**U.S. Department of Justice**

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November 12, 2014

Lisa Lunt, Esq.
Office of the Federal Public Defender
6411 Ivy Lane, Suite 710
Greenbelt, MD 20770

Re: *United States v. Stewart Mark Twayne Harris*,
Crim. No. JFM-14-0180

Dear Ms. Lunt:

This letter, together with its Sealed Supplement, confirms the plea agreement that has been offered to the Defendant by the United States Attorney's Office for the District of Maryland ("this Office"). If the Defendant accepts this offer, please have him execute it in the spaces provided below. If this offer has not been accepted by **5:00 p.m.** on **Friday, November 28, 2014**, it will be deemed withdrawn. The terms of the proposed agreement are as follows:

Offenses of Conviction

1. The Defendant agrees to plead guilty to Count One, Count Two, and Count Four of the Indictment pending against him, which charge him with: (1) bank fraud, in violation of 18 U.S.C. § 1344; (2) money laundering, in violation of 18 U.S.C. § 1956; and (3) aggravated identity theft, in violation of 18 U.S.C. § 1028A, respectively. The Indictment also alleges criminal forfeiture, and the Defendant will consent to the forfeiture allegation alleged in the Indictment. The Defendant admits that he is, in fact, guilty of the offenses and subject to criminal forfeiture and will so advise the Court.

Elements of the Offenses

2. The elements of the offenses to which the Defendant has agreed to plead guilty, and which this Office would prove if the case went to trial, are as follows:

a. Bank Fraud (Count One): (1) There was a scheme to defraud a financial institution, or a scheme to obtain money or funds owned or under the custody or control of a financial institution by means of materially false or fraudulent pretenses, representations, or promises; (2) the defendant executed or attempted to execute the scheme with the intent to defraud the financial institution (3) at the time of the execution of the scheme, the financial institution had its deposits insured by the National Credit Union Share Insurance Fund.

b. Money Laundering (Count Two): (1) The Defendant conducted and attempted to conduct a financial transaction involving property constituting the proceeds of specified unlawful activity, namely the crimes alleged in the Indictment; (2) the Defendant knew that the property involved in the financial transaction was the proceeds of some form (though not necessarily which form) of unlawful activity; and (3) the Defendant acted with knowledge that the transaction was designed to conceal or disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, namely, mail fraud in violation of 18 U.S.C. § 1344.

c. Aggravated Identity Theft (Count Four): (1) The Defendant knowingly possessed or used a means of identification of another person, and knew that the means of identification belonged to another person; (2) the Defendant did so without lawful authority; and (3) the possession or use of the means of identification was during and in relation to a felony violation set forth in 18 U.S.C. § 1028A(c)(7), to wit, bank fraud in violation of 18 U.S.C. § 1344.

Penalties

3. The maximum sentences provided by statute for the offenses to which the Defendant is pleading guilty are as follows: Count One - thirty years' imprisonment, five years' supervised release, and a $1,000,000 fine; Count Two - twenty years' imprisonment, three years' supervised release, and a fine of $500,000 or twice the value of the property involved in the transaction; and Count Four - mandatory two years' imprisonment consecutive to any other sentence imposed, one year of supervised release, and a $250,000 fine. In addition, the Defendant must pay $300 as a special assessment pursuant to 18 U.S.C. § 3013, which will be due and should be paid at or before the time of sentencing. This Court may also order him to make restitution pursuant to 18 U.S.C. §§ 3663, 3663A, and 3664.[1] If a fine or restitution is imposed, it shall be payable immediately, unless, pursuant to 18 U.S.C. § 3572(d), the Court orders otherwise. The Defendant understands that if he serves a term of imprisonment, is released on supervised release, and then violates the conditions of his supervised release, his supervised release could be revoked—even on the last day of the term—and the Defendant could be returned to custody to serve another period of incarceration and a new term of supervised release. The Defendant understands that the Bureau of Prisons has sole discretion in designating the institution at which the Defendant will serve any term of imprisonment imposed.

