subsequent
5 discussions in or around spring 2017, defendant PARADIS and LADWP
6 General Manager agreed that Aventador would pursue, and LADWP General
7 Manager would work to ensure, a no-bid contract with LADWP valued at
8 approximately \$30,000,000. The LADWP Board was scheduled to vote on
9 the \$30,000,000 no-bid Aventador contract on June 6, 2017.

10 **E. DEFENDANT PARADIS WRITES A REPORT FOR THE INDEPENDENT**
11 **MONITOR PADDED WITH CRITICAL SUPPORT FOR THE AVENTADOR**
CONTRACT

12 46. In or around early May of 2017, as had become his practice,
13 defendant PARADIS drafted the next periodic court report for
14 Independent Monitor. Defendant PARADIS's primary goal in drafting
15 this report was to provide LADWP General Manager with support for the
16 LADWP Board's vote to award the \$30,000,000 no-bid contract to
17 Aventador. Defendant PARADIS discussed this strategy with LADWP
18 General Manager, and LADWP General Manager reviewed and authorized
19 the language that defendant PARADIS included in the report for the
20 court.

21 47. On or about May 5, 2017, Independent Monitor's report was
22 filed with the court in the *Jones v. City* case. Section IV of the
23 report, which defendant PARADIS drafted specifically to include
24 talking points for LADWP General Manager to present to the LADWP
25 Board in support of the Aventador contract, stated, among other
26 things, that LADWP: was grossly understaffed in the Information
27 Technology ("IT") area; had difficulty hiring IT staff; lacked well-

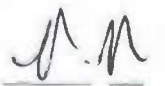
28 Defendant's initials:  18

1 qualified IT project management personnel; and lacked the ability to
2 successfully manage large-scale IT implementation projects. The
3 report went on to state that, because of these deficiencies, LADWP
4 needed to procure these services through an outside vendor.

5 **F. DEFENDANT PARADIS AND LADWP GENERAL MANAGER WORK TO ENSURE**
6 **THE LADWP BOARD'S SUPPORT FOR THE AVENTADOR CONTRACT**

7 48. In or around May of 2017 and early of June 2017, defendant
8 PARADIS worked with LADWP General Manager together to position
9 Aventador to secure the \$30,000,000 no-bid contract with LADWP.
10 These efforts included, among other things: editing drafts of a
11 letter that was ultimately sent to the LADWP Board summarizing the
12 purpose and terms of the proposed Aventador contract and explaining
13 why alternatives to awarding the contract on a no-bid basis were
14 unsatisfactory; preparing and refining LADWP General Manager's oral
15 and written presentation to the LADWP Board touting the Aventador
16 contract; strategizing to remove impediments to Aventador receiving
17 the contract; and omitting defendant PARADIS's ownership of Aventador
18 from LADWP General Manager's oral and written presentation.

19 49. On June 6, 2017, the LADWP Board met to consider the
20 Aventador contract, among other items. During his presentation to
21 the LADWP Board immediately before the vote, LADWP General Manager
22 cited the verbiage of the May 5, 2017 Independent Monitor report
23 drafted by defendant PARADIS, told the LADWP Board that LADWP could
24 not meet its obligations under the *Jones v. City* settlement agreement
25 unless it contracted with Aventador, and conveyed a sense of urgency
26 to approve the Aventador contract. LADWP General Manager did not
27 disclose to the LADWP Board, either during the meeting on or about
28 June 6, 2017, or at any other point, that LADWP General Manager had

Defendant's initials:  19

1 solicited, and defendant PARADIS had agreed to give LADWP General
2 Manager, an annual salary of approximately \$1,000,000, a luxury
3 company Mercedes, and the title of Aventador's CEO once LADWP General
4 Manager retired from LADWP.

5 50. Certain members of the LADWP Board were acutely interested
6 in issues relating to LADWP's cybersecurity during that time period.
7 It was defendant PARADIS's understanding that those LADWP Board
8 members intended for the Aventador contract to focus significantly on
9 cybersecurity, notwithstanding their public-facing comments focusing
10 on Aventador's planned remediation work pursuant to the *Jones v. City*
11 settlement.

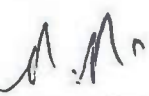
12 51. Following LADWP General Manager's presentation, the LADWP
13 Board voted unanimously to award Aventador a three-year, \$30,000,000
14 no-bid contract.

15 **G. LADWP BOARD MEMBER SOLICITS UNPAID LEGAL SERVICES FROM**
16 **DEFENDANT PARADIS AND HIS LAW FIRM IN EXCHANGE FOR HIS**
SUPPORT OF THE CONTRACT, AND DEFENDANT PARADIS AGREES

17 54. One member of the LADWP Board ("LADWP Board Member") was
18 initially supportive of the Aventador contract. However, in the
19 weeks before the scheduled June 6, 2017 LADWP Board vote on the
20 Aventador contract, and in particular over the weekend of June 3-4,
21 2017, LADWP Board Member, an agent of LADWP, expressed to other LADWP
22 officials and employees, including LADWP General Manager, his
23 reluctance to support the Aventador contract.

24 55. At the end of May of 2017, approximately one week before
25 the LADWP Board was set to vote on defendant PARADIS's \$30,000,000
26 no-bid contract, LADWP Board Member began communicating with
27 defendant PARADIS about an unrelated litigation matter.

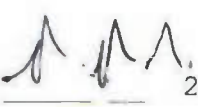
28

Defendant's initials:  20

1 56. As the June 6, 2017 Board meeting approached, LADWP Board
2 Member continued to communicate with defendant PARADIS about LADWP
3 Board Member's other lawsuit and solicited, among other things,
4 information about the judge handling the matter and various pleadings
5 and legal documents to use in his lawsuit. Knowing that LADWP Board
6 Member would soon vote on the Aventador contract, and intending to
7 gain favor with LADWP Board Member so that he would support the
8 contract, defendant PARADIS provided some of the information and
9 materials that LADWP Board Member requested at that time, and agreed
10 to provide additional requested materials.

11 57. On or about June 4, 2017, LADWP Board Member agreed to vote
12 in favor of the contract if a committee consisting of LADWP Board
13 Member and one other Board member was set up to oversee the progress
14 of the contract. LADWP General Manager shared this information with
15 defendant PARADIS on or about the same date.

16 58. On the morning of June 6, 2017, the LADWP Board met to
17 consider and vote on various agenda items, including the Aventador
18 contract. Shortly before LADWP Board Member entered the Board
19 meeting room, defendant PARADIS encountered LADWP Board Member in the
20 hallway at LADWP. During their brief meeting, LADWP Board Member
21 expressed his appreciation for defendant PARADIS's assistance with
22 his other legal matter and said to defendant PARADIS words to the
23 effect that, "You take care of me, I take care of you." Defendant
24 PARADIS understood LADWP Board Member to mean that LADWP Board Member
25 would vote in favor of the Aventador contract if defendant PARADIS
26 continued to provide LADWP Board Member with unpaid legal services
27 and assistance.

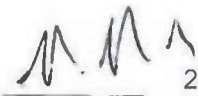
28
Defendant's initials:  21

1 59. On June 6, 2017, hours after the LADWP Board approved
2 defendant PARADIS's \$30,000,000 no-bid Aventador contract, LADWP
3 Board Member sent defendant PARADIS the email address of LADWP Board
4 Member's colleague. Later that day, defendant PARADIS emailed to the
5 colleague various legal documents that LADWP Board Member had
6 previously solicited.

7 60. Throughout in or around June 2017 until early August 2017,
8 defendant PARADIS and Paradis Law Partner continued to perform legal
9 work on LADWP Board Member's legal matter, pursuant to defendant
10 PARADIS's understanding of their tacit agreement that defendant
11 PARADIS would provide legal services to LADWP Board Member in
12 exchange for LADWP Board Member's vote on the Aventador contract.

13 61. On or about June 15, 2017, defendant PARADIS relayed to
14 LADWP General Manager that LADWP Board Member had been repeatedly
15 contacting him, including about LADWP Board Member's legal matter.
16 LADWP General Manager replied by advising defendant PARADIS that
17 LADWP Board Member had been appointed for another four years on the
18 LADWP Board, indicating that defendant PARADIS should assist LADWP
19 Board Member so that they would have LADWP Board Member's support on
20 the ongoing Aventador contract as well as future Aventador- and
21 LADWP-related matters.

22 62. In total, beginning approximately a week before the LADWP
23 Board vote on the Aventador contract, defendant PARADIS and Paradis
24 Law Partner collectively performed approximately thirty-six hours of
25 legal work for LADWP Board Member, which defendant PARADIS valued at
26 over \$30,000 based on their respective billing rates. Defendant
27 PARADIS did not seek payment for this work from LADWP Board Member,
28

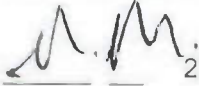
Defendant's initials: 

1 nor did LADWP Board Member offer payment.

2 63. Defendant PARADIS performed this unpaid legal work, and
3 directed Paradis Law Partner to also perform unpaid legal work, on
4 LADWP Board Member's legal matter both because LADWP Board Member had
5 voted to award the Aventador contract with the understanding that
6 defendant PARADIS would provide these services, and because defendant
7 PARADIS wanted to influence LADWP Board Member and remain in LADWP
8 Board Member's favor for purposes of future Board actions on his
9 contract.

10 **H. DEFENDANT PARADIS AND LADWP GENERAL MANAGER EXPAND THEIR**
11 **AVENTADOR PLANS**

12 64. In May of 2018, LADWP General Manager and other LADWP
13 officials and employees, along with defendant PARADIS, joined a
14 delegation on a visit to Israel. During the trip, defendant PARADIS
15 and LADWP General Manager met with officials from a global company
16 that provided cybersecurity training to governmental and business
17 organizations ("Cyber Company"). Cyber Company had franchises in the
18 United States and abroad, and defendant PARADIS and LADWP General
19 Manager decided to invest in bringing a Cyber Company facility to Los
20 Angeles. Defendant PARADIS and LADWP General Manager agreed that
21 defendant PARADIS would put up \$5,000,000 in capital and would have a
22 controlling interest, and that LADWP General Manager would have an
23 ownership interest. LADWP General Manager told defendant PARADIS
24 that LADWP would purchase five years of cybersecurity training at the
25 franchise facility, at a cost of \$3,000,000 per year. LADWP General
26 Manager did not have the formal authority to make this commitment on
27 behalf of LADWP without action by the LADWP Board. Defendant PARADIS
28 and LADWP General Manager agreed that LADWP General Manager would use

Defendant's initials:  23

1 his position and influence at LADWP to convince the LADWP Board to
2 support and vote in favor of this expenditure, which both defendant
3 PARADIS and LADWP General Manager knew and intended would secretly
4 benefit them both financially.

5 65. In January 2019, pursuant to his agreement with LADWP
6 General Manager, defendant PARADIS entered into a joint venture
7 agreement with Cyber Company wherein defendant PARADIS agreed to pay
8 \$5,000,000 to open a Cyber Company facility in Los Angeles that would
9 provide training to LADWP employees.

10 66. During the events described herein, LADWP received federal
11 funds and benefits in excess of \$10,000 annually.

12 **IV. DEFENDANT PARADIS'S CRIMINAL OFFENSES RELATED TO THE AVENTADOR**
13 **BRIBERY SCHEME**

14 **A. CONSPIRACY**

15 67. Beginning on or about February 15, 2017, and continuing
16 through on or about March 6, 2019, defendant PARADIS knowingly and
17 willfully conspired and agreed with LADWP General Manager and others
18 to knowingly and intentionally commit honest services wire fraud and
19 federal program bribery.

20 **B. HONEST SERVICES FRAUD**

21 68. Beginning in or around February of 2017, defendant PARADIS
22 and LADWP General Manager, knowingly and with intent to defraud,
23 devised, participated in, and executed a scheme to defraud LADWP
24 ratepayers as to material matters, including by depriving LADWP
25 ratepayers of their right to the honest services of LADWP General
26 Manager and LADWP Board Member.

27 69. Defendant PARADIS did so with the intent to obtain money
28 and property by means of materially false and fraudulent pretenses,

Defendant's initials:  24

1 representations and promises, to wit, by using LADWP General
2 Manager's position as General Manager of LADWP to enrich both
3 defendant PARADIS and LADWP General Manager through the procurement
4 of a \$30,000,000 no-bid LADWP contract for a company in which LADWP
5 General Manager had a covert financial interest and defendant PARADIS
6 had an overt financial interest, and through the concealment of
7 material information, which violation was effected by defendants
8 LADWP GENERAL MANAGER's and PARADIS's use, or cause of others' use,
9 of wire communications in interstate commerce, including the
10 following items:

11 a. On May 4, 2017, defendant PARADIS sent via email a
12 draft of Independent Monitor's report, which included a section
13 designed to support the Aventador contract, to Independent Monitor,
14 blind-copying LADWP General Manager on the email.

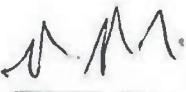
15 b. On May 25, 2017, LADWP General Manager sent an email
16 to defendant PARADIS with a draft of the Aventador Board Letter
17 designed to support a vote by the LADWP Board in favor of the
18 Aventador contract.

19 c. On June 6, 2017, defendant PARADIS sent an email to
20 LADWP Board Member with legal analysis for LADWP Board Member's
21 litigation matter, which PARADIS provided in exchange for LADWP Board
22 Member's support of the Aventador contract.

23 d. On June 7, 2018, LADWP General Manager sent an email
24 to defendant PARADIS with a draft presentation to the LADWP Board
25 touting Aventador's cybersecurity capabilities.

