

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF GEORGIA
VALDOSTA DIVISION**

UNITED STATES OF AMERICA	:	
	:	CRIM. NO. 7:23-CR-_____
vs.	:	
	:	
TERESA PAULO,	:	
	:	
Defendant.	:	
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PLEA AGREEMENT

It is agreed by the United States of America, by and through its undersigned attorney, and Teresa Paulo, hereinafter referred to as "Defendant," and Defendant's undersigned attorney, as follows:

(1)

Defendant acknowledges that Defendant has reviewed and discussed the Information against Defendant in this matter with Defendant's attorney, and Defendant's attorney has explained to Defendant his understanding of the Government's evidence.

(2)

Defendant understands that Defendant is not required to plead guilty, and that Defendant has the right to plead not guilty and to elect instead to be tried by jury. Defendant understands that at a jury trial, Defendant would enjoy a presumption of innocence, and that the United States would have the burden of proving Defendant's guilt beyond a reasonable doubt. Defendant understands that Defendant would be entitled to the services of an attorney at all stages of such a trial. Defendant understands that Defendant would be entitled to confront and to cross-examine the United States' proof, and to present witnesses and evidence in Defendant's own behalf. Defendant understands that Defendant would have the right to testify in Defendant's own behalf, but that

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Defendant could not be compelled to do so. Defendant has discussed these rights with Defendant's attorney. Defendant is satisfied with the services of Defendant's attorney. Defendant knowingly and voluntarily waives Defendant's right to plead not guilty and to proceed to trial.

The United States Attorney and the Defendant understand and agree that the Court should consider its sentence in light of the advisory Federal Sentencing Guidelines, as explained in United States v. Booker, 543 U.S. 220 (2005). Defendant knowingly and voluntarily waives any further objections that Defendant may have based on Booker, Apprendi v. New Jersey, 530 U.S. 466 (2000), and their progeny. Defendant therefore agrees that at sentencing, the Court may determine any pertinent fact by a preponderance of the evidence and the Court may consider any reliable information, including hearsay. Defendant expressly waives any claim of right to an indictment or information, trial by jury, and/or proof beyond a reasonable doubt on any factual determinations that pertain to sentencing in this case.

(3)

Defendant, being fully cognizant of Defendant's rights, and in exchange for the considerations to be made by the United States as set forth in Paragraph (4) below, agrees pursuant to Rule 11(c), Federal Rules of Criminal Procedure, as follows:

(A) Defendant is guilty and will knowingly and voluntarily enter a plea of guilty to Count 1 of the Information, which charges Defendant with Aggravated Identity Theft, in violation of Title 18, United States Code, Section 1028A(a)(1), and to Count 2 of the Information, which charges Defendant with Bank Fraud, in violation of Title 18, United States Code, Section 1344(2).

(B) Defendant fully understands that Defendant's plea of guilty as set forth in Subparagraph (A), above, will subject Defendant on Count 1 to a mandatory sentence of two (2) years imprisonment and maximum term of supervised release of one (1) year; and on Count 2 to a

maximum sentence of thirty (30) years imprisonment, a \$1,000,000.00 fine, and a maximum term of supervised release of five (5) years. Defendant further acknowledges that the Court is required to impose a mandatory assessment of \$100.00 per count.

(C) Defendant acknowledges and understands that the Court is not bound by any estimate of the probable sentencing range that Defendant may have received from Defendant's attorney, the Government, or the Probation Office. Defendant further acknowledges and agrees that Defendant will not be allowed to withdraw Defendant's plea because Defendant has received an estimated guideline range from the Government, Defendant's attorney, or the Probation Office which is different from the guideline range computed by the Probation Office in the Presentence Investigative Report and found by the Court to be the correct guideline range.

(D) Defendant understands fully and has discussed with Defendant's attorney that the Court will not be able to determine the appropriate guideline sentence until after a Presentence Investigative Report has been completed. Defendant understands and has discussed with Defendant's attorney that Defendant will have the opportunity to review the Presentence Investigative Report and challenge any facts reported therein. Defendant understands and has discussed with Defendant's attorney that any objections or challenges by Defendant or Defendant's attorney to the Presentence Investigative Report or the Court's rulings thereon will not be grounds for withdrawal of the plea of guilty.