[1] Pursuant to 18 U.S.C. § 3612, if the Court imposes a fine in excess of $2,500 that remains unpaid 15 days after it is imposed, the Defendant shall be charged interest on that fine, unless the Court modifies the interest payment in accordance with 18 U.S.C. § 3612(f)(3).

Waiver of Rights

4. The Defendant understands that by entering into this agreement, he surrenders certain rights as outlined below:

a. If the Defendant had not entered into this agreement, he could have entered a plea of not guilty to any charges voted by the grand jury. He would have had the right to a speedy jury trial with the close assistance of competent counsel. That trial could be conducted by a judge, without a jury, if the Defendant, this Office, and the Court all agreed.

b. If the Defendant elected a jury trial, the jury would be composed of twelve individuals selected from the community. Counsel and the Defendant would have the opportunity to challenge prospective jurors who demonstrated bias or who were otherwise unqualified, and would have the opportunity to strike a certain number of jurors peremptorily. All twelve jurors would have to agree unanimously before the Defendant could be found guilty of any count. The jury would be instructed that the Defendant was presumed to be innocent, and that presumption could be overcome only by proof beyond a reasonable doubt.

c. If the Defendant went to trial, the government would have the burden of proving the Defendant guilty beyond a reasonable doubt. The Defendant would have the right to confront and cross-examine the government's witnesses. The Defendant would not have to present any defense witnesses or evidence whatsoever. If the Defendant wanted to call witnesses in his defense, however, he would have the subpoena power of the Court to compel the witnesses to attend.

d. The Defendant would have the right to testify in his own defense if he so chose, and he would have the right to refuse to testify. If he chose not to testify, the Court could instruct the jury that they could not draw any adverse inference from his decision not to testify.

e. If the Defendant were found guilty after a trial, he would have the right to appeal the verdict and the Court's pretrial and trial decisions on the admissibility of evidence to see if any errors were committed which would require a new trial or dismissal of the charges against him. By pleading guilty, the Defendant knowingly gives up the right to appeal the verdict and the Court's decisions.

f. By pleading guilty, the Defendant will be giving up all of these rights, except the right, under the limited circumstances set forth in the "Waiver of Appeal" paragraph below, to appeal the sentence. By pleading guilty, the Defendant understands that he may have to answer the Court's questions both about the rights he is giving up and about the facts of his case. Any statements the Defendant makes during such a hearing would not be admissible against him during a trial except in a criminal proceeding for perjury or false statement.

g. If the Court accepts the Defendant's plea of guilty, there will be no further trial or proceeding of any kind, and the Court will find him guilty.

h. By pleading guilty, the Defendant will also be giving up certain valuable civil rights and may be subject to deportation or other loss of immigration status. The Defendant recognizes that if he is not a citizen of the United States, pleading guilty may have consequences with respect to his immigration status. Under federal law, conviction for a broad range of crimes can lead to adverse immigration consequences, including automatic removal from the United States. Removal and other immigration consequences are the subject of a separate proceeding, however, and the Defendant understands that no one, including his attorney or the Court, can predict with certainty the effect of a conviction on immigration status. Defendant nevertheless affirms that he wants to plead guilty regardless of any potential immigration consequences.

Advisory Sentencing Guidelines Apply

5. The Defendant understands that the Court will determine a sentencing guidelines range for this case (henceforth the "advisory guidelines range") pursuant to the Sentencing Reform Act of 1984 at 18 U.S.C. §§ 3551-3742 (excepting 18 U.S.C. §§ 3553(b)(1) and 3742(e)) and 28 U.S.C. §§ 991 through 998. The Defendant further understands that the Court will impose a sentence pursuant to the Sentencing Reform Act, as excised, and must take into account the advisory guidelines range in establishing a reasonable sentence.

Factual and Advisory Guidelines Stipulation

6. This Office and the Defendant understand, agree, and stipulate to the Statement of Facts set forth in Attachment A hereto that this Office would prove beyond a reasonable doubt, and to the following applicable sentencing guidelines factors:

a. Count One:

(1) Pursuant to U.S.S.G. § 2B1.1(a), the base offense level is **7**.