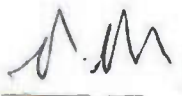
26 **C. FEDERAL PROGRAM BRIBERY**

27 70. Between on or about February 10, 2017, and on or about
28


Defendant's initials:  25

1 March 6, 2019, defendant PARADIS corruptly gave, offered, and agreed
2 to give something of value to LADWP General Manager, intending to
3 influence and reward him in connection with a business, transaction,
4 and series of transactions of LADWP having a value of \$5,000 or more.
5 Specifically, defendant PARADIS gave, offered, and agreed to give
6 financial benefits to LADWP General Manager, including a future
7 financial interest in Aventador, the promise of a future job as the
8 CEO of Aventador with an annual salary of approximately \$1,000,000,
9 and related perquisites, meals, travel, and event tickets, intending
10 to influence and reward LADWP General Manager in connection with a
11 \$30,000,000 no-bid LADWP contract award to Aventador, including in:
12 (1) generating and submitting a Board Letter intended to support a
13 vote by the LADWP Board in favor of Aventador's contract; (2) meeting
14 and conferring with individual LADWP Board members to advocate on
15 behalf of the Aventador contract and solicit the Board members'
16 votes; (3) preparing and delivering a presentation to the LADWP Board
17 asserting that there were no viable alternatives to the Aventador
18 contract, that the need for Aventador's services was dire and
19 immediate, and urging the Board to vote in favor of the contract;
20 (4) exerting pressure on LADWP Board members and other LADWP City
21 officials and employees to influence the approval process of the
22 Aventador contract.

23 71. Between on or about May 31, 2017, and on or about August
24 22, 2017, defendant PARADIS corruptly gave, offered, and agreed to
25 give something of value to a person, intending to influence and
26 reward LADWP Board Member in connection with a business, transaction,
27 and series of transactions of LADWP having a value of \$5,000 or more.
28

Defendant's initials: 

1 Specifically, defendant PARADIS gave, offered, and agreed to give
2 LADWP Board Member legal services from defendant PARADIS and his law
3 firm in connection with a private civil litigation matter, intending
4 to influence and reward LADWP Board Member in connection with a
5 \$30,000,000 no-bid LADWP contract award to defendant PARADIS's
6 company, Aventador, including in: (1) using his membership on the
7 LADWP Board of Commissioners to exert influence on other LADWP Board
8 members to vote in favor of the Aventador contract; (2) voting in
9 favor of the Aventador contract; and (3) using his position to exert
10 pressure on other LADWP City officials and employees to influence the
11 approval process of the Aventador contract as well as future Board
12 actions related to the Aventador contract.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
Defendant's initials:  27

**EXHIBIT B: PLEA AGREEMENT
FOR DAVID H. WRIGHT**

FILED CLERK, U.S. DISTRICT COURT 12/6/2021 CENTRAL DISTRICT OF CALIFORNIA BY: _____ VM _____ DEPUTY

1 TRACY L. WILKISON
United States Attorney
2 SCOTT M. GARRINGER
Assistant United States Attorney
3 Chief, Criminal Division
MELISSA MILLS (Cal. Bar No. 248529)
4 J. JAMARI BUXTON (Cal. Bar No. pending)
SUSAN S. HAR (Cal. Bar No. 301924)
5 Assistant United States Attorneys
Public Corruption and Civil Rights Section
6 1500 United States Courthouse
312 North Spring Street
7 Los Angeles, California 90012
Telephone: (213) 894-0627
8 Facsimile: (213) 894-7631
E-mail: Melissa.Mills@usdoj.gov
9 Jamari.Buxton@usdoj.gov
Susan.Har@usdoj.gov

10 Attorneys for Plaintiff
11 UNITED STATES OF AMERICA

12 UNITED STATES DISTRICT COURT
13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 UNITED STATES OF AMERICA,
15 Plaintiff,
16 v.
17 DAVID H. WRIGHT,
18 Defendant.

No. CR 2:21-CR-00559-PA

PLEA AGREEMENT FOR DEFENDANT
DAVID H. WRIGHT

19
20 1. This constitutes the plea agreement between defendant DAVID
21 H. WRIGHT ("defendant") and the United States Attorney's Office for
22 the Central District of California (the "USAO") in the above-
23 captioned case. This agreement is limited to the USAO and cannot
24 bind any other federal, state, local, or foreign prosecuting,
25 enforcement, administrative, or regulatory authorities.

26 DEFENDANT'S OBLIGATIONS

27 2. Defendant agrees to:
28

1 a. At the earliest opportunity requested by the USAO and
2 provided by the Court, appear and plead guilty the single-count
3 information in the form attached to this agreement as Exhibit A or a
4 substantially similar form, which charges defendant with federal
5 program bribery in violation of 18 U.S.C. § 666(a)(1)(B).

6 b. Not contest facts agreed to in this agreement.

7 c. Abide by all agreements regarding sentencing contained
8 in this agreement.

9 d. Appear for all court appearances, surrender as ordered
10 for service of sentence, obey all conditions of any bond, and obey
11 any other ongoing court order in this matter.

12 e. Not commit any crime; however, offenses that would be
13 excluded for sentencing purposes under United States Sentencing
14 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
15 within the scope of this agreement.

16 f. Be truthful at all times with the United States
17 Probation and Pretrial Services Office and the Court.

18 g. Pay the applicable special assessment at or before the
19 time of sentencing unless defendant has demonstrated a lack of
20 ability to pay such assessments.

21 h. Give up the right to indictment by a grand jury.

22 THE USAO'S OBLIGATIONS

23 3. The USAO agrees to:

24 a. Not contest facts agreed to in this agreement.

25 b. Abide by all agreements regarding sentencing contained
26 in this agreement.

27 c. Except for criminal tax violations (including
28 conspiracy to commit such violations chargeable under 18 U.S.C.

1 § 371), not further criminally prosecute defendant for honest
2 services wire and mail fraud in violation of 18 U.S.C. §§ 1341, 1343,
3 and 1346, conspiracy in violation of 18 U.S.C. § 371, destruction of
4 evidence in violation of 18 U.S.C. § 1519, false statements in
5 violation of 18 U.S.C. § 1001, or other violations of 18 U.S.C.
6 § 666(a)(1)(B) arising out of defendant's conduct described in the
7 agreed-to factual basis set forth in Attachment A. Defendant
8 understands that the USAO is free to criminally prosecute defendant
9 for any other unlawful past conduct or any unlawful conduct that
10 occurs after the date of this agreement. Defendant agrees that at
11 the time of sentencing the Court may consider the uncharged conduct
12 in determining the applicable Sentencing Guidelines range, the
13 propriety and extent of any departure from that range, and the
14 sentence to be imposed after consideration of the Sentencing
15 Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

16 d. At the time of sentencing, provided that defendant
17 demonstrates an acceptance of responsibility for the offense up to
18 and including the time of sentencing, recommend a two-level reduction
19 in the applicable Sentencing Guidelines offense level, pursuant to
20 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an
21 additional one-level reduction if available under that section.

22 NATURE OF THE OFFENSE

23 4. Defendant understands that for defendant to be guilty of
24 the crime charged in the single-count information, that is, federal
25 program bribery in violation of Title 18, United States Code, Section
26 666(a)(1)(B), the following must be true:

27 a. The defendant was an agent of LADWP;
28

1 the right to hold office, and the right to serve on a jury. Defendant
2 understands that he is pleading guilty to a felony and that it is a
3 federal crime for a convicted felon to possess a firearm or
4 ammunition. Defendant understands that the conviction in this case
5 may also subject defendant to various other collateral consequences,
6 including but not limited to revocation of probation, parole, or
7 supervised release in another case and suspension or revocation of a
8 professional license. Defendant understands that unanticipated
9 collateral consequences will not serve as grounds to withdraw
10 defendant's guilty plea.

11 8. Defendant understands that, if defendant is not a United
12 States citizen, the felony conviction in this case may subject
13 defendant to: removal, also known as deportation, which may, under
14 some circumstances, be mandatory; denial of citizenship; and denial
15 of admission to the United States in the future. The Court cannot,
16 and defendant's attorney also may not be able to, advise defendant
17 fully regarding the immigration consequences of the felony conviction
18 in this case. Defendant understands that unexpected immigration
19 consequences will not serve as grounds to withdraw defendant's guilty
20 plea.

21 FACTUAL BASIS

22 9. Defendant admits that defendant is, in fact, guilty of the
23 offense to which defendant is agreeing to plead guilty. Defendant
24 and the USAO agree to the statement of facts provided in Attachment A
25 hereto and agree that this statement of facts is sufficient to
26 support a plea of guilty to the charge described in this agreement
27 and to establish the Sentencing Guidelines factors set forth in
28 paragraph 11 below but is not meant to be a complete recitation of

1 all facts relevant to the underlying criminal conduct or all facts
2 known to either party that relate to that conduct.

3 SENTENCING FACTORS

4 10. Defendant understands that in determining defendant's
5 sentence the Court is required to calculate the applicable Sentencing
6 Guidelines range and to consider that range, possible departures
7 under the Sentencing Guidelines, and the other sentencing factors set
8 forth in 18 U.S.C. § 3553(a). Defendant understands that the
9 Sentencing Guidelines are advisory only, that defendant cannot have
10 any expectation of receiving a sentence within the calculated
11 Sentencing Guidelines range, and that after considering the
12 Sentencing Guidelines and the other § 3553(a) factors, the Court will
13 be free to exercise its discretion to impose any sentence it finds
14 appropriate up to the maximum set by statute for the crime of
15 conviction.

16 11. Defendant and the USAO agree to the following applicable
17 Sentencing Guidelines factors:

18 Base Offense Level:	14	[U.S.S.G. § 2C1.1(a)(1)]
19 Value of bribe between 20 \$1,500,001-\$3,500,000	+16	[U.S.S.G. § 2B1.1(b)(1)(I)]
21 Involved public official in 22 high-level decision-making 23 and sensitive position	+4	[U.S.S.G. § 2C1.1(b)(3)]
Obstruction of justice	+2	[U.S.S.G. § 3C1.1]

24 Defendant and the USAO reserve the right to argue that additional
25 specific offense characteristics, adjustments, and departures under
26 the Sentencing Guidelines are appropriate.

27 12. Defendant understands that there is no agreement as to
28 defendant's criminal history or criminal history category.

1 13. Defendant and the USAO reserve the right to argue for a
2 sentence outside the sentencing range established by the Sentencing
3 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
4 (a)(2), (a)(3), (a)(6), and (a)(7).

5 WAIVER OF CONSTITUTIONAL RIGHTS

6 14. Defendant understands that by pleading guilty, defendant
7 gives up the following rights:

8 a. The right to persist in a plea of not guilty.

9 b. The right to a speedy and public trial by jury.

10 c. The right to be represented by counsel -- and if
11 necessary have the Court appoint counsel -- at trial. Defendant
12 understands, however, that, defendant retains the right to be
13 represented by counsel -- and if necessary have the Court appoint
14 counsel -- at every other stage of the proceeding.

15 d. The right to be presumed innocent and to have the
16 burden of proof placed on the government to prove defendant guilty
17 beyond a reasonable doubt.

18 e. The right to confront and cross-examine witnesses
19 against defendant.

20 f. The right to testify and to present evidence in
21 opposition to the charges, including the right to compel the
22 attendance of witnesses to testify.

23 g. The right not to be compelled to testify, and, if
24 defendant chose not to testify or present evidence, to have that
25 choice not be used against defendant.

26 h. Any and all rights to pursue any affirmative defenses,
27 Fourth Amendment or Fifth Amendment claims, and other pretrial
28 motions that have been filed or could be filed.

1 WAIVER OF RETURN OF DIGITAL DATA

2 15. Understanding that the government has in its possession
3 digital devices and/or digital media seized from defendant, defendant
4 waives any right to the return of digital data contained on those
5 digital devices and/or digital media and agrees that if any of these
6 digital devices and/or digital media are returned to defendant, the
7 government may delete all digital data from those digital devices
8 and/or digital media before they are returned to defendant.

9 WAIVER OF APPEAL OF CONVICTION

10 16. Defendant understands that, with the exception of an appeal
11 based on a claim that defendant's guilty plea was involuntary, by
12 pleading guilty defendant is waiving and giving up any right to
13 appeal defendant's conviction on the offense to which defendant is
14 pleading guilty. Defendant understands that this waiver includes,
15 but is not limited to, arguments that the statute to which defendant
16 is pleading guilty is unconstitutional, and any and all claims that
17 the statement of facts provided herein is insufficient to support
18 defendant's plea of guilty.

19 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE AND COLLATERAL ATTACK

20 17. Defendant agrees that, provided the Court imposes a total
21 term of imprisonment on all counts of conviction of no more than the
22 statutory maximum of ten years, defendant gives up the right to
23 appeal all of the following: (a) the procedures and calculations used
24 to determine and impose any portion of the sentence; (b) the term of
25 imprisonment imposed by the Court; (c) the fine imposed by the Court,
26 provided it is within the statutory maximum; (d) to the extent
27 permitted by law, the constitutionality or legality of defendant's
28 sentence, provided it is within the statutory maximum; (e) the term

1 of probation or supervised release imposed by the Court, provided it
2 is within the statutory maximum; and (f) any of the following
3 conditions of probation or supervised release imposed by the Court:
4 the conditions set forth in Second Amended General Order 20-04 of
5 this Court; the drug testing conditions mandated by 18 U.S.C.
6 §§ 3563(a)(5) and 3583(d); and the alcohol and drug use conditions
7 authorized by 18 U.S.C. § 3563(b)(7).

8 18. The USAO agrees that, provided all portions of the sentence
9 are at the statutory maximum of ten years specified above, the USAO
10 gives up its right to appeal any portion of the sentence.

11 RESULT OF WITHDRAWAL OF GUILTY PLEA

12 19. Defendant agrees that if, after entering a guilty plea
13 pursuant to this agreement, defendant seeks to withdraw and succeeds
14 in withdrawing defendant's guilty plea on any basis other than a
15 claim and finding that entry into this plea agreement was
16 involuntary, then (a) the USAO will be relieved of all of its
17 obligations under this agreement; and (b) should the USAO choose to
18 pursue any charge that was either dismissed or not filed as a result
19 of this agreement, then (i) any applicable statute of limitations
20 will be tolled between the date of defendant's signing of this
21 agreement and the filing commencing any such action; and
22 (ii) defendant waives and gives up all defenses based on the statute
23 of limitations, any claim of pre-indictment delay, or any speedy
24 trial claim with respect to any such action, except to the extent
25 that such defenses existed as of the date of defendant's signing this
26 agreement.

1 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

2 20. Defendant agrees that if the count of conviction is
3 vacated, reversed, or set aside, both the USAO and defendant will be
4 released from all their obligations under this agreement.

5 EFFECTIVE DATE OF AGREEMENT

6 21. This agreement is effective upon signature and execution of
7 all required certifications by defendant, defendant's counsel, and an
8 Assistant United States Attorney.