(E) Defendant understands and has discussed with Defendant's attorney that after the Court determines the applicable guideline range of this case, the Court has the authority under certain circumstances to impose a sentence that is more severe or less severe than the sentence called for by the guidelines.

(F) Defendant agrees to provide a check for the mandatory assessment at the time of sentencing.

(G) **Waiver of Appeal Rights and Right of Collateral Attack:**

Understanding that Title 18, United States Code, Section 3742 provides for appeal by a Defendant of the sentence under certain circumstances, Defendant waives any right to appeal the imposition of sentence upon Defendant, including the right to appeal the amount of restitution imposed, if any, except in the event that the District Court imposes a sentence that exceeds the advisory guideline range as that range has been calculated by the District Court at the time of sentencing, or in the event that the District Court imposes a sentence in excess of the statutory maximum.

Defendant waives any right to collaterally attack Defendant's conviction and sentence under Title 28, United States Code, Section 2255, or to bring any other collateral attack, except that Defendant shall retain the right to bring a claim of ineffective assistance of counsel. This provision shall not bar the filing of a petition for writ of habeas corpus, as permitted by Title 28, United States Code, Section 2241.

Defendant waives any right to file a motion for modification of sentence, including under Title 18, United States Code, Section 3582(c)(2), except in the event of a future retroactive amendment to the sentencing guidelines which would affect Defendant's sentence.

Defendant and the Government agree that nothing in this plea agreement shall affect the Government's right or obligation to appeal as set forth in 18 U.S.C. § 3742(b). If, however, the Government appeals Defendant's sentence pursuant to this statute, Defendant is released from Defendant's waiver of Defendant's right to appeal altogether.

Defendant acknowledges that this waiver may result in the dismissal of any appeal or collateral attack Defendant might file challenging his/her conviction or sentence in this case. If Defendant files a notice of appeal or collateral attack, notwithstanding this agreement, Defendant agrees that this case shall, upon motion of the Government, be remanded to the District Court to determine whether Defendant is in breach of this agreement and, if so, to permit the Government to withdraw from the plea agreement.

(H) Defendant agrees to provide complete, candid, and truthful statements to law enforcement officers regarding Defendant's involvement and the involvement of all others involved in the charges alleged in the present Information as well as any and all criminal violations about which Defendant has knowledge or information and that such information provided will be pursuant to and covered by this agreement. Defendant further agrees to provide complete, candid, and truthful testimony regarding such matters in any proceeding. Defendant understands that this agreement does not require Defendant to implicate any particular individual or individuals or to "make a case;" rather, it requires Defendant to be truthful and to testify truthfully whenever called upon.

(I) Defendant and the Government stipulate and agree that there was no detected or identified biological evidence obtained during the investigation and prosecution of the matter which is subject to DNA testing. Defendant further agrees that all evidence obtained in this investigation and prosecution may be destroyed or returned to its rightful owner.

(J) The United States of America and Defendant hereby agree that any breach of this agreement by Defendant occasioned by a failure to cooperate, by withholding information, giving of false information, perjury, or failure to testify in any judicial proceeding in connection with the individuals, matters, and transactions referred to in the information, would: (a) not relieve

Defendant of Defendant's plea of guilty; (b) permit the Government to reinstate and proceed with prosecution on any other charges arising from the matters referred to in this Information; (c) permit the Government to instigate and proceed with the prosecution of any other offenses arising from a breach of this agreement, including perjury, false declaration, false statement, and/or obstruction of justice; and (d) permit the Government to utilize against Defendant in any subsequent judicial proceeding any and all statements made by Defendant. If a legitimate issue arises as to whether there has been a breach of this agreement, said question shall be determined by the United States District Court for the Middle District of Georgia. The burden of establishing such a breach shall be upon the United States and shall be established by a preponderance of the evidence. The Federal Rules of Evidence shall not apply in any hearing to establish such a breach, but evidence shall be admitted and excluded at the Court's discretion.