(2) Pursuant to U.S.S.G. § 2B1.1(b)(1)(I), the base offense level is increased by **16** levels because the intended loss reasonably foreseeable to the Defendant exceeded **$1,000,000** but did not exceed $2,500,000.

(3) The adjusted offense level for Count One is **23**.

b. Count Two:

(1) Pursuant to U.S.S.G. § 2S1.1(a)(1), the base offense level is **7** because that is the base offense level for the underlying offense from which the laundered funds were derived (18 U.S.C. § 1344).

(2) Pursuant to U.S.S.G. § 2B1.1(b)(1)(I), the base offense level is increased by **16** levels because the intended loss reasonably foreseeable to the Defendant exceeded $1,000,000 but did not exceed $2,500,000.

(3) Pursuant to U.S.S.G. § 2S1.1(b)(2)(B), the adjusted offense level is increased by **2** levels because the Defendant will be convicted under 18 U.S.C. § 1956.

(4) The adjusted offense level for Count Two is **25**.

c. Count One and Count Two group under the rules contained in Chapter 3 of the Sentencing Guidelines because Count One embodies conduct that is treated as a specific offense characteristic in, or other adjustment to, Count Two. Pursuant to U.S.S.G. § 3D1.3(a), the offense level applicable to this group is **25**.

d. This Office does not oppose a **2**-level reduction in the Defendant's adjusted offense level, based upon the Defendant's apparent prompt recognition and affirmative acceptance of personal responsibility for his criminal conduct. This Office will make a motion pursuant to U.S.S.G. § 3E1.1(b) for an additional **1**-level decrease because the Defendant did not timely notify this Office of his intention to plead guilty. This Office may oppose *any* adjustment for acceptance of responsibility if the Defendant (a) fails to admit each and every item in the factual stipulation; (b) denies involvement in the offense; (c) gives conflicting statements about his involvement in the offense; (d) is untruthful with the Court, this Office, or the United States Probation Office; (e) obstructs or attempts to obstruct justice prior to sentencing; (f) engages in any criminal conduct between the date of this agreement and the date of sentencing; or (g) attempts to withdraw his plea of guilty. The final offense level applicable to Counts One and Two is **22**.

e. Count Four: Pursuant to 18 U.S.C. § 1028A and U.S.S.G. § 2B1.6, the Court must impose a sentence of two years' imprisonment, consecutive to any other term of imprisonment.

7. The Defendant understands that there is no agreement as to his criminal history or criminal history category, and that his criminal history could alter his offense level if he is a career offender or if the instant offense was a part of a pattern of criminal conduct from which he derived a substantial portion of his income.

8. This Office and the Defendant agree that with respect to the calculation of the advisory guidelines range, no other offense characteristics, sentencing guidelines factors, potential departures or adjustments set forth in the United States Sentencing Guidelines will be raised or are in dispute. If the Defendant wishes to argue for any factor that could take the sentence outside of the advisory guidelines range, he will notify the Court, the United States Probation Officer and government counsel at least 14 days in advance of sentencing of the facts or issues he intends to raise.

Obligations of the United States Attorney's Office

9. At the time of sentencing, this Office will recommend, as to Counts One and Two, a sentence within the advisory guideline range contemplated by this agreement. The Government also will recommend imposing the mandatory consecutive two year term of imprisonment on Count Four. In addition, this Office will recommend that the Court impose a judgment of full restitution to the victims.

10. The parties reserve the right to bring to the Court's attention at the time of sentencing, and the Court will be entitled to consider, all relevant information concerning the Defendant's background, character and conduct.

Restitution

11. The Defendant agrees to the entry of a Restitution Order in the full amount of the victims' losses, which will be determined prior to sentencing and which is at least **$1,666,700.00**. The Defendant agrees that, pursuant to 18 U.S.C. §§ 3663 and 3663A and §§ 3563(b)(2) and 3583(d), the Court may order restitution of the full amount of the actual, total loss caused by the offense conduct set forth in the factual stipulation. Pursuant to 18 U.S.C. §§ 3663(a)(3) and 3663A(a)(3), and any other statute permitting the parties to enter an agreement specifying to whom restitution should be paid, the Defendant agrees to the entry of a Restitution Order in the amount of at least **$1,666,700.00** payable to the U.S. Small Business Administration and Signal Financial Federal Credit Union.