9 BREACH OF AGREEMENT

10 22. Defendant agrees that if defendant, at any time after the
11 signature of this agreement and execution of all required
12 certifications by defendant, defendant's counsel, and an Assistant
13 United States Attorney, knowingly violates or fails to perform any of
14 defendant's obligations under this agreement ("a breach"), the USAO
15 may declare this agreement breached. All of defendant's obligations
16 are material, a single breach of this agreement is sufficient for the
17 USAO to declare a breach, and defendant shall not be deemed to have
18 cured a breach without the express agreement of the USAO in writing.
19 If the USAO declares this agreement breached, and the Court finds
20 such a breach to have occurred, then: (a) if defendant has previously
21 entered a guilty plea pursuant to this agreement, defendant will not
22 be able to withdraw the guilty plea, and (b) the USAO will be
23 relieved of all its obligations under this agreement.

24 23. Following the Court's finding of a knowing breach of this
25 agreement by defendant, should the USAO choose to pursue any charge
26 that was either dismissed or not filed as a result of this agreement,
27 then:
28

1 a. Defendant agrees that any applicable statute of
2 limitations is tolled between the date of defendant's signing of this
3 agreement and the filing commencing any such action.

4 b. Defendant waives and gives up all defenses based on
5 the statute of limitations, any claim of pre-indictment delay, or any
6 speedy trial claim with respect to any such action, except to the
7 extent that such defenses existed as of the date of defendant's
8 signing this agreement.

9 c. Defendant agrees that: (i) any statements made by
10 defendant, under oath, at the guilty plea hearing (if such a hearing
11 occurred prior to the breach); (ii) the agreed to factual basis
12 statement in this agreement; and (iii) any evidence derived from such
13 statements, shall be admissible against defendant in any such action
14 against defendant, and defendant waives and gives up any claim under
15 the United States Constitution, any statute, Rule 410 of the Federal
16 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal
17 Procedure, or any other federal rule, that the statements or any
18 evidence derived from the statements should be suppressed or are
19 inadmissible.

20 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

21 OFFICE NOT PARTIES

22 24. Defendant understands that the Court and the United States
23 Probation and Pretrial Services Office are not parties to this
24 agreement and need not accept any of the USAO's sentencing
25 recommendations or the parties' agreements to facts or sentencing
26 factors.

27 25. Defendant understands that both defendant and the USAO are
28 free to: (a) supplement the facts by supplying relevant information

1 to the United States Probation and Pretrial Services Office and the
2 Court, (b) correct any and all factual misstatements relating to the
3 Court's Sentencing Guidelines calculations and determination of
4 sentence, and (c) argue on appeal and collateral review that the
5 Court's Sentencing Guidelines calculations and the sentence it
6 chooses to impose are not error, although each party agrees to
7 maintain its view that the calculations in paragraph 11 are
8 consistent with the facts of this case. While this paragraph permits
9 both the USAO and defendant to submit full and complete factual
10 information to the United States Probation and Pretrial Services
11 Office and the Court, even if that factual information may be viewed
12 as inconsistent with the facts agreed to in this agreement, this
13 paragraph does not affect defendant's and the USAO's obligations not
14 to contest the facts agreed to in this agreement.

15 26. Defendant understands that even if the Court ignores any
16 sentencing recommendation, finds facts or reaches conclusions
17 different from those agreed to, and/or imposes any sentence up to the
18 maximum established by statute, defendant cannot, for that reason,
19 withdraw defendant's guilty plea, and defendant will remain bound to
20 fulfill all defendant's obligations under this agreement. Defendant
21 understands that no one -- not the prosecutor, defendant's attorney,
22 or the Court -- can make a binding prediction or promise regarding
23 the sentence defendant will receive, except that it will be within
24 the statutory maximum.

25 NO ADDITIONAL AGREEMENTS

26 27. Defendant understands that, except as set forth herein,
27 there are no promises, understandings, or agreements between the USAO
28 and defendant or defendant's attorney, and that no additional

1 promise, understanding, or agreement may be entered into unless in a
2 writing signed by all parties or on the record in court.

3 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

4 28. The parties agree that this agreement will be considered
5 part of the record of defendant's guilty plea hearing as if the
6 entire agreement had been read into the record of the proceeding.

7 AGREED AND ACCEPTED

8 UNITED STATES ATTORNEY'S OFFICE
9 FOR THE CENTRAL DISTRICT OF
10 CALIFORNIA

11 TRACY L. WILKISON
12 United States Attorney

13 MELISSA MILLS
14 Assistant United States Attorney

15 DAVID H. WRIGHT
16 Defendant

17 ANTHONY PACHECO
18 Attorney for Defendant DAVID H.
19 WRIGHT
20
21
22
23
24
25
26
27
28

12/1/2021

Date

11/21/2021

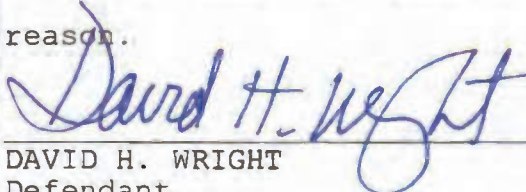
Date

11/23/2021

Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

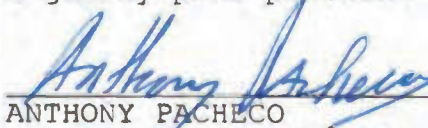


DAVID H. WRIGHT
Defendant

11/24/2021
Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am DAVID H. WRIGHT's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.



ANTHONY PACHECO
Attorney for Defendant DAVID H.
WRIGHT

11/23/21

Date

ATTACHMENT A

ATTACHMENT AFACTUAL BASIS**I. THE AVENTADOR BRIBERY SCHEME****A. Background**

1. Defendant DAVID H. WRIGHT was the General Manager of the Los Angeles Department of Water and Power ("LADWP") from September 6, 2016, until July 23, 2019, when he resigned at the direction of the Mayor of Los Angeles. As the General Manager of LADWP, defendant WRIGHT was the chief executive of the largest municipal utility in the United States.

2. During 2016 and 2017, defendant WRIGHT developed a close personal relationship with Paul O. Paradis, a New York lawyer who was then involved with LADWP in multiple ways. First, beginning in 2015, Paradis represented LADWP in an affirmative lawsuit against PricewaterhouseCoopers ("PwC"), wherein LADWP alleged that PwC — the vendor of LADWP's billing system — was to blame for LADWP's misbilling of hundreds of thousands of ratepayers. Second, during 2015 and 2016, Paradis and his law firm held a contract with LADWP, valued at over \$6,000,000, to provide project management services in connection with LADWP's remediation of the faulty billing system at issue in the lawsuit.

3. During their relationship, defendant WRIGHT and Paradis regularly met in person and exchanged thousands of emails and text messages. Defendant WRIGHT and Paradis also traveled together for work and personal purposes, attended concerts and other events together, and dined together at expensive restaurants. Paradis regularly paid for defendant WRIGHT at these outings. Defendant

Defendant's initials: DW 1

1 WRIGHT did not report any of these gifts or benefits on his Form 700
2 Statements of Economic Interest, as required by California law.

3 **B. The Bribery Agreement**

4 4. During late 2016 and early 2017, defendant WRIGHT and
5 Paradis discussed the prospect of Paradis performing additional
6 services for LADWP. Paradis informed defendant WRIGHT that Paradis
7 could not provide future remediation services for LADWP through his
8 law firm due to state bar rules prohibiting law firms from providing
9 non-legal services. Defendant WRIGHT and Paradis talked about
10 Paradis forming a new company that could provide future remediation
11 and other services to LADWP under a separate contract with LADWP.
12 Paradis informed defendant WRIGHT that he planned to seek a contract
13 in the amount of approximately \$30,000,000.

14 5. On February 10, 2017, defendant WRIGHT met privately with
15 Paradis at a hotel restaurant in Riverside, California. During this
16 meeting, defendant WRIGHT and Paradis again discussed Paradis's
17 intent to create a new company, Aventador Utility Solutions, LLC
18 ("Aventador"), for the purpose of seeking a lucrative contract with
19 LADWP. Defendant WRIGHT and Paradis agreed that in exchange for
20 defendant WRIGHT's support of the contract, Paradis would name
21 defendant WRIGHT as Aventador's Chief Executive Officer ("CEO") once
22 he retired from LADWP. Specifically, pursuant to their agreement,
23 defendant WRIGHT would ensure that LADWP's five-person Board of
24 Commissioners (the "LADWP Board") awarded the contract to Aventador
25 without a competitive bidding process. In exchange, defendant WRIGHT
26 would obtain, among other benefits, the job as Aventador's CEO at an
27 annual salary of approximately \$1,000,000, and a luxury company car.

28 Defendant's initials: SW — 2

1 Defendant WRIGHT and Paradis further discussed the need to keep their
2 agreement confidential, because they knew that it was illegal.

3 6. Defendant WRIGHT and Paradis worked together to select the
4 company's name, "Aventador," which was the name of a model of the
5 luxury car company Lamborghini. Throughout the spring of 2017,
6 defendant WRIGHT and Paradis discussed hiring and personnel decisions
7 for Aventador, marketing strategies, pursuing business opportunities
8 beyond LADWP, and the specific type of luxury car and other
9 perquisites that defendant WRIGHT would get when he joined Aventador
10 after retiring from LADWP.

11 7. On or about March 28, 2017, pursuant to his agreement with
12 defendant WRIGHT, Paradis registered Aventador with the California
13 Secretary of State.

14 **C. Defendant WRIGHT and Paradis Work To Position Aventador For**
15 **a \$30,000,000 No-Bid Contract With LADWP**

16 1. The Plan

17 8. After agreeing to the terms described above, defendant
18 WRIGHT and Paradis agreed that they would take steps to position
19 Aventador for a new contract with LADWP. Defendant WRIGHT would,
20 among other things, draft a letter (the "Board Letter") to the LADWP
21 Board summarizing the purpose and terms of the proposed Aventador
22 contract, touting Aventador's capabilities, and explaining why
23 alternatives to awarding the contract on a no-bid basis were
24 unsatisfactory. Defendant WRIGHT would also lobby members of the
25 LADWP Board to persuade them to vote in favor of the Aventador
26 contract. Defendant WRIGHT would enlist the help of LADWP employees,
27 including other senior LADWP executives, to support the contract.
28 Additionally, defendant WRIGHT would prepare an oral and written

Defendant's initials: JW — 3

1 presentation to the LADWP Board urging approval of the Aventador
2 contract.

3 9. Defendant WRIGHT and Paradis further agreed that Paradis
4 would leverage his personal relationship with the independent monitor
5 appointed by the court to oversee the court-ordered remediation of
6 LADWP's billing system ("Independent Monitor"), in support of the
7 Aventador contract. Specifically, because Independent Monitor relied
8 on Paradis to draft his reports to the court and typically made few
9 or no changes, defendant WRIGHT and Paradis agreed that Paradis would
10 include in Independent Monitor's May 2017 report to the court a
11 detailed section laying a critical foundation of support for the
12 Aventador contract. Defendant WRIGHT would then use the report,
13 prepared by Paradis, to aid his campaign to persuade the LADWP Board
14 that it had no choice but to award the \$30,000,000 no-bid contract to
15 Aventador.

16 2. Paradis Writes Independent Monitor's Report To Provide
17 Defendant WRIGHT With Support For the Contract

18 10. On May 5, 2017, Independent Monitor's report was filed with
19 the court. Section IV of the report, which defendant WRIGHT reviewed
20 and approved and which Paradis drafted specifically to include
21 talking points for defendant WRIGHT to use to convince the LADWP
22 Board to approve the Aventador contract, stated, among other things,
23 that LADWP: was grossly understaffed in the Information Technology
24 ("IT") area; had difficulty hiring IT staff; lacked well-qualified IT
25 project management personnel; and lacked the ability to successfully
26 manage large-scale IT implementation projects. The report went on to
27 state that, because of these deficiencies, LADWP needed to procure
28 these services through an outside vendor.

Defendant's initials: DW 4

1 11. On May 5, 2017, before the report was filed, Paradis sent
2 the draft report to defendant WRIGHT and then asked him, via text
3 message, "Does it give you what you need?" Defendant WRIGHT replied
4 by confirming that the draft report provided the support that
5 defendant WRIGHT needed to push the Aventador contract.

6 3. Defendant WRIGHT Enlists Help and Support From Other
7 LADWP Officials and Employees

8 12. In early May of 2017, defendant WRIGHT spoke with a City
9 official responsible for advocating on behalf of LADWP ratepayers and
10 persuaded him to support the Aventador contract.

11 13. In May and early June of 2017, defendant WRIGHT procured
12 the assistance of other LADWP employees and officials to facilitate
13 the award of the contract to Aventador. In particular, defendant
14 WRIGHT worked with Paradis and another senior executive of LADWP to
15 draft and hone the Board Letter regarding the Aventador contract
16 proposal. Defendant WRIGHT, Paradis, and the senior LADWP executive
17 each revised the draft and exchanged edited versions. Defendant
18 WRIGHT's changes to the draft included removing all by-name
19 references to Paradis, as well as all specific references to
20 Paradis's prior no-bid LADWP contract. After defendant WRIGHT's
21 edits, the Board Letter's reference to Paradis opaquely noted, "The
22 contractor is uniquely situated to perform this work, and therefore,
23 a sole source contract with Aventador is recommended."

24 14. Defendant WRIGHT also edited the Board Letter to reference
25 the May 5, 2017 Independent Monitor report — which defendant WRIGHT
26 knew that Paradis had drafted for this purpose — as support for
27 LADWP's supposed inability to perform the remediation work internally
28 and the resulting need to outsource that work to an outside

1 contractor. Additionally, defendant WRIGHT added a provision to the
2 Board Letter stating that it was not feasible for LADWP to contract
3 with vendors other than Aventador because of time pressures that he
4 portrayed as mandated by the court.

5 15. In early June of 2017, defendant WRIGHT solicited the aid
6 of two senior LADWP employees to find and send him information in
7 support of the Aventador contract. Defendant WRIGHT advised his
8 employees that he was preparing a presentation on the contract for
9 the upcoming LADWP Board meeting prior to the LADWP Board's vote on
10 the contract, which he planned to present only if the LADWP Board
11 asked, "why we are pursuing a single source \$30M contract."