(K) Defendant understands, and has fully discussed with defendant's attorney, that, concerning Counts 1 and 2, the Court shall order total restitution in this case pursuant to 18 U.S.C. § 3663A and that Defendant agrees to pay the restitution ordered by the Court whether to an identifiable victim or the community. Defendant agrees that the total amount of restitution reflected in this Plea Agreement results from Defendant's conduct as described in the Information to which Defendant is entering a plea of guilty. . Defendant agrees that the amount of restitution shall include the amount disbursed from each loan and the interest accrued on each loan up until May 31, 2020, less the payments she made on the loans.

(L) Defendant agrees that any restitution is ordered by the Court under 18 U.S.C. § 2259, the amount of restitution ordered by the Court shall include Defendant's total offense conduct. Defendant agrees and understands that any payment schedule imposed by the Court is

without prejudice to the United States to take all actions and take all remedies available to it to collect the full amount of the restitution.

Defendant agrees that the restitution, restitution judgment, payment provisions, and collection actions of this plea agreement are intended to, and will, survive Defendant, notwithstanding the abatement of any underlying criminal conviction after the execution of this agreement. Defendant further agrees that any restitution collected and/or distributed will survive her, notwithstanding the abatement of any underlying criminal conviction execution of this agreement.

The restitution described above shall be paid through the Office of the Clerk of the District Court by bank or cashier's check or money order made payable to the "Clerk, United States District Court."

The parties will jointly recommend that as a condition of probation or supervised release, Defendant will notify the Financial Litigation Unit (FLU), United States Attorney's Office, of any interest in property obtained, directly or indirectly, including any interest obtained under any other name, or entity, including a trust, partnership, or corporation after the execution of this plea agreement until the fine or restitution is paid in full.

The parties will also jointly recommend that as a condition of probation or supervised release, Defendant will notify the FLU, United States Attorney's Office, before Defendant transfers any interest in property owned directly or indirectly by Defendant, including any interest held or owned under any other name or entity, including trusts, partnerships, and/or corporations.

(M) In order to facilitate the collection of financial obligations to be imposed in connection with this prosecution, Defendant agrees fully to disclose all assets in which she has any

interest or over which Defendant exercises control, directly or indirectly, including those held by a spouse, nominee, or other third party.

Defendant will promptly submit a completed financial statement to the U.S. Attorney's Office, in a form it provides and as it directs. Defendant promises that her financial statement and disclosures will be complete, accurate, and truthful.

Defendant expressly authorizes the U.S. Attorney's Office to obtain a credit report on her to evaluate the Defendant's ability to satisfy any financial obligation imposed by the Court.

(4)

In exchange for the consideration set forth in Paragraph (3) above, the United States Attorney for the Middle District of Georgia agrees as follows:

(A) That he will accept the plea of guilty by Defendant as provided in Paragraph (3)(A), above, in full satisfaction of all possible federal criminal charges, known to the United States Attorney at the time of Defendant's guilty plea, which might have been brought solely in this district against the Defendant. The United States Attorney agrees to dismiss the remaining counts of the pending Information, if any, in exchange for Defendant's plea of guilty to Counts 1 and 2 of the Information.

(B) That he further agrees, if Defendant cooperates truthfully and completely with the Government, including being debriefed and providing truthful testimony, at any proceeding resulting from or related to Defendant's cooperation, to make the extent of Defendant's cooperation known to the sentencing court. If Defendant is not completely truthful and candid in her cooperation with the Government, she may be subject to prosecution for perjury, false statements, obstruction of justice, and/or any other applicable charge. If the cooperation is completed prior to sentencing, the Government agrees to consider whether such cooperation

qualifies as “substantial assistance” pursuant to 18 U.S.C. Section 3553(e) and/or Section 5K1.1 of the Sentencing Guidelines warranting the filing of a motion at the time of sentencing recommending a downward departure from the applicable guideline range. If the cooperation is completed subsequent to sentencing, the Government agrees to consider whether such cooperation qualifies as “substantial assistance” pursuant to Rule 35(b) of the Federal Rules of Criminal Procedure warranting the filing of a motion for reduction of sentence within one year of the imposition of sentence. In either case, Defendant understands that the determination as to whether Defendant has provided “substantial assistance” rests solely with the Government. Any good faith efforts on the part of the Defendant that do not substantially assist in the investigation or prosecution of another person who has committed a crime will not result in either a motion for downward departure or a Rule 35 motion. In addition, should Defendant fail to cooperate truthfully and completely with the Government, or if Defendant engages in any additional criminal conduct, the Defendant shall not be entitled to consideration pursuant to this paragraph.