12. The Defendant further agrees that he will fully disclose to the probation officer and to the Court, subject to the penalty of perjury, all information, including but not limited to copies of all relevant bank and financial records, regarding the current location and prior disposition of funds obtained as a result of the criminal conduct set forth in the factual stipulation as well as any funds that may be available as substitute assets for the purpose of restitution. The Defendant further agrees to take all reasonable steps to retrieve or repatriate any such funds and to make them available for restitution. If the Defendant does not fulfill this provision, it will be

considered a material breach of this plea agreement, and this Office may seek to be relieved of its obligations under this agreement.

Forfeiture

13. The Defendant understands that the court will, upon acceptance of his guilty plea, enter an order of forfeiture as part of his sentence, and that the order of forfeiture may include assets directly traceable to his offense, substitute assets, and/or a money judgment equal to the value of the property derived from, or otherwise involved in, the offense. Specifically, the court will order the forfeiture of all property, real and personal, which represents or is traceable to the gross receipts obtained, directly or indirectly, from the offenses, and any property, real and personal, involved in any such offense, or any property traceable to such property, including, but not limited to, the minimum actual loss amount of **$1,666,700.00, ~~and~~ real property located at 14508 Owings Avenue, Brandywine, Maryland 20613**. The Defendant agrees to consent to the forfeiture of ~~all~~ such property, ~~and other items identified in the Forfeiture Allegation of the Indictment.~~ The Defendant agrees to consent to the entry of orders of forfeiture for such property and waives the requirements of Federal Rules of Criminal Procedure 11(b)(1)(J), 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, advice regarding the forfeiture at the change-of-plea hearing, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment. This Office agrees to seek the Attorney General's approval to apply forfeited assets to the Defendant's Restitution Order.

The Government's position is that is also subject to forfeiture

LWL | SH

Assisting the Government with Regard to the Forfeiture

14. The Defendant agrees to assist fully in the forfeiture of the foregoing assets. The Defendant agrees to disclose all of his assets and sources of income to the United States, and to take all steps necessary to pass clear title to the forfeited assets to the United States, including but not limited to executing any and all documents necessary to transfer such title, assisting in bringing any assets located outside of the United States within the jurisdiction of the United States, and taking whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, wasted, hidden or otherwise made unavailable for forfeiture. The Defendant further agrees that he will not assist any third party in asserting a claim to the forfeited assets in an ancillary proceeding and that he will testify truthfully in any such proceeding. The Defendant understands that, pursuant to 21 U.S.C. § 853(e)(4), the Defendant's failure to comply with an order to repatriate property under 21 U.S.C. § 853(p) shall be punishable as a civil or criminal contempt of court, and may result in an enhancement of the sentence of the Defendant under the obstruction of justice provision of the Federal Sentencing Guidelines.

Waiver of Further Review of Forfeiture

15. The Defendant further agrees to waive all constitutional, legal, and equitable challenges (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture

constitutes an excessive fine or punishment. The Defendant also agrees not to challenge or seek review of any civil or administrative forfeiture of any property subject to forfeiture under this agreement, and will not assist any third party with regard to such challenge or review or with regard to the filing of a petition for remission of forfeiture.

Waiver of Appeal

16. In exchange for the concessions made by this Office and the Defendant in this plea agreement, this Office and the Defendant waive their rights to appeal as follows:

a. The Defendant knowingly waives all right, pursuant to 28 U.S.C. § 1291 or otherwise, to appeal the Defendant's conviction;

b. The Defendant and this Office knowingly waive all right, pursuant to 18 U.S.C. § 3742 or otherwise, to appeal whatever sentence is imposed (including the right to appeal any issues that relate to the establishment of the advisory guidelines range, the determination of the defendant's criminal history, the weighing of the sentencing factors, and the decision whether to impose and the calculation of any term of imprisonment, fine, order of forfeiture, order of restitution, and term or condition of supervised release), except as follows: (i) the Defendant reserves the right to appeal any aggregate term of imprisonment to the extent that it exceeds any sentence within the advisory guidelines range resulting from an adjusted base offense level of **22** as to Count One and Count Two and 24 months consecutive as to Count Four, (ii) this Office reserves the right to appeal any aggregate term of imprisonment to the extent that it is below any sentence within the advisory guidelines range resulting from an adjusted base offense level of **22** as to Count One and Count Two and 24 months consecutive as to Count Four.