12 Defendant WRIGHT directed his employees to send him information that
13 would make the need for the Aventador contract seem dire, so that he
14 could articulate "the wors[t] case scenario if the Board doesn't
15 approve the contract with Aventador."

16 4. Defendant WRIGHT Lines Up the LADWP Board's Support
17 For the Contract

18 16. To further the bribery arrangement, defendant WRIGHT knew
19 that he needed to persuade the LADWP Board to vote in favor of the
20 Aventador contract. During May and early June of 2017, defendant
21 WRIGHT spoke with multiple Board members individually and encouraged
22 them each to vote in favor of the Aventador contract.

23 17. On May 17, 2017, defendant WRIGHT informed Paradis via text
24 that one of the Board members was "completely on board." Later that
25 day, defendant WRIGHT sent a text message to Paradis stating, "Been a
26 couple of challenging days that got me down a bit. I feel
27 reenergized. We will get this all done and fuck anyone that tries to
28 get in the way. Thanks for your help."

Defendant's initials: SW 6

1 18. By June 4, 2017, defendant WRIGHT had obtained the support
2 of multiple Board members. Defendant WRIGHT did not tell any Board
3 member about his corrupt arrangement with Paradis or his financial
4 interest in Aventador.

5 **D. Defendant WRIGHT's Board Presentation**

6 19. On June 6, 2017, the LADWP Board convened for its regular
7 meeting and to vote on the proposed \$30,000,000 no-bid contract to
8 Aventador. Before the vote, defendant WRIGHT delivered prepared
9 remarks urging the LADWP Board to vote in favor of the contract.

10 20. During his remarks to the LADWP Board, defendant WRIGHT
11 again cited the verbiage of the May 5, 2017 Independent Monitor
12 report. Defendant WRIGHT told the LADWP Board that LADWP could not
13 meet its court-ordered obligations unless it contracted with
14 Aventador, and he conveyed a sense of urgency to approve the
15 Aventador contract. Defendant WRIGHT did not disclose to the LADWP
16 Board, either during the meeting on June 6, 2017, or at any other
17 point, that he had agreed to accept an annual salary of approximately
18 \$1,000,000, a luxury company car, and the title of Aventador's CEO
19 after retiring from LADWP.

20 21. Following defendant WRIGHT's presentation, the LADWP Board
21 voted unanimously to award Aventador a three-year, \$30,000,000 no-bid
22 contract.

23 **E. Defendant WRIGHT's Continued Support For and Building of**
24 **Aventador**

25 22. On or about June 15, 2017, via text message, Paradis
26 informed defendant WRIGHT that a member of the LADWP Board ("LADWP
27 Board Member") had been repeatedly contacting Paradis to solicit
28 Paradis's help on a legal matter. Defendant WRIGHT replied by

Defendant's initials: SW 7

1 advising Paradis that LADWP Board Member was being appointed for
2 another four-year term on the LADWP Board, which defendant WRIGHT
3 suggested should "influence [Paradis's] thoughts a bit" on whether to
4 provide the solicited legal services to LADWP Board Member.

5 Defendant WRIGHT and Paradis agreed and understood that it was in
6 their mutual best interest for Paradis to continue to provide "free"
7 legal services to LADWP Board Member, because LADWP Board Member not
8 only sat on a committee of the LADWP Board charged with overseeing
9 the Aventador contract, but he would also be in a position to
10 influence future contract renewals, amendments, task orders, and
11 other actions related to the Aventador contract.

12 23. During the remainder of 2017, throughout 2018, and into
13 early 2019, defendant WRIGHT continued to collaborate with Paradis to
14 build and market Aventador and to seek additional lucrative business
15 opportunities for Aventador both inside and outside LADWP. Defendant
16 WRIGHT's actions included using his position as the General Manager
17 of LADWP to advertise Aventador's services at industry events and in
18 meetings and discussions with other industry officials and
19 executives. Some illustrative, and non-exhaustive, examples include:

20 a. In August of 2017, via text message, defendant WRIGHT
21 directed Paradis to "work magic" in drafting a class action
22 settlement agreement on behalf of LADWP by including language that
23 would create future business opportunities for Aventador.

24 b. In November of 2017, via text message, defendant
25 WRIGHT told Paradis that they should do "the minimal possible" with
26 respect to the LADWP billing system upgrade so that the project would
27 not need to occupy defendant WRIGHT's attention for the remainder of
28

Defendant's initials: DW 8

1 his tenure at LADWP.

2 c. In November of 2017, defendant WRIGHT attended an
3 industry event and used his position as the General Manager of LADWP
4 to market Aventador's services, which led to defendant WRIGHT
5 receiving inquiries from two potential Aventador customers.

6 d. In May of 2018, defendant WRIGHT sought and obtained
7 from Paradis a "secure laptop" and an Aventador email account for
8 defendant WRIGHT to use. Specifically, defendant WRIGHT asked for an
9 unattributable email account that could be falsely explained, if it
10 were ever discovered, as a precaution against "prying eyes by
11 unethical IT staff at LADWP."

12 e. In June of 2018, defendant WRIGHT used his Aventador
13 laptop and email account to revise and transmit to Paradis a draft
14 written presentation to the LADWP Board touting Aventador's
15 cybersecurity capabilities and credentials.

16 f. In July of 2018, defendant WRIGHT discussed various
17 Aventador branding and marketing strategies with Paradis, including
18 defendant WRIGHT's proposal to use his publicly known status as a gay
19 man to take advantage of a diversity-oriented initiative to benefit
20 Aventador.

21 g. In August of 2018, following a cyber intrusion against
22 LADWP, defendant WRIGHT directed Paradis to have Aventador staff
23 create a presentation describing the attack and relaying Aventador's
24 findings. Defendant WRIGHT opined that this could be used as a
25 "[p]latform for increasing Aventador required work."

26 h. On multiple occasions in late 2018 and early 2019, via
27 text message, defendant WRIGHT conveyed to Paradis that he was ready
28

Defendant's initials: DW

1 to leave LADWP, and they discussed how defendant WRIGHT would use his
2 remaining tenure as the General Manager of LADWP to obtain an
3 extension of Aventador's contract and otherwise enhance Aventador's
4 future financial prospects.

5 **F. Defendant WRIGHT and Paradis Expand Their Corrupt Aventador**
6 **Plans**

7 24. In May of 2018, defendant WRIGHT and other LADWP officials
8 and employees, along with Paradis, joined a delegation on a visit to
9 Israel. During the trip, defendant WRIGHT, Paradis, and others met
10 with executives from a global company that provided cybersecurity
11 training to governmental and business organizations ("Cyber
12 Company"). Cyber Company had franchises in the United States and
13 abroad, and defendant WRIGHT and Paradis decided to invest in
14 bringing a Cyber Company facility to Los Angeles. Defendant WRIGHT
15 and Paradis agreed that Paradis would put up \$5,000,000 in capital
16 and would have a controlling interest, and that defendant WRIGHT
17 would have an ownership interest. Defendant WRIGHT told Paradis that
18 LADWP would purchase five years of cybersecurity training at the
19 franchise facility, at a cost of \$3,000,000 per year. As the General
20 Manager of LADWP, defendant WRIGHT did not have the formal authority
21 to make this commitment on behalf of LADWP without action by the
22 LADWP Board. Defendant WRIGHT and Paradis agreed that defendant
23 WRIGHT would use his position and influence at LADWP to convince the
24 LADWP Board to support this expenditure, which both defendant WRIGHT
25 and Paradis knew would secretly benefit them both financially. In
26 January 2019, pursuant to his agreement with defendant WRIGHT,
27 Paradis entered into a joint venture agreement with Cyber Company
28 wherein Paradis agreed to pay \$5,000,000 to open a Cyber Company

Defendant's initials: DW 10

1 facility in Los Angeles that would provide training to LADWP
2 employees.

3 **II. DEFENDANT WRIGHT DESTROYS EVIDENCE OF HIS CORRUPT AVENTADOR**
4 **PLANS AND ACCEPTS A SECRET FINANCIAL INTEREST IN AVENTADOR'S**
5 **SUCCESSOR COMPANY**

6 25. On March 6, 2019, defendant WRIGHT learned that Paradis had
7 been forced to resign from his representation of the City in its
8 lawsuit against PwC. Via text message, defendant WRIGHT instructed
9 Paradis to publicly message that Paradis had resigned in order to
10 focus his efforts on Aventador. Defendant WRIGHT also told Paradis
11 that they should not be seen in public together, including on an
12 upcoming trip to London that they had previously planned for the
13 purpose of promoting Aventador.

14 26. Shortly thereafter, the LADWP Board voted to terminate the
15 Aventador contract. However, the LADWP Board agreed to retain the
16 company's services if Paradis sold his stake in the company and
17 disavowed any interest in the company, which Paradis purported to do.

18 27. In late March of 2019, after Paradis sold the company to an
19 employee, Aventador officially changed its name to Ardent Cyber
20 Solutions, LLC ("Ardent").

21 28. In late March of 2019, defendant WRIGHT met with Paradis in
22 private at defendant WRIGHT's home. Defendant WRIGHT told Paradis
23 that he feared that their relationship and their corrupt plans for
24 Aventador would be discovered. Accordingly, defendant WRIGHT
25 directed Paradis to destroy their incriminating text messages and
26 emails from defendant WRIGHT's cell phone and Apple iCloud account,
27 and to take back the Aventador laptop and wipe it clean. Defendant
28 WRIGHT told Paradis that he had already gone through his office at

Defendant's initials: BW 11

1 LADWP and destroyed all incriminating physical evidence. Defendant
2 WRIGHT took these concealment and destruction steps in order to avoid
3 detection of his crimes by the Federal Bureau of Investigation
4 ("FBI"), among other law enforcement authorities.

5 29. At this meeting, defendant WRIGHT told Paradis that he
6 still wanted to continue their secret plans for the company formerly
7 known as Aventador and for Cyber Company. Defendant WRIGHT and
8 Paradis agreed that they would need to create a new company, which
9 they referred to as "Newco," to replace Aventador and its successor
10 Ardent, because those companies were tarnished as a result of recent
11 bad publicity. After they discussed increasing defendant WRIGHT's
12 share in their company, defendant WRIGHT told Paradis that when
13 Aventador's contract was terminated, defendant WRIGHT felt that his
14 future had "died," but that in light of their new agreement to
15 continue with Newco and Cyber Company, defendant WRIGHT felt
16 "resurrected." Defendant WRIGHT expressed ongoing worries that their
17 incriminating communications would be discovered. Paradis suggested
18 that he could obtain "burner" phones as a way for them to communicate
19 without fear of detection, and defendant WRIGHT asked him to do so.

20 30. On April 3, 2019, defendant WRIGHT went to a café in
21 downtown Los Angeles to conduct an orchestrated "dead drop" encounter
22 with Paradis, so that defendant WRIGHT could secretly obtain his
23 wiped phone and a burner phone from Paradis. As they had agreed
24 before the encounter, defendant WRIGHT entered the café and saw
25 Paradis seated near the back with a paper bag on the table.
26 Defendant WRIGHT gave a prearranged signal, and Paradis left the bag
27 on the table and walked to the restroom. Defendant WRIGHT approached
28

Defendant's initials: W 12

1 the table, took the bag containing the two phones, and left the café
2 before Paradis returned from the restroom. Defendant WRIGHT engaged
3 in this conduct in order to conceal his bribery and other criminal
4 activity from law enforcement, including the FBI.

5 31. In early April of 2019, defendant WRIGHT used his position
6 and influence as the General Manager of LADWP to urge the LADWP Board
7 to support the award of a new cybersecurity contract to Ardent for
8 over \$10,000,000. Because of his secret future plans with Paradis,
9 which stemmed from their business model for Aventador and its
10 successor companies, defendant WRIGHT knew that the award of this
11 Ardent contract would benefit him financially, either directly or
12 indirectly, and he intentionally did not disclose that fact to the
13 LADWP Board.

14 32. Throughout April and May of 2019, defendant WRIGHT
15 repeatedly reaffirmed to Paradis his commitment to secretly lobby on
16 behalf of Ardent and Cyber Company during the remainder of his tenure
17 at LADWP, and to officially begin working with Paradis after his
18 retirement from LADWP. In addition to the terms of employment to
19 which they had already agreed, defendant WRIGHT requested a
20 "substantial sign-on bonus" of \$600,000 or \$1,200,000, as well as an
21 increase in his interest in the company. Defendant WRIGHT also
22 suggested that he should remain at LADWP until he had finished
23 securing the new contract for Ardent, but that in the meantime, he
24 could unofficially begin working for Newco behind the scenes before
25 leaving LADWP. Defendant WRIGHT told Paradis that he could not
26 receive any money for that work while at LADWP, because defendant
27 WRIGHT knew that this would be both illegal and a violation of
28

Defendant's initials: DW 13

1 ethical rules. Defendant WRIGHT proposed that he could instead be
2 compensated for that work with "some retroactive money" after
3 retiring from LADWP. In proposing this illicit payment arrangement,
4 defendant WRIGHT referred to Paradis as his "ATM," or automatic
5 teller machine.

6 33. On June 6, 2019, defendant WRIGHT was voluntarily
7 interviewed by the FBI and the United States Attorney's Office
8 ("USAO"). During that interview, defendant WRIGHT falsely stated
9 that he did not have any financial or business interest, including a
10 future financial or business interest, in Aventador, any successor or
11 affiliate company, or any company with which Paradis was associated.
12 Defendant WRIGHT knew that these statements were untrue and that his
13 conduct was unlawful.

14 **III. DEFENDANT WRIGHT'S CRIMINAL OFFENSES**

15 **A. Conspiracy**

16 34. Beginning on or about February 15, 2017, and continuing
17 through on or about March 6, 2019, defendant WRIGHT knowingly and
18 willfully conspired and agreed with Paradis and others to knowingly
19 and intentionally commit honest services wire fraud and federal
20 program bribery.

21 **B. Honest Services Fraud**

22 35. Between on or about February 10, 2017, and on or about June
23 6, 2019, defendant WRIGHT knowingly and with intent to defraud,
24 devised, participated in, and executed a scheme to defraud LADWP and
25 its ratepayers as to material matters, including by depriving LADWP
26 and its ratepayers of their right to the honest services of defendant
27 WRIGHT, who, as the General Manager of LADWP, owed a fiduciary duty
28

1 to LADWP and its ratepayers.