(C) Pursuant to Section 1B1.8 of the United States Sentencing Guidelines, the Government agrees that any self-incriminating information which was previously unknown to the Government and is provided to the Government by Defendant in connection with Defendant’s cooperation and as a result of the Defendant’s plea agreement to cooperate will not be used in determining the applicable guideline range. Further, the Government agrees not to bring additional charges against the Defendant, with the exception of charges resulting from or related to violent criminal activity, as defined in 18 U.S.C. § 924(e)(2)(B)(i), based on any information provided by the Defendant in connection with the Defendant’s cooperation, which information was not known to the Government prior to said cooperation. This does not restrict the Government’s use of information previously known or independently obtained for such purposes.

(D) If the Defendant affirmatively manifests an acceptance of responsibility as contemplated by the Federal Sentencing Guidelines, the United States Attorney will recommend to the Court that the Defendant receive an appropriate downward departure for such acceptance. It is entirely within the Court's discretion whether Defendant would be entitled to any reduction based upon an acceptance of responsibility. The United States expressly reserves its right to furnish to the Court information, if any, showing that the Defendant has not accepted responsibility, including, but not limited to, denying her involvement, giving conflicting statements as to her involvement, or engaging in additional criminal conduct, including personal use of a controlled substance.

(5)

Nothing herein limits the sentencing discretion of the Court.

(6)

This agreement constitutes the entire agreement between the Defendant and the United States, and no other promises or inducements have been made, directly or indirectly, by any agent of the United States, including any Assistant United States Attorney, concerning any plea to be entered in this case. In addition, Defendant states that no person has, directly or indirectly, threatened or coerced Defendant to do or refrain from doing anything in connection with any aspect of this case, including entering a plea of guilty.

(7)

As an aid to this Court, the United States Attorney and Defendant, by and through Defendant's attorney, enter into the following Stipulation of Fact. This stipulation is entered into in good faith with all parties understanding that the stipulation is not binding on the Court. Under U.S.S.G. Policy Statement Section 6B1.4(d), this Court may accept this stipulation as written or

in its discretion with the aid of the Presentence Investigative Report determine the facts relevant to sentencing.

Subject to the above paragraph, the United States Attorney and the Defendant stipulate and agree that the Government could prove the following beyond a reasonable doubt:

From sometime in 1986 to sometime in June 2020, Defendant was employed by Southern Pine Credit Union ("SPCU"), which is located in the Valdosta Division of the Middle District of Georgia. From sometime in October 2011 to sometime in June 2020, Defendant was employed by SPCU as its controller. In that role, Defendant was able to originate all types of loans, was responsible for filing quarterly call reports to the National Credit Union Administration ("NCUA"), and had access to all SPCU employees' usernames and passwords for all SPCU computers and software.

On or about October 20, 2011, Defendant created a share secured loan in a SPCU account in Victim No. 6's name (Account No. ****05) using his name and Social Security number without his knowledge or lawful authority. From on or about November 16, 2011, to on or about May 29, 2020, Defendant took out additional advances on the loan for Account No. ****05, as well as additional loans under the Account. The proceeds from the loans for Account No. ****05 were then transferred to Defendant's joint account with Victim No. 6 for personal spending purposes.

On or about July 2, 2014, Defendant created a share secured loan in a SPCU account in Victim No. 5's name using his existing dormant account (Account No. ****24) without his knowledge or lawful authority. From on or about September 29, 2014, to on or about April 1, 2020, Defendant paid off the loan for Account No. ****24 and rebooked it multiple times with additional advances using Victim No. 5's name, or a check written by Defendant from Account No. ****24 by forging Victim No. 5's signature, without his knowledge or lawful authority. From July 2014

to on or about May 31, 2020, Defendant transferred the proceeds from the advances to the loan for Account No. ****24 to (1) Account No. ****05 before transferring the proceeds to her joint share draft account, over which she had partial control, for spending purposes; or (2) to her family members' accounts for spending purposes, via electronic transfer. On or about May 31, 2020, the total balance of the loan for Account No. ****24 was \$1,233,201.77, excluding interest and legitimate payments made.