c. Nothing in this agreement shall be construed to prevent the Defendant or this Office from invoking the provisions of Federal Rule of Criminal Procedure 35(a), or from appealing from any decision thereunder, should a sentence be imposed that resulted from arithmetical, technical, or other clear error.

d. The Defendant waives any and all rights under the Freedom of Information Act relating to the investigation and prosecution of the above-captioned matter and agrees not to file any request for documents from this Office or any investigating agency.

Obstruction or Other Violations of Law

17. The Defendant agrees that he will not commit any offense in violation of federal, state or local law between the date of this agreement and his sentencing in this case. In the event that the Defendant (i) engages in conduct after the date of this agreement which would justify a finding of obstruction of justice under U.S.S.G. § 3C1.1, or (ii) fails to accept personal responsibility for his conduct by failing to acknowledge his guilt to the probation officer who prepares the Pre-Sentence Report, or (iii) commits any offense in violation of federal, state or

local law, then this Office will be relieved of its obligations to the Defendant as reflected in this agreement. Specifically, this Office will be free to argue sentencing guidelines factors other than those stipulated in this agreement, and it will also be free to make sentencing recommendations other than those set out in this agreement. As with any alleged breach of this agreement, this Office will bear the burden of convincing the Court of the Defendant's obstructive or unlawful behavior and/or failure to acknowledge personal responsibility by a preponderance of the evidence. The Defendant acknowledges that he may not withdraw his guilty plea because this Office is relieved of its obligations under the agreement pursuant to this paragraph.

Tax Liability

18. The Defendant understands that this agreement does not resolve any civil or criminal tax liability that he may have as a result of his fraud, and that this agreement is with the United States Attorney's Office, not with the Internal Revenue Service or the Tax Division, United States Department of Justice. The Internal Revenue Service is not a party to this agreement and remains free to pursue any and all lawful remedies it may have.

Court Not a Party

19. The Defendant expressly understands that the Court is not a party to this agreement. In the federal system, the sentence to be imposed is within the sole discretion of the Court. In particular, the Defendant understands that neither the United States Probation Office nor the Court is bound by the stipulation set forth above, and that the Court will, with the aid of the Pre-sentence Report, determine the facts relevant to sentencing. The Defendant understands that the Court cannot rely exclusively upon the stipulation in ascertaining the factors relevant to the determination of sentence. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the pre-sentence investigation, and any other relevant information. The Defendant understands that the Court is under no obligation to accept this Office's recommendations, and the Court has the power to impose a sentence up to and including the statutory maximum stated above. The Defendant understands that if the Court ascertains factors different from those contained in the stipulation set forth above, or if the Court should impose any sentence up to the maximum established by statute, the Defendant cannot, for that reason alone, withdraw his guilty plea, and will remain bound to fulfill all of his obligations under this agreement. The Defendant understands that neither the prosecutor, his counsel, nor the Court can make a binding prediction, promise, or representation as to what guidelines range or sentence the Defendant will receive. The Defendant agrees that no one has made such a binding prediction or promise.

Entire Agreement

20. This letter supersedes any prior understandings, promises, or conditions between this Office and the Defendant and, together with the Sealed Supplement, constitutes the complete plea agreement in this case. The Defendant acknowledges that there are no other agreements,

promises, undertakings or understandings between the Defendant and this Office other than those set forth in this letter and the Sealed Supplement and none will be entered into unless in writing and signed by all parties.

If the Defendant fully accepts each and every term and condition of this agreement, please sign and have the Defendant sign the original and return it to me promptly.