2 36. Defendant WRIGHT did so with the intent to obtain money and
3 property by means of materially false and fraudulent pretenses,
4 representations and promises, to wit, by using his position as
5 General Manager of LADWP to enrich both defendant WRIGHT and Paradis
6 through the procurement of a \$30,000,000 no-bid LADWP contract for
7 Aventador, a company in which defendant WRIGHT had a covert financial
8 interest and Paradis had an overt financial interest, and through the
9 concealment of material information. Defendant WRIGHT and Paradis
10 carried out this scheme, in part, by using and causing others to use
11 wire communications in interstate commerce, including the following
12 items:


13 a. On May 4, 2017, Paradis sent via email a draft of the
14 independent monitor's report, which included a section designed to
15 support the Aventador contract, to the independent monitor, blind-
16 copying defendant WRIGHT on the email.

17 b. On May 25, 2017, defendant WRIGHT sent an email to
18 Paradis with a draft of the Aventador Board Letter designed to
19 persuade the LADWP Board to vote in favor of the Aventador contract.

20 c. On June 7, 2018, defendant WRIGHT sent an email to
21 Paradis with a draft presentation to the LADWP Board touting
22 Aventador's cybersecurity capabilities.

23 **C. Federal Program Bribery**

24 37. Between on or about February 10, 2017, and on or about June
25 6, 2019, defendant WRIGHT, an agent of LADWP, corruptly solicited and
26 demanded for his own benefit something of value from Paradis,
27 intending to be influenced and rewarded in connection with a
28

Defendant's initials:  15

1 business, transaction, and series of transactions of LADWP having a
2 value of \$5,000 or more. Specifically, defendant WRIGHT corruptly
3 solicited and demanded financial benefits, including a future
4 financial interest in Aventador, the promise of a post-retirement job
5 as the CEO of Aventador with an annual salary of approximately
6 \$1,000,000, and related perquisites, meals, travel, and event
7 tickets. Intending to be influenced and rewarded in connection with
8 a \$30,000,000 no-bid LADWP contract award to Aventador, defendant
9 WRIGHT engaged in the following official acts: (1) generating and
10 submitting a Board Letter intended to persuade the LADWP Board to
11 vote in favor of Aventador's contract; (2) meeting and conferring
12 with individual LADWP Board members to advocate on behalf of the
13 Aventador contract and to solicit the Board members' votes;
14 (3) preparing and delivering a presentation to the LADWP Board
15 asserting that there were no viable alternatives to the Aventador
16 contract, that the need for Aventador's services was dire and
17 immediate, and urging the Board to vote in favor of the contract;
18 (4) exerting pressure on LADWP Board members and other LADWP City
19 officials and employees to influence the approval process of the
20 Aventador contract. At all relevant times, LADWP received federal
21 funds and benefits in excess of \$10,000 annually.

22 **D. Destruction of Evidence**

23 38. Between on or about March 29, 2019, and June 6, 2019,
24 defendant WRIGHT knowingly destroyed records, documents, and tangible
25 objects with the intent to impede, obstruct, and influence a federal
26 criminal investigation, a matter that the defendant contemplated was
27 within the jurisdiction of the FBI and the USAO, both departments and
28

1 agencies of the United States.

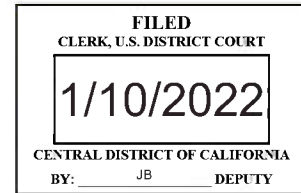
2 **E. False Official Statements**

3 39. On June 6, 2019, defendant WRIGHT knowingly, willfully, and
4 deliberately made materially false statements and representations to
5 the FBI and the USAO during an interview knowing that these
6 statements and representations were untrue and that his conduct was
7 unlawful. Defendant WRIGHT's false statements were made in a matter
8 within the jurisdiction of the FBI and USAO and were material to the
9 activities and decisions of the FBI and USAO.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
Defendant's initials: DN 17

**EXHIBIT C: PLEA AGREEMENT
FOR THOMAS H. PETERS**

TRACY L. WILKISON
United States Attorney
SCOTT M. GARRINGER
Assistant United States Attorney
Chief, Criminal Division
MELISSA MILLS (Cal. Bar No. 248529)
J. JAMARI BUXTON (Cal. Bar No. pending)
SUSAN S. HAR (Cal. Bar No. 301924)
Assistant United States Attorneys
Public Corruption and Civil Rights Section
1500 United States Courthouse
312 North Spring Street
Los Angeles, California 90012
Telephone: (213) 894-0627
Facsimile: (213) 894-7631
E-mail: Melissa.Mills@usdoj.gov
Jamari.Buxton@usdoj.gov
Susan.Har@usdoj.gov



Attorneys for Plaintiff
UNITED STATES OF AMERICA

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

THOMAS H. PETERS,

Defendant.

No. CR 2:22-cr-00009-PA

PLEA AGREEMENT FOR DEFENDANT
THOMAS H. PETERS

1. This constitutes the plea agreement between THOMAS H. PETERS ("defendant") and the United States Attorney's Office for the Central District of California ("the USAO") in the above-captioned case. This agreement is limited to the USAO and cannot bind any other federal, state, local, or foreign prosecuting, enforcement, administrative, or regulatory authorities.

DEFENDANT'S OBLIGATIONS

2. Defendant agrees to:

1 a. Give up the right to indictment by a grand jury and,
2 at the earliest opportunity requested by the USAO and provided by the
3 Court, appear and plead guilty to a one-count information in the form
4 attached to this agreement as Exhibit A or a substantially similar
5 form, which charges defendant with Aiding and Abetting Interference
6 with Commerce By Extortion, in violation of 18 U.S.C. § 1951(a) and
7 18 U.S.C. § 2.

8 b. Not contest facts agreed to in this agreement.

9 c. Abide by all agreements regarding sentencing contained
10 in this agreement.

11 d. Appear for all court appearances, surrender as ordered
12 for service of sentence, obey all conditions of any bond, and obey
13 any other ongoing court order in this matter.

14 e. Not commit any crime; however, offenses that would be
15 excluded for sentencing purposes under United States Sentencing
16 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
17 within the scope of this agreement.

18 f. Be truthful at all times with the United States
19 Probation and Pretrial Services Office and the Court.

20 g. Pay the applicable special assessment at or before the
21 time of sentencing unless defendant has demonstrated a lack of
22 ability to pay such assessments.

23 3. Defendant further agrees to cooperate fully with the USAO,
24 the Federal Bureau of Investigation ("FBI"), and, as directed by the
25 USAO, any other federal, state, local, or foreign prosecuting,
26 enforcement, administrative, regulatory, or licensing authority,
27 including the Bar of any state. This cooperation requires defendant
28 to:

1 a. Respond truthfully and completely to all questions
2 that may be put to defendant, whether in interviews, before a grand
3 jury, or at any trial or other court proceeding.

4 b. Attend all meetings, grand jury sessions, trials or
5 other proceedings at which defendant's presence is requested by the
6 USAO or compelled by subpoena or court order.

7 c. Produce voluntarily all documents, records, or other
8 tangible evidence relating to matters about which the USAO, or its
9 designee, inquires.

10 d. If requested to do so by the USAO, act in an
11 undercover capacity to the best of defendant's ability in connection
12 with criminal investigations by federal, state, local, or foreign law
13 enforcement authorities, in accordance with the express instructions
14 of those law enforcement authorities. Defendant agrees not to act in
15 an undercover capacity, tape record any conversations, or gather any
16 evidence except after a request by the USAO and in accordance with
17 express instructions of federal, state, local, or foreign law
18 enforcement authorities.

19 4. For purposes of this agreement: (1) "Cooperation
20 Information" shall mean any statements made, or documents, records,
21 tangible evidence, or other information provided, by defendant
22 pursuant to defendant's cooperation under this agreement or pursuant
23 to the letter agreement previously entered into by the parties dated
24 January 28, 2020 (the "Letter Agreement"); and (2) "Plea Information"
25 shall mean any statements made by defendant, under oath, at the
26 guilty plea hearing and the agreed to factual basis statement in this
27 agreement.

THE USAO'S OBLIGATIONS

5. The USAO agrees to:

a. Not contest facts agreed to in this agreement.

b. Abide by all agreements regarding sentencing contained in this agreement.

c. Except for criminal tax violations (including conspiracy to commit such violations chargeable under 18 U.S.C. § 371), not further criminally prosecute defendant for conduct described in the agreed-to factual basis set forth in Attachment A. Defendant understands that the USAO is free to criminally prosecute defendant for any other unlawful past conduct or any unlawful conduct that occurs after the date of this agreement. Defendant agrees that at the time of sentencing the Court may consider the uncharged conduct in determining the applicable Sentencing Guidelines range, the propriety and extent of any departure from that range, and the sentence to be imposed after consideration of the Sentencing Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

d. At the time of sentencing, provided that defendant demonstrates an acceptance of responsibility for the offense conduct, up to and including the time of sentencing, recommend a two-level reduction in the applicable Sentencing Guidelines offense level, pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an additional one-level reduction if available under that section.

6. The USAO further agrees:

a. Not to offer as evidence in its case-in-chief in the above-captioned case or any other criminal prosecution that may be brought against defendant by the USAO, or in connection with any

1 sentencing proceeding in any criminal case that may be brought
2 against defendant by the USAO, any Cooperation Information.
3 Defendant agrees, however, that the USAO may use both Cooperation
4 Information and Plea Information: (1) to obtain and pursue leads to
5 other evidence, which evidence may be used for any purpose, including
6 any criminal prosecution of defendant; (2) to cross-examine defendant
7 should defendant testify, or to rebut any evidence offered, or
8 argument or representation made, by defendant, defendant's counsel,
9 or a witness called by defendant in any trial, sentencing hearing, or
10 other court proceeding; and (3) in any criminal prosecution of
11 defendant for false statement, obstruction of justice, or perjury.

12 b. Not to use Cooperation Information against defendant
13 at sentencing for the purpose of determining the applicable guideline
14 range, including the appropriateness of an upward departure, or the
15 sentence to be imposed, and to recommend to the Court that
16 Cooperation Information not be used in determining the applicable
17 guideline range or the sentence to be imposed. Defendant
18 understands, however, that Cooperation Information will be disclosed
19 to the United States Probation and Pretrial Services Office and the
20 Court, and that the Court may use Cooperation Information for the
21 purposes set forth in U.S.S.G § 1B1.8(b) and for determining the
22 sentence to be imposed.

23 c. In connection with defendant's sentencing, to bring to
24 the Court's attention the nature and extent of defendant's
25 cooperation.

26 d. If the USAO determines, in its exclusive judgment,
27 that defendant has both complied with defendant's obligations under
28 paragraphs 2 and 3 above and provided substantial assistance to law

1 enforcement in the prosecution or investigation of another
2 ("substantial assistance"), to move the Court pursuant to U.S.S.G.
3 § 5K1.1 to fix an offense level and corresponding guideline range
4 below that otherwise dictated by the sentencing guidelines, and to
5 recommend a sentence at the low end of or below this reduced range.

6 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

7 7. Defendant understands the following:

8 a. Any knowingly false or misleading statement by
9 defendant will subject defendant to prosecution for false statement,
10 obstruction of justice, and perjury and will constitute a breach by
11 defendant of this agreement.

12 b. Nothing in this agreement requires the USAO or any
13 other prosecuting, enforcement, administrative, or regulatory
14 authority to accept any cooperation or assistance that defendant may
15 offer, or to use it in any particular way.

16 c. Defendant cannot withdraw defendant's guilty plea if
17 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a
18 reduced guideline range or if the USAO makes such a motion and the
19 Court does not grant it or if the Court grants such a USAO motion but
20 elects to sentence above the reduced range.

21 d. At this time the USAO makes no agreement or
22 representation as to whether any cooperation that defendant has
23 provided or intends to provide constitutes or will constitute
24 substantial assistance. The decision whether defendant has provided
25 substantial assistance will rest solely within the exclusive judgment
26 of the USAO.

27 e. The USAO's determination whether defendant has
28 provided substantial assistance will not depend in any way on whether

1 the government prevails at any trial or court hearing in which
2 defendant testifies or in which the government otherwise presents
3 information resulting from defendant's cooperation.

4 NATURE OF THE OFFENSE

5 8. Defendant understands that for defendant to be guilty of
6 the crime charged in the sole count of the Information, namely,
7 aiding and abetting Interference with Commerce by Extortion
8 ("extortion"), in violation of 18 U.S.C. § 1951(a) and 18 U.S.C. § 2,
9 the following must be true:

10 a. Person A committed extortion;

11 b. The defendant aided, counseled, commanded, induced, or
12 procured Person A with respect to at least one element of extortion;

13 c. The defendant acted with the intent to facilitate
14 extortion; and

15 d. The defendant acted before the crime was committed.

16 9. Defendant understands that for Person A to be guilty of
17 extortion, the following must be true:

18 a. Person A induced victim Paul Kiesel to part with
19 property by wrongful threat of economic harm or reputational harm;

20 b. Person A acted with the intent to obtain the property;
21 and

22 c. Commerce from one state to another was or would have
23 been affected in some way.

24 PENALTIES

25 10. Defendant understands that the statutory maximum sentence
26 that the Court can impose for a violation of Title 18, United States
27 Code, Sections 1951(a) and 2, is: 20 years' imprisonment; a 3-year
28 period of supervised release; a fine of \$250,000 or twice the gross

1 gain or gross loss resulting from the offense, whichever is greatest;
2 and a mandatory special assessment of \$100.

3 11. Defendant understands that supervised release is a period
4 of time following imprisonment during which defendant will be subject
5 to various restrictions and requirements. Defendant understands that
6 if defendant violates one or more of the conditions of any supervised
7 release imposed, defendant may be returned to prison for all or part
8 of the term of supervised release authorized by statute for the
9 offense that resulted in the term of supervised release, which could
10 result in defendant serving a total term of imprisonment greater than
11 the statutory maximum stated above.