To conceal her activities with the loans for Account No. ****24, Defendant knowingly used one of two schemes. The first scheme occurred from sometime in 2011 to on or about May 28, 2020. During that time, Defendant knowingly created false credit transactions using the usernames and passwords of SPCU employees Victim No. 3, Victim No. 4, and other SPCU employees—without their knowledge or lawful authority—to simulate the payoff of the loans. These transactions would advance the due date on the loans. Following these transactions, Defendant created debit entries using Victim No. 3's, Victim No. 4's, and other SPCU employees' usernames and passwords to put the loans back on the accounts, which would often include interest accrued on the outstanding loans. Specifically, on February 5, 2020, Defendant created debit entries using Victim No. 3's username and password without lawful authority or Victim No. 3's knowledge. Defendant would also make additional loan advances simultaneously with those entries to advance the loan due dates.

Beginning in September 2014, Defendant employed another scheme to conceal her activities with the loans. Specifically, Defendant would reflect the loans as being paid off at the end of each quarter to avoid possible detection of the artificial growth in SPCU's loan portfolio from those loans on the quarterly reports SPCU was required to submit to the NCUA. To do this, Defendant would write one or more drafts on a share draft account and use that to simulate the

payoff of the loans. When the drafts cleared the following month, a new advance was taken on one of the loans and transferred to the share draft account on which the draft was clearing to ensure there were funds available to cover it. This successfully reduced the outstanding loan balances on the loans at the end of the quarter, thereby not drawing attention not the steadily and rapidly increasing fictitious loan balances. The drafts needed to pay off the loan balances at each quarter grew to an amount totaling \$1,233,201.77, excluding payments and interest, as of May 31, 2020. Legitimate payments made to the loan balances totaled \$7,736.16, and the interest accumulated totaled \$5,436.52 as of May 31, 2020.

At all relevant times, SPCU was insured by the NCUA, Defendant was employed as controller of SPCU, and Defendant committed the foregoing acts with the intent to deceive and defraud SPCU and obtain property owned by and under the custody and control of SPCU.

Defendant now admits and agrees that between July 2, 2014, and May 31, 2020, she knowingly and willfully devised and executed a scheme and artifice to defraud and to obtain money owned by, and under the custody of, SPCU, which is a financial institution defined under 18 U.S.C. § 20, all in violation of 18 U.S.C. § 1344(2), and that all required elements of the offense have been met. While devising and executing this scheme, she used the username and password of Victim No. 3, all in violation of 18 U.S.C. § 1028A(a)(1), and that all required elements of the offense have been met. The parties agree and stipulate that the actual and intended loss amount was more than \$550,000.00, but less than \$1,500,000.00.

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ACCEPTANCE OF PLEA AGREEMENT

Defendant understands and has fully discussed with Defendant's attorney that this agreement shall become effective only upon the Court's acceptance of this agreement and the Court's acceptance of the plea of guilty by Defendant.

SO AGREED, this _____ day of _____, _____.

PETER LEARY
UNITED STATES ATTORNEY

BY: _____
HANNAH M. COUCH
ASSISTANT UNITED STATES ATTORNEY

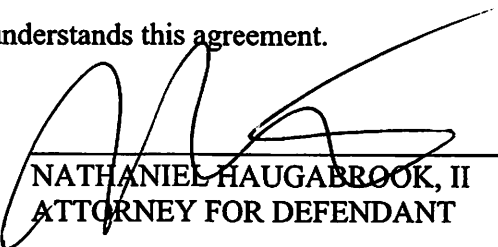
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I, Teresa Paulo, have read this agreement and had this agreement read to me by my attorney, Nathaniel Haugabrook. I have discussed this agreement with my attorney, and I fully understand it and agree to its terms.



TERESA PAULO
DEFENDANT

I, Nathaniel Haugabrook, attorney for Defendant Teresa Paulo, have explained the Information and the Government's evidence received through discovery and my investigation of the charge to Defendant. I believe Defendant understands the charge against Defendant and the evidence that would be presented against Defendant at a trial. I have read this agreement, have been given a copy of it for my file, and have explained it to Defendant. To the best of my knowledge and belief, Defendant understands this agreement.



NATHANIEL HAUGABROOK, II
ATTORNEY FOR DEFENDANT