Very truly yours.

Rod J. Rosenstein
United States Attorney

By: _____
Thomas P. Windom
Assistant United States Attorney

I have read this agreement, including the Sealed Supplement, and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Specifically, I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I am completely satisfied with the representation of my attorney.

2/4/2015
Date

_____
Stewart Mark Twayne Harris

I am Stewart Mark Twayne Harris's attorney. I have carefully reviewed every part of this agreement, including the Sealed Supplement with him. He advises me that he understands and accepts its terms. To my knowledge, his decision to enter into this agreement is an informed and voluntary one.

2/4/15
Date

_____
Lisa Lunt, Esq.

**ATTACHMENT A**
**STATEMENT OF FACTS: STEWART MARK TWAYNE HARRIS**

*The undersigned parties hereby stipulate and agree that if this matter had gone to trial, the Government would have proven the following facts beyond a reasonable doubt. The undersigned parties also stipulate and agree that the following facts do not encompass all of the evidence which would have been presented had this matter gone to trial.*

Bank Fraud

The Small Business Administration ("SBA") was an independent agency within the executive branch of the federal government that was created by Congress in 1953 for the purpose of encouraging the development of small businesses by, among other things, guaranteeing certain loans (or portions of such loans) made by lenders to small businesses.

Under Section 7(a) of the Small Business Act, 15 U.S.C. § 631, the SBA was authorized to help new and existing small businesses obtain financing by guaranteeing significant portions of qualified loans made and administered by commercial lending institutions (hereinafter, the "SBA 7(a) loan guaranty program"). Participating lenders bore the risk of payment default of the portion of the loan amount not guaranteed by SBA, and the lenders agreed to structure the loans in accordance with certain SBA requirements, including generally requiring that loan beneficiaries invest a certain amount of their own money into the business before they can qualify for the loan. This requirement, called an "equity injection," reduced the amount of the debt needed to start or upgrade the business, created an incentive for the loan beneficiary to remain committed to the business during the term of the loan, provided a cushion to help the business endure economic downturns, and improved the value of the collateral used to secure the loan.

Before a borrower could obtain a loan through the SBA 7(a) loan guaranty program, the borrower was required to truthfully complete certain forms, including SBA Form 4 ("Application for Business Loan") and SBA Form 912 ("Statement of Personal History"). SBA Form 4 required the prospective borrower to disclose, among other things, financial information. SBA Form 912 required the prospective borrower to disclose, among other things, their Social Security Number.

Signal Financial Federal Credit Union ("Signal Financial") was a financial institution within the meaning of 18 U.S.C. § 20, had its deposits insured by the National Credit Union Share Insurance Fund, and was a participating lender in the SBA 7(a) loan guaranty program.

In or about April 2009, defendant **STEWART MARK TWAYNE HARRIS ("HARRIS")** met with Individual A, the owner of Commercial Glass Company, Inc., a Maryland corporation, to discuss the possibility of **HARRIS** purchasing Commercial Glass Company, Inc. On or about April 21, 2009, **HARRIS** applied for a $1,666,700 loan from Signal

Financial for the purported purpose of using loan proceeds to purchase Commercial Glass Company, Inc. Prior to the submission of the loan application, the Commissioner of Social Security assigned Social Security Number XXX-XX-XX95 to **HARRIS**, who was born in 1976. Prior to the submission of the loan application, the Commissioner of Social Security assigned Social Security Number XXX-XX-XX51 to Individual B, who was born in 1889.