12 12. Defendant understands that, by pleading guilty, defendant
13 may be giving up valuable government benefits and valuable civic
14 rights, such as the right to vote, the right to possess a firearm,
15 the right to hold office, and the right to serve on a jury.
16 Defendant understands that he is pleading guilty to a felony and that
17 it is a federal crime for a convicted felon to possess a firearm or
18 ammunition. Defendant understands that the conviction in this case
19 may also subject defendant to various other collateral consequences,
20 including but not limited to revocation of probation, parole, or
21 supervised release in another case and suspension or revocation of a
22 professional license. Defendant understands that unanticipated
23 collateral consequences will not serve as grounds to withdraw
24 defendant's guilty plea.

25 13. Defendant understands that, if defendant is not a United
26 States citizen, the felony conviction in this case may subject
27 defendant to: removal, also known as deportation, which may, under
28 some circumstances, be mandatory; denial of citizenship; and denial

1 of admission to the United States in the future. The Court cannot,
2 and defendant's attorney also may not be able to, advise defendant
3 fully regarding the immigration consequences of the felony conviction
4 in this case. Defendant understands that unexpected immigration
5 consequences will not serve as grounds to withdraw defendant's guilty
6 plea.

7 FACTUAL BASIS

8 14. Defendant admits that defendant is, in fact, guilty of the
9 offense to which defendant is agreeing to plead guilty. Defendant
10 and the USAO agree to the statement of facts attached to this
11 agreement as Attachment A and agree that this statement of facts is
12 sufficient to support a plea of guilty to the charge described in
13 this agreement and to establish the Sentencing Guidelines factors set
14 forth in paragraph 16 below but is not meant to be a complete
15 recitation of all facts relevant to the underlying criminal conduct
16 or all facts known to either party that relate to that conduct.

17 SENTENCING FACTORS

18 15. Defendant understands that in determining defendant's
19 sentence the Court is required to calculate the applicable Sentencing
20 Guidelines range and to consider that range, possible departures
21 under the Sentencing Guidelines, and the other sentencing factors set
22 forth in 18 U.S.C. § 3553(a). Defendant understands that the
23 Sentencing Guidelines are advisory only, that defendant cannot have
24 any expectation of receiving a sentence within the calculated
25 Sentencing Guidelines range, and that after considering the
26 Sentencing Guidelines and the other § 3553(a) factors, the Court will
27 be free to exercise its discretion to impose any sentence it finds
28

1 appropriate up to the maximum set by statute for the crime of
2 conviction.

3 16. Defendant and the USAO agree to the following applicable
4 Sentencing Guidelines factors:

5	Base Offense Level:	9	U.S.S.G. § 2B3.3
6	Amount obtained exceeded		
7	\$550,000:	+14	U.S.S.G. § 2B1.1(b) (H)

8 Defendant and the USAO reserve the right to argue that additional
9 specific offense characteristics, adjustments, and departures under
10 the Sentencing Guidelines are appropriate.

11 17. Defendant understands that there is no agreement as to
12 defendant's criminal history or criminal history category.

13 18. Defendant and the USAO reserve the right to argue for a
14 sentence outside the sentencing range established by the Sentencing
15 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a) (1),
16 (a) (2), (a) (3), (a) (6), and (a) (7).

17 WAIVER OF CONSTITUTIONAL RIGHTS

18 19. Defendant understands that by pleading guilty, defendant
19 gives up the following rights:

- 20 a. The right to persist in a plea of not guilty.
- 21 b. The right to a speedy and public trial by jury.
- 22 c. The right to be represented by counsel - and if
- 23 necessary have the Court appoint counsel - at trial. Defendant
- 24 understands, however, that, defendant retains the right to be
- 25 represented by counsel - and if necessary have the Court appoint
- 26 counsel - at every other stage of the proceeding.

1 d. The right to be presumed innocent and to have the
2 burden of proof placed on the government to prove defendant guilty
3 beyond a reasonable doubt.

4 e. The right to confront and cross-examine witnesses
5 against defendant.

6 f. The right to testify and to present evidence in
7 opposition to the charges, including the right to compel the
8 attendance of witnesses to testify.

9 g. The right not to be compelled to testify, and, if
10 defendant chose not to testify or present evidence, to have that
11 choice not be used against defendant.

12 h. Any and all rights to pursue any affirmative defenses,
13 Fourth Amendment or Fifth Amendment claims, and other pretrial
14 motions that have been filed or could be filed.

15 WAIVER OF APPEAL OF CONVICTION

16 20. Defendant understands that, with the exception of an appeal
17 based on a claim that defendant's guilty plea was involuntary, by
18 pleading guilty defendant is waiving and giving up any right to
19 appeal defendant's conviction on the offense to which defendant is
20 pleading guilty. Defendant understands that this waiver includes,
21 but is not limited to, arguments that the statute to which defendant
22 is pleading guilty is unconstitutional, and any and all claims that
23 the statement of facts provided herein is insufficient to support
24 defendant's plea of guilty.

25 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

26 21. Defendant agrees that, provided the Court imposes a total
27 term of imprisonment on all counts of conviction of no more than 33
28 months, defendant gives up the right to appeal all of the following:

1 (a) the procedures and calculations used to determine and impose any
2 portion of the sentence; (b) the term of imprisonment imposed by the
3 Court; (c) the fine imposed by the Court, provided it is within the
4 statutory maximum; (d) to the extent permitted by law, the
5 constitutionality or legality of defendant's sentence, provided it is
6 within the statutory maximum; (e) the term of probation or supervised
7 release imposed by the Court, provided it is within the statutory
8 maximum; and (f) any of the following conditions of probation or
9 supervised release imposed by the Court: the conditions set forth in
10 Second Amended General Order 20-04 of this Court; the drug testing
11 conditions mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the
12 alcohol and drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

13 22. The USAO agrees that, provided (a) all portions of the
14 sentence are at or below the statutory maximum specified above, the
15 USAO gives up its right to appeal any portion of the sentence.

16 RESULT OF WITHDRAWAL OF GUILTY PLEA

17 23. Defendant agrees that if, after entering a guilty plea
18 pursuant to this agreement, defendant seeks to withdraw and succeeds
19 in withdrawing defendant's guilty plea on any basis other than a
20 claim and finding that entry into this plea agreement was
21 involuntary, then (a) the USAO will be relieved of all of its
22 obligations under this agreement, including in particular its
23 obligations regarding the use of Cooperation Information; (b) in any
24 investigation, criminal prosecution, or civil, administrative, or
25 regulatory action, defendant agrees that any Cooperation Information
26 and any evidence derived from any Cooperation Information shall be
27 admissible against defendant, and defendant will not assert, and
28 hereby waives and gives up, any claim under the United States

1 Constitution, any statute, or any federal rule, that any Cooperation
2 Information or any evidence derived from any Cooperation Information
3 should be suppressed or is inadmissible; and (c) should the USAO
4 choose to pursue any charge that was either dismissed or not filed as
5 a result of this agreement, then (i) any applicable statute of
6 limitations will be tolled between the date of defendant's signing of
7 this agreement and the filing commencing any such action; and
8 (ii) defendant waives and gives up all defenses based on the statute
9 of limitations, any claim of pre-indictment delay, or any speedy
10 trial claim with respect to any such action, except to the extent
11 that such defenses existed as of the date of defendant's signing this
12 agreement.

13 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

14 24. Defendant agrees that if the count of conviction is
15 vacated, reversed, or set aside, both the USAO and defendant will be
16 released from all their obligations under this agreement.

17 EFFECTIVE DATE OF AGREEMENT

18 25. This agreement is effective upon signature and execution of
19 all required certifications by defendant, defendant's counsel, and an
20 Assistant United States Attorney.

21 BREACH OF AGREEMENT

22 26. Defendant agrees that if defendant, at any time after the
23 signature of this agreement and execution of all required
24 certifications by defendant, defendant's counsel, and an Assistant
25 United States Attorney, knowingly violates or fails to perform any of
26 defendant's obligations under this agreement ("a breach"), the USAO
27 may declare this agreement breached. For example, if defendant
28 knowingly, in an interview, before a grand jury, or at trial, falsely

1 accuses another person of criminal conduct or falsely minimizes
2 defendant's own role, or the role of another, in criminal conduct,
3 defendant will have breached this agreement. All of defendant's
4 obligations are material, a single breach of this agreement is
5 sufficient for the USAO to declare a breach, and defendant shall not
6 be deemed to have cured a breach without the express agreement of the
7 USAO in writing. If the USAO declares this agreement breached, and
8 the Court finds such a breach to have occurred, then:

9 a. If defendant has previously entered a guilty plea
10 pursuant to this agreement, defendant will not be able to withdraw
11 the guilty plea.

12 b. The USAO will be relieved of all its obligations under
13 this agreement; in particular, the USAO: (i) will no longer be bound
14 by any agreements concerning sentencing and will be free to seek any
15 sentence up to the statutory maximum for the crime to which defendant
16 has pleaded guilty; (ii) will no longer be bound by any agreements
17 regarding criminal prosecution, and will be free to criminally
18 prosecute defendant for any crime, including charges that the USAO
19 would otherwise have been obligated not to criminally prosecute
20 pursuant to this agreement; and (iii) will no longer be bound by any
21 agreement regarding the use of Cooperation Information and will be
22 free to use any Cooperation Information in any way in any
23 investigation, criminal prosecution, or civil, administrative,
24 regulatory, or licensing action.

25 c. The USAO will be free to criminally prosecute
26 defendant for false statement, obstruction of justice, and perjury
27 based on any knowingly false or misleading statement by defendant.
28

1 d. In any investigation, criminal prosecution, or civil,
2 administrative, or regulatory action: (i) defendant will not assert,
3 and hereby waives and gives up, any claim that any Cooperation
4 Information was obtained in violation of the Fifth Amendment
5 privilege against compelled self-incrimination; and (ii) defendant
6 agrees that any Cooperation Information and any Plea Information, as
7 well as any evidence derived from any Cooperation Information or any
8 Plea Information, shall be admissible against defendant, and
9 defendant will not assert, and hereby waives and gives up, any claim
10 under the United States Constitution, any statute, Rule 410 of the
11 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
12 Criminal Procedure, or any other federal rule, that any Cooperation
13 Information, any Plea Information, or any evidence derived from any
14 Cooperation Information or any Plea Information should be suppressed
15 or is inadmissible.

16 27. Following the Court's finding of a knowing breach of this
17 agreement by defendant, should the USAO choose to pursue any charge
18 that was either dismissed or not filed as a result of this agreement,
19 then:

20 a. Defendant agrees that any applicable statute of
21 limitations is tolled between the date of defendant's signing of this
22 agreement and the filing commencing any such action.

23 b. Defendant waives and gives up all defenses based on
24 the statute of limitations, any claim of pre-indictment delay, or any
25 speedy trial claim with respect to any such action, except to the
26 extent that such defenses existed as of the date of defendant's
27 signing this agreement.

COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICESOFFICE NOT PARTIES

28. Defendant understands that the Court and the United States Probation and Pretrial Services Office are not parties to this agreement and need not accept any of the USAO's sentencing recommendations or the parties' agreements to facts or sentencing factors.

29. Defendant understands that both defendant and the USAO are free to: (a) supplement the facts by supplying relevant information to the United States Probation and Pretrial Services Office and the Court, (b) correct any and all factual misstatements relating to the Court's Sentencing Guidelines calculations and determination of sentence, and (c) argue on appeal and collateral review that the Court's Sentencing Guidelines calculations and the sentence it chooses to impose are not error, although each party agrees to maintain its view that the calculations in paragraph 16 are consistent with the facts of this case. While this paragraph permits both the USAO and defendant to submit full and complete factual information to the United States Probation and Pretrial Services Office and the Court, even if that factual information may be viewed as inconsistent with the facts agreed to in this agreement, this paragraph does not affect defendant's and the USAO's obligations not to contest the facts agreed to in this agreement.

30. Defendant understands that even if the Court ignores any sentencing recommendation, finds facts or reaches conclusions different from those agreed to, and/or imposes any sentence up to the maximum established by statute, defendant cannot, for that reason, withdraw defendant's guilty plea, and defendant will remain bound to

1 fulfill all defendant's obligations under this agreement. Defendant
2 understands that no one -- not the prosecutor, defendant's attorney,
3 or the Court -- can make a binding prediction or promise regarding
4 the sentence defendant will receive, except that it will be within
5 the statutory maximum.

6 NO ADDITIONAL AGREEMENTS

7 31. Defendant understands that, except as set forth herein,
8 there are no promises, understandings, or agreements between the USAO
9 and defendant or defendant's attorney, and that no additional
10 promise, understanding, or agreement may be entered into unless in a
11 writing signed by all parties or on the record in court.

12 ///

13 ///

14 ///

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

32. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF
CALIFORNIA

TRACY L. WILKISON
United States Attorney

MELISSA MILLS
SUSAN S. HAR
J. JAMARI BUXTON
Assistant United States Attorneys

Date

THOMAS H. PETERS
Defendant

Date

JEFFREY RUTHERFORD
Attorney for Defendant
THOMAS H. PETERS

Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

THOMAS H. PETERS
Defendant

Date

//

//

//

//

//

//

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am THOMAS H. PETERS's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.

JEFFREY RUTHERFORD
Attorney for Defendant
THOMAS H. PETERS

Date

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

32. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF
CALIFORNIA

TRACY L. WILKISON
United States Attorney

01-03-2022

MELISSA MILLS
SUSAN S. HAR
J. JAMARI BUXTON
Assistant United States Attorneys

Date

THOMAS H. PETERS
Defendant

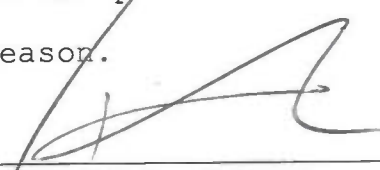
Date

JEFFREY RUTHERFORD
Attorney for Defendant
THOMAS H. PETERS

Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.



THOMAS H. PETERS
Defendant11.24.21

Date

//

//

//

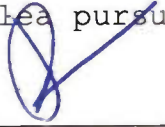
//

//

//

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am THOMAS H. PETERS's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.