As a pre-condition to approving the loan, Signal Financial and SBA required **HARRIS** to provide certain documentary evidence regarding his employment history, personal tax returns, and proof of assets, in order to establish that he qualified for the loan and that he had provided the equity injection. During the application process, from in or about March 2009, through in or about June 2009, **HARRIS** submitted to Signal Financial the following fraudulent information and documents, among others, for the purpose of securing a loan of $1,666,700 from Signal Financial and the SBA:

a. Signal Financial Business Loan Application, dated April 21, 2009, which falsely represented that the defendant's Social Security Number was that of Individual B;

b. Signal Financial Individual Financial Statement, dated April 21, 2009, which falsely represented that the defendant's Social Security Number was that of Individual B and that the defendant held $538,000 at Wachovia Bank;

c. SBA Form 912, dated May 23, 2009, which falsely represented that the defendant's Social Security Number was that of Individual B;

d. A document purporting to be an IRS Form 1040 for tax year 2006, which falsely represented that the defendant's Social Security Number was that of Individual B;

e. A document purporting to be an IRS Form 1040 for tax year 2007, which falsely represented that the defendant's Social Security Number was that of Individual B;

f. A document purporting to be an IRS Form 1040 for tax year 2008, which falsely represented that the defendant's Social Security Number was that of Individual B;

g. A document purporting to be a Wachovia Bank statement showing an account balance of $504,566.12 on March 31, 2009;

h. A document purporting to be a Wachovia Bank statement showing an account balance of $512,468.41 on April 30, 2009;

i. A document purporting to be a Wachovia Bank statement showing a withdrawal of $375,000 under Check 2022 on or about May 18, 2009, and an account balance of $138,076.66 on May 29, 2009;

j. A document purporting to be an online image from Wachovia Bank showing Check 2022, dated May 11, 2009, payable to the order of Individual A in the amount of $375,000, and showing what purports to be Individual A's signature and account number on the back of the check; and

k. An Equity Statement, which falsely represented that the paid receipts, tickets, and/or bank statements attached thereto represented a cash injection (the "equity injection") into the business in the amount of $408,300.00, as required under the terms of the Authorization and Loan Agreement with the Small Business Administration dated June 4, 2009.

The loan application was reviewed and processed by the SBA's Loan Processing Center in Sacramento, California. On or about June 4, 2009, SBA and Signal Financial approved the $1,666,700 loan, with the SBA guaranteeing 89.99% of the loan's face value. On or about June 26, 2009, **HARRIS** signed a Loan Agreement, which required **HARRIS** to provide Signal Financial with documents and information required by the SBA's June 4, 2009 loan authorization. On or about June 26, 2009, **HARRIS** entered into an unconditional guarantee, which provided that **HARRIS** personally guaranteed to repay the entire $1,666,700 note, in satisfaction of the loan obligation. On or about June 26, 2009, Signal Financial disbursed $1,591,666 to and for the benefit of **HARRIS**.

On or about January 5, 2011, **HARRIS** defaulted on the loan. On or about March 1, 2012, SBA paid Signal Financial approximately $1,515,918.90 in satisfaction of SBA's guarantee on the loan.

Money Laundering

After receiving the loan proceeds, on or about June 30, 2009, **HARRIS** deposited a Signal Financial check in the amount of $58,000 into a bank account (ending in 2501) **HARRIS** controlled at Wachovia Bank ("the Wachovia 2501 Account"). On or about August 5, 2009, **HARRIS** withdrew and caused to be withdrawn $26,342 from the Wachovia 2501 Account. On or about September 30, 2009, **HARRIS** deposited and caused to be deposited $26,342 into another bank account (ending in 4525) **HARRIS** controlled at Wachovia Bank ("the Wachovia 4525 Account"). On or about October 1, 2009, **HARRIS** transferred and caused to be transferred $26,000 from the Wachovia 4525 Account to another bank account (ending in 9016) **HARRIS** controlled at Wachovia Bank ("the Wachovia 9016 Account"). On or about October 1, 2009, **HARRIS** withdrew and caused to be withdrawn $22,300 from the Wachovia 9016 Account, and purchased two Wachovia Official Checks in the amounts of $19,740 and $2,560, both made out to "K Hovnanian Homes" and including the notation "STEWART HARRIS." On or about October 1, 2009, **HARRIS** presented and caused to be presented the $19,740 and $2,560 Wachovia Official Checks to K. Hovnanian Homes to pay for part of the deposit and down-payment on the purchase of a home at 14508 Owings Avenue, Brandywine, Maryland 20613. For all of these withdrawals and deposits, and particularly the withdrawal of $26,342 from a Wachovia Bank account ending in 2501, the transactions in fact involved the proceeds of specified unlawful activity, that is, bank fraud in violation of 18 U.S.C. § 1344 as charged in Count One, and **HARRIS** knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity and that the transaction was designed

in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity.