JEFFREY RUTHERFORD
Attorney for Defendant
THOMAS H. PETERS

11/24/2021
Date

Attachment A

ATTACHMENT A

FACTUAL BASIS

I. THE COLLUSIVE LITIGATION

A. BACKGROUND ON THE LADWP BILLING LITIGATION

1. From on or about February 18, 2014, until on or about March 25, 2019, defendant THOMAS H. PETERS was the Chief of the Civil Litigation Branch of the Los Angeles City Attorney's Office (the "City Attorney's Office"). In that role, defendant PETERS was responsible for supervising all civil litigation matters handled by the Civil Litigation Branch of the City Attorney's Office.

2. In 2013, the Los Angeles Department of Water and Power ("LADWP"), a proprietary department of the City of Los Angeles (the "City"), implemented a new billing system, which it had procured from an outside vendor, PricewaterhouseCoopers ("PwC"). After LADWP implemented the new billing system, hundreds of thousands of LADWP ratepayers received inaccurate utility bills, which ranged from massively inflated bills to those that undercharged ratepayers to the financial detriment of LADWP.

3. By in or around December 2014, the City and LADWP were facing multiple class action lawsuits by ratepayers alleging various claims based on LADWP's faulty billing system. The City Attorney's Office represented the City and LADWP in those class action lawsuits. The City Attorney's Office was also aided in the defense of those class actions by attorneys from an outside law firm ("Class Action Counsel").

4. On December 16, 2014, defendant PETERS and another senior member of the City Attorney's Office ("City Attorney Official") met with two outside attorneys, Paul Paradis and Paul Kiesel. Kiesel was Defendant's Initials: *TP*

1 defendant PETERS's former law partner, and Paradis was a New York
2 attorney whom Kiesel knew. Paradis and Kiesel were requesting the
3 City's help with a potential lawsuit that they intended to bring on
4 behalf of Paradis's client, an LADWP ratepayer named Antwon Jones,
5 against PwC. At this meeting, City Attorney Official asked Paradis
6 and Kiesel to represent the City as Special Counsel in an affirmative
7 lawsuit against PwC, and they agreed.

8 5. In January and February 2015, the City Attorney's Office,
9 along with Paradis and Kiesel, pursued a strategy whereby Paradis and
10 Kiesel would represent both the City and Jones in parallel lawsuits
11 against PwC (the "parallel litigation strategy"). In furtherance of
12 the parallel litigation strategy, in January of 2015, Paradis drafted
13 a complaint, styled *Antwon Jones v. PwC*, and circulated it among
14 members of the City Attorney's Office for their review and feedback.
15 The City's parallel litigation strategy also entailed convincing
16 counsel for the plaintiffs in the existing class action lawsuits
17 already pending against the City to toll and dismiss their claims and
18 join the City and Jones in coordinated litigation against PwC.

19 6. Because the LADWP billing debacle and the resulting class
20 action lawsuits had generated substantial negative publicity for the
21 City and LADWP, defendant PETERS and others in the City Attorney's
22 Office saw the prospect of getting the existing lawsuits dismissed
23 and teaming up with the ratepayers against PwC as a way to cast the
24 City and LADWP in a more favorable light. Defendant PETERS also knew
25 that City leaders were displeased with the negative publicity
26 surrounding the billing debacle and the attendant litigation, and
27 defendant PETERS understood that tolling and dismissing the existing
28

1 lawsuits against the City while putting the City on the offensive
2 against PwC would enhance his reputation and professional prospects.

3 7. After the City's Class Action Counsel distributed, on
4 February 17, 2015, a memo advising against the parallel litigation
5 strategy for a variety of ethical and practical reasons, the City
6 Attorney's Office decided to abandon the strategy.

7 **B. THE CITY DIRECTS PARADIS AND KIESEL TO FIND COUNSEL FOR A**
8 **FRIENDLY LAWSUIT AGAINST THE CITY, AND TO SUE PWC ON BEHALF**
9 **OF THE CITY**

10 8. During the spring of 2015, defendant PETERS learned the
11 following information from City Attorney Official:

12 a. In late February or early March 2015, City Attorney
13 Official discussed with Paradis and Kiesel how to proceed in lieu of
14 the abandoned parallel litigation strategy, and particularly how to
15 continue shifting the spotlight away from LADWP's problems and toward
16 PwC as the cause of those problems. Paradis proposed that he and
17 Kiesel could find outside counsel that would be friendly to the City
18 and its litigation goals to file a class action lawsuit against the
19 City with Jones as the class representative. City Attorney Official
20 authorized and directed Paradis and Kiesel to pursue that strategy.
21 This was sometimes referred to as the "white-knight" approach,
22 reflecting the understanding that the white-knight plaintiff would
23 not be truly adverse to the City but would save the City from a long
24 and costly battle over the existing LADWP-billing-related claims by
25 serving as a vehicle for the City to settle all of those claims on
26 the City's desired terms.

27 b. After the white-knight approach was authorized,
28 Paradis recruited an Ohio attorney ("Ohio Attorney"), and Kiesel
recruited a California attorney to jointly function with Ohio

Defendant's Initials: 

1 Attorney as Jones's counsel of record in the friendly class action
2 lawsuit against the City.

3 9. On March 6, 2015, the City filed a civil lawsuit against
4 PwC ("City v. PwC"), which generally alleged that PwC was responsible
5 for LADWP's billing debacle. That same day, the City Attorney held a
6 press conference and alleged that PwC had caused the City to sustain
7 "perhaps hundreds of millions of dollars" in damages.

8 10. Paradis and Kiesel represented the City in City v. PwC for
9 approximately four years before resigning at the City's request on
10 March 6, 2019.

11 11. At some point after the City v. PwC complaint was filed,
12 defendant PETERS became directly responsible for overseeing that
13 matter.

14 **C. THE CITY QUICKLY SETTLES WITH OHIO ATTORNEY TO RESOLVE ALL**
15 **LADWP BILLING CLAIMS**

16 12. On April 1, 2015, Ohio Attorney caused the filing of the
17 Jones v. City complaint in Los Angeles Superior Court, as expected by
18 members of the City Attorney's Office. Within two days of the
19 filing, members of the City Attorney's Office began communicating
20 with Ohio Attorney about a potential settlement, and the City quickly
21 began working towards a global settlement of all claims related to
22 the LADWP billing debacle with Jones v. City as the settlement
23 vehicle.

24 13. During the summer of 2015, Paradis and others on behalf of
25 the City participated in multiple confidential mediation sessions
26 with Ohio Attorney. Defendant PETERS attended at least a portion of
27 one such session on behalf of the City. The other class action
28 plaintiffs were excluded from these sessions. Following mediation,

Defendant's Initials: 

1 the mediator issued a proposal that would cap plaintiff attorneys'
2 fees at \$13,000,000. The City's Class Action Counsel raised concerns
3 to the City that the \$13,000,000 proposed attorney-fee cap was
4 unjustifiably high, particularly because Ohio Attorney had done
5 "little demonstrative work to advance the interests of the class."
6 Defendant PETERS, among others at the City Attorney's Office,
7 believed that Ohio Attorney's contributions to the case had been too
8 minimal to justify the significant fee proposal, including because
9 Ohio Attorney had been involved only for a short time and had filed
10 no motions and propounded no discovery. Nonetheless, on August 20,
11 2015, the City and Ohio Attorney filed a stipulated agreement that
12 would provisionally resolve all claims against the City related to
13 the LADWP billing debacle and cap plaintiff attorneys' fees at
14 \$13,000,000. In the fall of 2016, the City agreed to raise the cap
15 on plaintiff attorneys' fees to approximately \$19,000,000.

16 14. On July 20, 2017, the Los Angeles County Superior Court
17 judge overseeing the class actions issued a final approval of an
18 approximately \$67,000,000 settlement agreement in *Jones v. City*. The
19 settlement agreement also provided for approximately \$19,000,000 in
20 plaintiff attorneys' fees, approximately \$10,300,000 of which was
21 awarded to Ohio Attorney and his law firm.

22 15. In early 2017, PwC learned of the existence of the draft
23 *Jones v. PwC* complaint that Paradis had prepared at the City's
24 direction and sought an order from the court compelling the City to
25 produce it. Defendant PETERS, among others on behalf of the City,
26 was aware that production of the *Jones v. PwC* draft complaint would
27 reveal the undisclosed collusive origins of the *Jones v. City* case.
28 For that reason, defendant PETERS and others on behalf of the City

Defendant's Initials: 

1 vigorously fought against producing this document to PwC. After
2 months of increasingly contentious litigation, in the fall of 2017,
3 the court set a hearing on PwC's motion to compel production of the
4 document for December 4, 2017.

5 **II. THE EXTORTION SCHEME**

6 **A. DEFENDANT PETERS LEARNS THAT PERSON A THREATENED TO REVEAL**
7 **THE CITY'S COLLUSION UNLESS KIESEL PAID HER**

8 16. On or about November 16, 2017, defendant PETERS was
9 informed by Paradis that a recently terminated employee of Kiesel
10 ("Person A") had stolen or improperly retained from Kiesel's law firm
11 certain documents that would show the City's undisclosed collusion
12 with Ohio Attorney in the *Jones v. City* lawsuit (the "Sensitive
13 Documents"). Paradis further informed defendant PETERS that Person A
14 had threatened to reveal the Sensitive Documents if Kiesel did not
15 pay her to return the Sensitive Documents. In addition, Paradis told
16 defendant PETERS that Person A had alleged various employment-related
17 claims against Kiesel, and that Person A had tied those claims to her
18 threatened release of the documents. Defendant PETERS, who knew
19 Person A from when he had previously worked at Kiesel's law firm,
20 understood that Person A had demanded over a million dollars from
21 Kiesel. Paradis specifically informed defendant PETERS that Person A
22 had threatened to appear at the next hearing in the *City v. PwC* case,
23 which was scheduled for December 4, 2017. Defendant PETERS knew that
24 at this hearing, the court was set to hear arguments on PwC's motion
25 to compel the *Jones v. PwC* draft complaint.

26 17. Defendant PETERS feared that if Person A carried out her
27 threat to publicly reveal that the City's \$67,000,000 settlement with
28 Ohio Attorney was the result of undisclosed collusion, rather than

Defendant's Initials: TP

1 the arms-length adversarial proceeding that it purported to be, the
2 City's litigation position in the related *City v. PwC* case would be
3 seriously compromised, and the recently finalized *Jones v. City*
4 settlement would also be jeopardized. In addition, defendant PETERS
5 knew that public disclosure of the information that Person A
6 threatened to reveal would be highly damaging to the reputation of
7 the City Attorney's Office.

8 **B. DEFENDANT PETERS DIRECTS KIESEL TO SATISFY PERSON A'S**
9 **MONETARY DEMANDS IF NECESSARY**

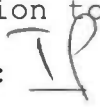
10 18. On November 17, 2017, defendant PETERS met with Kiesel and
11 Paradis and discussed Person A's threats and monetary demands.
12 Kiesel complained that Person A's threats and demands constituted
13 "extortion," and Kiesel expressed reluctance to pay the sum that
14 Person A demanded. Defendant PETERS expressed anger at Kiesel for
15 not telling him about the situation earlier and advised that he and
16 others at the City Attorney's Office needed to know about problems of
17 this magnitude that could impact the reputation of the City
18 Attorney's Office, imperil the *Jones v. City* settlement, and
19 jeopardize the City's expected success in *City v. PwC*. Defendant
20 PETERS directed Kiesel to resolve the situation — including, if
21 necessary, by satisfying Person A's monetary demands and getting the
22 documents back — or else defendant PETERS would advocate to have
23 Kiesel fired as the City's Special Counsel. Defendant PETERS did not
24 have direct authority to fire Kiesel or Paradis.

25 19. On November 29, 2017, defendant PETERS met with Kiesel
26 again. Kiesel expressed that he was worried about being fired from
27 the Special Counsel job because of Person A's threats and demands.
28 Kiesel described his prior efforts to negotiate with Person A,

Defendant's Initials: TP

1 including a failed "mediation" at the LADWP cafeteria wherein Person
2 A had lowered her demand to \$900,000 and Kiesel had counteroffered
3 \$60,000. Defendant PETERS told Kiesel that Kiesel would not be fired
4 at that time. However, defendant PETERS reiterated that Kiesel
5 needed to take care of the Person A problem, by which defendant
6 PETERS meant that Kiesel needed to get the Sensitive Documents back
7 even if that required Kiesel to pay her monetary demand.

8 20. Late in the afternoon on Friday, December 1, 2017,
9 defendant PETERS met with other senior members of the City Attorney's
10 Office and provided an update on the status of the Person A
11 situation, including her threat to appear at the City v. PwC hearing
12 the following Monday and reveal the Sensitive Documents. Defendant
13 PETERS stated that he did not know exactly what Person A was planning
14 to do, but that he thought she might either give the Sensitive
15 Documents to the court or to PwC's lead counsel, and that she might
16 have arranged for press coverage. Defendant PETERS conveyed that
17 Kiesel had described Person A's threats as "extortion." Defendant
18 PETERS was directed to take care of the situation, and he stated that
19 he would do so. Defendant PETERS further advised that he would
20 personally attend the City v. PwC hearing the following Monday.
21 Defendant PETERS feared that if Person A made good on her threats to
22 reveal the Sensitive Documents, he would be personally blamed for the
23 fallout and would lose his Branch Chief position and future
24 employment prospects.

25 21. On December 1, 2017, after the meeting, defendant PETERS
26 sent a text message to Paradis relaying that senior leadership at the
27 City Attorney's Office was "not firing anyone at this point" —
28 meaning that a decision to seek termination of the Special Counsel
Defendant's Initials:  8

1 contract had not been made at the meeting — but warning that others
2 were concerned about “the prospect of a sideshow” with respect to
3 Person A’s threat to appear in court the following Monday and reveal
4 the Sensitive Documents.

5 **C. PERSON A APPEARS IN COURT WITH THE SENSITIVE DOCUMENTS**

6 22. On the afternoon of December 4, 2017, defendant PETERS
7 attended the scheduled hearing in *City v. PwC*. Paradis, Kiesel, and
8 Paradis’s law partner also attended on the City’s behalf. Kiesel had
9 also arranged for two colleagues, who were friendly with Person A and
10 whom defendant PETERS also knew, to attend in the event Kiesel needed
11 their help intervening with Person A.

12 23. During the hearing, defendant PETERS saw and recognized
13 Person A in the courtroom. Defendant PETERS watched Person A attempt
14 to give documents to a court employee, who did not accept them.
15 Defendant PETERS then watched Person A approach PwC’s lead attorney
16 with documents and exchange business cards with him. Defendant
17 PETERS understood that by these actions, Person A was conveying that
18 she would fulfill her threat to reveal the Sensitive Documents
19 showing the City’s collusion unless Kiesel satisfied her monetary
20 demands.

21 **D. DEFENDANT PETERS AGAIN DEMANDS THAT KIESEL SATISFY PERSON**
22 **A’S MONETARY DEMANDS OR BE FIRED**

23 24. After the hearing, defendant PETERS sent a series of text
24 messages to Kiesel relaying defendant PETERS’s observations of Person
25 A’s actions in court. In the text exchange, defendant PETERS stated,
26 “I need you to take care of this,” by which he meant that Kiesel
27 needed to satisfy Person A’s demands in order to obtain the return of
28

Defendant’s Initials: 

1 the Sensitive Documents. Defendant PETERS and Kiesel then arranged
2 via text message to meet in defendant PETERS's office.

3 25. Around 4:00 p.m. on December 4, 2017, defendant PETERS,
4 Kiesel, Paradis, and Paradis's law partner met in defendant PETERS's
5 office. Defendant PETERS reiterated that Kiesel needed to satisfy
6 Person A's demands in order to obtain the return of the Sensitive
7 Documents, or he would be fired. Kiesel acknowledged that the
8 situation was now very serious and that he would be terminated if he
9 did not comply, and he told defendant PETERS that he would reinitiate
10 negotiations with Person A and "get this done." Kiesel then left the
11 meeting.

12 26. After Kiesel left, Paradis remained in defendant PETERS's
13 office. Paradis commented to defendant PETERS, "Maybe [Ohio
14 Attorney] should kick in." Defendant PETERS understood this to
15 convey Paradis's belief that Ohio Attorney should contribute to
16 Kiesel's extortion payment to Person A, because Ohio Attorney would
17 also financially benefit from keeping the collusion concealed and the
18 settlement intact.

19 27. Shortly thereafter, defendant PETERS received a text
20 message from Kiesel advising that he had arranged to meet Person A
21 that evening and that he intended to "get this done."

22 28. Later that evening, defendant PETERS engaged in a text
23 exchange with Kiesel, wherein Kiesel informed defendant PETERS that
24 Kiesel had agreed to pay Person A \$800,000, and that Person A would
25 return the Sensitive Documents. Defendant PETERS replied, "Good
26 job," and he directed Kiesel to ensure that there was a strong
27 confidentiality agreement with Person A regarding the \$800,000
28 payment and return of the Sensitive Documents.

Defendant's Initials: 

29. By the conduct described herein, Person A committed extortion. By his threats that Kiesel's Special Counsel contract would most likely be terminated if Kiesel did not obtain the return of the Sensitive Documents, which defendant PETERS knew would require Kiesel to satisfy Person A's monetary demands, defendant PETERS aided and abetted Person A's extortion before it was completed. Defendant PETERS induced Kiesel to part with property by wrongful threat of economic or reputational harm, and he did so with the intent to obtain Kiesel's property for Person A and to facilitate Person A's extortion. Kiesel had a national law practice that could have been impacted by the loss of his Special Counsel contract and the release of the Sensitive Documents. Accordingly, defendant PETERS's and Person A's conduct affected or could have affected interstate commerce.

30. Defendant PETERS knew that Person A's conduct constituted extortion and that the conduct was a felony. Despite this knowledge, defendant PETERS failed to report this crime to any law enforcement authority. Instead, defendant PETERS acted affirmatively to conceal the extortion, as well as the underlying collusion that she had threatened to reveal, including by instructing Kiesel to obtain a confidentiality agreement.

E. MAY 2019: DEFENDANT PETERS CONTINUES TO CONCEAL PERSON A'S EXTORTION OF KIESEL IN RESPONSE TO INQUIRIES BY THE CITY

31. During late April and early May of 2019, PwC deposed multiple current and former attorneys for the City, including defendant PETERS and Kiesel, in an effort to learn more about the collusion between the City and Ohio Attorney in *Jones v. City*, which by then had been revealed. By that time, defendant PETERS was no

1 longer employed by the City Attorney's Office, and he was represented
2 by a personal attorney.

3 32. On or about May 6, 2019, the City Attorney's Office
4 inquired of defendant PETERS (through respective counsel) what
5 defendant PETERS recalled about a dispute that Kiesel had negotiated
6 at LADWP headquarters in 2017. Defendant PETERS understood that the
7 inquiry about this long-ago "settlement" related to Kiesel's payment
8 of Person A's extortionate demands to conceal the City's collusion.
9 Defendant PETERS further understood that the inquiry was intended to
10 determine whether defendant PETERS would reveal, if asked by someone
11 outside the City, the extortion scheme or the underlying collusion
12 that was concealed by the extortion scheme.

13 33. In order to convey that he would continue to conceal his
14 knowledge of Person A's extortion of Kiesel and the City Attorney's
15 Office's role in it, defendant PETERS falsely and misleadingly
16 replied to the City through his personal attorney that the dispute
17 had involved only an employment claim by Person A. Defendant PETERS
18 intentionally omitted: (1) that Person A had threatened to reveal the
19 Sensitive Documents exposing the undisclosed collusion unless Kiesel
20 satisfied her demands, which Kiesel had ultimately done by paying
21 Person A \$800,000 to obtain the return of the Sensitive Documents;
22 (2) that defendant PETERS had directed Kiesel to satisfy Person A's
23 demands or be fired from Kiesel's role as Special Counsel; and (3)
24 that defendant PETERS had discussed the situation with and received
25 direction from senior members of the City Attorney's Office.

26 34. By his false and misleading reply to the City's inquiry,
27 defendant PETERS again acted affirmatively to conceal Person A's
28 extortion, as well as the underlying undisclosed collusion.

Defendant's Initials: 

**EXHIBIT D: CHANGE OF PLEA
FOR PAUL O. PARADIS**

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

CRIMINAL MINUTES - CHANGE OF PLEA

Case No.: 2:21-cr-00540-SB-1Date: January 28, 2022Present: The Honorable Stanley Blumenfeld, Jr., ☒ District Judge / ☐ Magistrate Judge

Jennifer Graciano
Deputy Clerk

Judy Moore
Court Reporter

None
Interpreter

Melissa E. Mills, AUSA
Assistant U.S. Attorney

USA v. DEFENDANT(S) PRESENT**ATTORNEYS PRESENT FOR DEFENDANTS**Paul O. Paradis☐ Custody ☐ Bond ☒ O/RDavid C. Scheper; Jeffrey L. Steinfeld☐ Appointed ☒ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained**PROCEEDINGS: CHANGE OF PLEA (IN PERSON - HELD AND COMPLETED)**

- ☒ Defendant moves to change plea to the Information.
- ☒ Defendant now enters a new and different plea of Guilty to Count(s) ONE of the Information.
- ☒ The Court questions the defendant regarding plea of Guilty and finds it knowledgeable and voluntary and orders the plea accepted and entered
- ☒ The Court refers the defendant to the Probation Office for investigation and report and continues the matter to July 19, 2022 at 8:00 AM for sentencing.
- ☒ The Court vacates the court and/or jury trial date.
- ☒ The pretrial conference set for 2/1/2022 is off calendar as to defendant PAUL O. PARADIS.
- ☒ Court orders:
In setting the sentencing date, the Court vacates all other hearing dates in this matter as to this Defendant only. The parties are to file their sentencing papers no later than fourteen (14) days before the sentencing date.
- ☒ Other: Also present on behalf of the Government: Susan S. Har, AUSA; J. Jamari Buxton, AUSA.

_____ : _____ 35

Initials of Deputy Clerk JGRcc: *Probation Office*

**EXHIBIT E: CHANGE OF PLEA
FOR DAVID H. WRIGHT**

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

CRIMINAL MINUTES - CHANGE OF PLEA

Case No.: 2:21-cr-00559-SB-1Date: January 25, 2022Present: The Honorable Stanley Blumenfeld, Jr., ☒ District Judge / ☐ Magistrate Judge

Jennifer Graciano
Deputy Clerk

Terri Hourigan
Court Reporter

None
Interpreter

Melissa E. Mills, AUSA
Assistant U.S. Attorney

USA v. DEFENDANT(S) PRESENT**ATTORNEYS PRESENT FOR DEFENDANTS**David H. Wright☐ Custody ☐ Bond ☒ O/RAnthony Pacheco, Brooke Conner (PHV, Remote Appearance)☐ Appointed ☒ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained☐ Custody ☐ Bond ☐ O/R☐ Appointed ☐ Retained**PROCEEDINGS: CHANGE OF PLEA (HELD AND COMPLETED)**

- ☒ Defendant moves to change plea to the Information.
- ☒ Defendant now enters a new and different plea of Guilty to Count(s) ONE of the Single Count Information.
- ☒ The Court questions the defendant regarding his plea of Guilty and finds it knowledgeable and voluntary and orders the plea accepted and entered
- ☒ The Court refers the defendant to the Probation Office for investigation and report and continues the matter to April 26, 2022 at 8:00 AM, in person, _____ for sentencing.
- ☒ The Court vacates the court and/or jury trial date.
- ☒ The pretrial conference set for 1/25/2022 is off calendar as to defendant David H. Wright.
- ☒ Court orders:
The plea agreement is incorporated into the record.
- ☒ Other: Also present on behalf of the Government are J. Jamari Buxton, AUSA; Susan S. Har, AUSA. Also present is Tony Logan, FBI Special Agent. Also present on behalf of the Defense is Maura Riley.

_____: 29

Initials of Deputy Clerk JGRcc: *Probation Office*

**EXHIBIT F: GUILTY PLEA FOR
THOMAS H. PETERS**

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CRIMINAL MINUTES -GUILTY PLEA

Case No.: 2:22-cr-00009-SB-1

Date: April 5, 2022

Present: The Honorable **STANLEY BLUMENFELD, JR., United States District Judge**

Interpreter: N/A

Jennifer Graciano

Deputy Clerk

Maria Bustillos

Court Reporter

Susan S. Har, AUSA

*Assistant U.S. Attorney*U.S.A. v. Defendant(s):PresentCustodyBondAttorney(s) for Defendant(s):PresentApp.Ret.

Thomas H. Peters (Bond)

√

√

Jeffrey Rutherford, Rtd

√

√

Proceedings: [Minutes of] Entering Plea of Guilty (Held and Completed)

Case called and appearances made. Defendant having been previously arraigned before Magistrate Judge Sagar on February 14, 2022, moves to enter a plea to the Information. Defendant is sworn and states his true and correct name is Thomas H. Peters.

The Plea Agreement filed on January 10, 2022 (Dkt. No. [7](#)) and the Waiver of Indictment filed on February 14, 2022 (Dkt. No. [18](#)) are incorporated and made part of the proceedings. **Defendant enters a plea of Guilty as to Count One of the Single-Count Information filed on January 10, 2022 (Dkt. No. [1](#)).**

The Court questions the defendant regarding the plea of Guilty and finds a factual and legal basis for the plea. The Court finds that the defendant, Thomas H. Peters, has entered his plea freely and voluntarily, with a full understanding of the charge against him and the consequences of his plea. The Court finds that defendant understands his constitutional and statutory rights and wishes to waive them. Accordingly, the plea is accepted and entered.

The Court refers the defendant to the Probation Office for investigation and preparation of a presentence report and continues the matter to **Tuesday, August 2, 2022 at 8:00 AM** for sentencing. Sentencing papers from the parties are due by 9 AM on July 19, 2022, fourteen (14) days prior to the August 2, 2022 sentencing date.

cc: USPO, PSA

: 27

Initials of Deputy Clerk

JGR

STATE OF CALIFORNIA
Supreme Court of California

PROOF OF SERVICE

STATE OF CALIFORNIA
Supreme Court of California

Case Name: **LOS ANGELES, CITY OF v. PRICEWATERHOUSECOOPERS**

Case Number: **S277211**

Lower Court Case Number: **B310118**

1. At the time of service I was at least 18 years of age and not a party to this legal action.
2. My email address used to e-serve: **JPoon@gibsondunn.com**
3. I served by email a copy of the following document(s) indicated below:

Title(s) of papers e-served:

Filing Type	Document Title
REQUEST FOR JUDICIAL NOTICE	PwC _ LADWP - Request for Judicial Notice (final)

Service Recipients:

Person Served	Email Address	Type	Date / Time
Eric George ELLIS GEORGE CIPOLLONE O BRIEN ANNAGUEY LLP 166403	egeorge@egcfirm.com	e-Serve	4/10/2023 5:00:40 PM
Eric George Browne George Ross LLP 166403	egeorge@bgrfirm.com	e-Serve	4/10/2023 5:00:40 PM
Lauren Elliot Gibson, Dunn & Crutcher LLP	lelliot@gibsondunn.com	e-Serve	4/10/2023 5:00:40 PM
Kathleen Kenealy City of Los Angeles	kathleen.kenealy@lacity.org	e-Serve	4/10/2023 5:00:40 PM
Julian Poon Gibson, Dunn & Crutcher, LLP 219843	jpoon@gibsondunn.com	e-Serve	4/10/2023 5:00:40 PM
Ryan Azad	razad@gibsondunn.com	e-Serve	4/10/2023 5:00:40 PM
Samuel Eckman 308923	seckman@gibsondunn.com	e-Serve	4/10/2023 5:00:40 PM
Hydee F. Soto	hydee.feldsteinsoto@lacity.org	e-Serve	4/10/2023 5:00:40 PM
Joseph A. Brajevich	joseph.brajevich@ladwp.com	e-Serve	4/10/2023 5:00:40 PM
Guy G. Nicholoso	gnicholoso@egcfirm.com	e-Serve	4/10/2023 5:00:40 PM
Kathryn L. McCann 245198	kmccann@egcfirm.com	e-Serve	4/10/2023 5:00:40 PM

This proof of service was automatically created, submitted and signed on my behalf through my agreements with

TrueFiling and its contents are true to the best of my information, knowledge, and belief.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

4/10/2023

Date

/s/Julian Poon

Signature

Poon, Julian (219843)

Last Name, First Name (PNum)

Gibson, Dunn & Crutcher, LLP

Law Firm