Aggravated Identity Theft

On or about May 11, 2009, in the District of Maryland, **HARRIS** did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person—that is, the name of Individual A on a document purporting to be an online image from Wachovia Bank showing Check 2022, dated May 11, 2009—during and in relation to a felony violation, that is, bank fraud, in violation of 18 U.S.C. § 1344, as charged in Count One of this Indictment.

Social Security Fraud

From on or about May 23, 2009, in the District of Maryland, **HARRIS**, with intent to deceive, did falsely represent a number to be the social security account number assigned by the Commissioner of Social Security to him, when in fact such number was not the social security account number assigned by the Commissioner of Social Security to him, that is, the defendant used the social security account number of Individual B on an SBA Form 912, dated May 23, 2009.

False Statements in Bankruptcy

On or about April 16, 2012, **HARRIS** filed a voluntary petition for Chapter 7 bankruptcy in Bankruptcy Case No. 12-17102 in the District of Maryland ("the Petition"). Schedules D, E, and F of the Petition, collectively, required **HARRIS** to declare all creditors holding secured claims, unsecured priority claims, and unsecured nonpriority claims. **HARRIS** electronically signed the Declaration Concerning Debtor's Schedules, attached to and filed with the Petition, in which he declared "under penalty of perjury" that Schedules D, E, and F were "true and correct" to the best of his "knowledge, information, and belief." Question 4 of the Statement of Financial Affairs, attached to and filed with the Petition, required **HARRIS** to "[l]ist all suits and administrative proceedings to which the debtor is or was a party within one year immediately preceding the filing of this bankruptcy case." Question 18 of the Statement of Financial Affairs, attached to and filed with the Petition, required **HARRIS** to "list the names, addresses, taxpayer-identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within six years immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case." **HARRIS** electronically signed the Declaration for Electronic Filing of Bankruptcy Petition, Lists, Statements, and Schedules, attached to and filed with the Petition, in which he declared "UNDER PENALTY OF PERJURY" that the information provided in the Petition, as well as the lists, statements, and schedules described above, was "true and correct."

On or about April 16, 2012, in the District of Maryland, **HARRIS** did knowingly and fraudulently make a materially false declaration, certificate, verification, and statement under penalty of perjury as permitted under section 1746 of Title 28, in relation to a case under Title 11 of the United States Code, in that the defendant, in Bankruptcy Case No. 12-17102 in the District of Maryland, (a) failed to declare Signal Financial as a creditor in Schedules D, E, and F, when in fact Signal Financial was a creditor; (b) reported on the Statement of Financial Affairs only one suit to which the defendant was a party within one year immediately preceding the filing of the bankruptcy case, when in fact the defendant also was a party to the following suit within one year immediately preceding the filing of the bankruptcy case: *Capital One FSB v. Harris*, Circuit Court for Prince George's County, CAL0902621; and (c) reported on the Statement of Financial Affairs that, within six years immediately preceding the commencement of the bankruptcy case, there were no businesses in which the defendant was an officer or director and no business in which the defendant owned five percent or more of the voting or equity securities, when in fact within six years immediately preceding the commencement of the bankruptcy case the defendant was an officer and director of Commercial Glass Company, Inc. and Commercial Glass LLC and owned five percent or more of the voting and equity securities of Commercial Glass Company, Inc., and Commercial Glass LLC.

I have read this Attachment A and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. I do not wish to change any part of it. I am completely satisfied with the representation of my attorney.

2/4/2015
Date

Stewart Mark Twayne Harris

I am Stewart Mark Twayne Harris's attorney. I have carefully reviewed every part of this Attachment A. He advises me that he understands and accepts its terms. To my knowledge, his decision to enter into this agreement is an informed and voluntary one.

2/4/15
Date

Lisa Lunt, Esq.