

NO. \_\_\_\_\_

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In The  
**Supreme Court of the United States**

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**STEPHEN CONDON PETERS,**

*Petitioner,*

v.

**UNITED STATES OF AMERICA,**

*Respondent.*

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ON PETITION FOR WRIT OF CERTIORARI  
TO THE UNITED STATES COURT OF APPEALS  
FOR THE FOURTH CIRCUIT

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**PETITION FOR WRIT OF CERTIORARI**

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*Counsel for Petitioner*

*Dated: December 3, 2021*

**I. Question Presented.**

Does it violate this Court's holding in *Luis v. United States* and the Sixth Amendment, where the trial court deprives a defendant of the use of untainted assets without following proper procedure, and then attempts to address the improper restraint by forcing retained counsel to try the case on an appointed basis, notwithstanding counsel's and client's objection that the stated financial conflict impacted performance.

## II. Statement of Related Cases.

- *United States v. Peters*, No. 5:17-CR-411, U.S. District Court for the Eastern District of North Carolina. Judgment entered Nov. 19, 2019.
- *United States v. Peters*, No. 19-4718, U.S. Court of Appeals for the Fourth Circuit. Judgment entered Sep. 9, 2021.

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**V. Petition for Writ of Certiorari.**

Stephen Codon Peters, an inmate currently incarcerated at Petersburg Medium FCI, by and through William R. Terpening, court-appointed appellate counsel, respectfully petitions this Court for a Writ of Certiorari to review the decision of the Fourth Circuit Court of Appeals.

**VI. Opinions Below.**

The decision by the United States Court of Appeals for the Fourth Circuit affirming the district court's judgment is published at \_\_ Fed. Appx. \_\_ (4th Cir. 2021), 2021 U.S. App. LEXIS 27169, and 2021 WL 4099907. The opinion is attached at the Appendix.

**VII. Jurisdiction.**

The Fourth Circuit affirmed Peters' judgment on September 9, 2021, so this appeal is timely under Rule 13. This Court has jurisdiction under 28 U.S.C. § 1254(1).

**VIII. Constitutional Provisions Involved.**

The Sixth Amendment of the United States Constitution states that

In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defence.

**IX. Statement of the Case.**

Peters credibly argued that he had \$330,000 in untainted assets to retain counsel of his choosing, and the district court – without making findings or complying

with the procedural rules – disagreed, finding that the assets were tainted. It attempted to solve the choice of counsel problem by forcing Peters’ retained lawyer to continue to represent Peters at trial on an appointed basis, for a fraction of his fee. In doing so, the court ignored the conflict created by the fact that counsel did not want to continue to represent Peters because his employer was pressuring him to earn fees from legal services, and that Peters had strong misgivings about being represented by counsel under these conflict-ridden circumstances. The trial court’s failure to allow Peters to use his untainted funds to retain a conflict-free lawyer, and tactic of forcing counsel to continue with the representation on a court-appointed basis notwithstanding Peters’ and counsel’s objections, violated Peters’ rights under *Luis* and the Sixth Amendment.

By way of background, Peters was indicted on December 20, 2017 in a multi-count fraud indictment broadly alleging investment and securities fraud, convicted by a jury on all counts on June 6, 2019, and sentenced to 480 months. Peters had the benefit of retained counsel from the phase before indictment until shortly before trial. Beginning around the time of the initial indictment, the trial court entered a series of orders freezing Peters’ assets. This left Peters without funds to retain counsel, although Peters contended that at least \$330,000 of the funds were untainted. The trial court ruled that the funds were tainted over Peters’ objection, without following proper procedures.

Peters’ fall from affluence to impecuniousness created tension between Peters and his lawyer, who had moved to a new law firm and was under pressure to continue

receiving substantial remuneration for his legal services. This culminated in a situation where, only a month before trial, counsel moved to withdraw over the disagreement regarding his fee. The trial court held a hearing on the motion on April 29, 2019.

At the hearing, Peters' lawyer argued that he had changed law firms two weeks before. He indicated that Peters was "unable to satisfy the terms of an agreement" with the new law firm "to continue movant's representation of him." He acknowledged that he was attempting to withdraw just a month before trial. As well, he suggested that the "restraint that the Government placed on Peters' assets" left the defense with "limited resources" for trial preparation. However, when counsel moved to his new law firm, Peters could not pay more legal fees even though the new firm had incorrectly anticipated that "there would be continued resources." Thus, counsel "believed our obligation was... to our employer," necessitating withdrawal because of Peters' lack of funds to pay fees. Counsel's belief that his obligation was "to his employer" in this scenario gives rise to a conflict of interest that should have caused the court to terminate the representation.

Counsel confirmed the adverse impact of the conflict, explaining that the motion to withdraw "has placed strain on the attorney-client relationship and it's caused a breakdown of that relationship and I believe will continue to do so on a moving-forward basis, which also gives me concerns moving forward." Finally, the lawyer noted that "the transition of law firms has created some disruption that was unanticipated" and "that disruption has been to our preparation for trial...."

Similarly, he said that “there have been numerous unanticipated aspects, to my mind anyway, of the transition that have impeded my ability to continue preparing for trial.”

Peters, himself, raised a number of concerns. He indicated his understanding that the issues were both “financial” and had to do with “timing.” “[F]inancial issues because of the seizure,” he confirmed, impeded defense trial preparation. Peters also stated that “the transition” of his lawyer to a new law firm, and ensuing “request for a very large retainer,” created “financial strains.”

The court ultimately neither allowed trial counsel to withdraw nor granted the requested continuance. Instead, it attempted to address the problem by forcing counsel to continue with the representation on a court-appointed basis, at a small fraction of his hourly rate. The court reasoned that it was concerned that the lawyer had represented Peters for nearly two years, since July of 2017. Once the court denied the motion, Peters (personally) stated that he was “concerned about a lawyer who feels that there’s a conflict between the client and himself and then is going to represent me and not get compensated for it.” Significantly, the trial court never made any inquiries into whether forcing counsel to continue with the representation at a fraction of his retained rate would impede his performance, exacerbate the tension with the law firm that employed him as suggested in the record, or otherwise distract him or reduce his performance. Neither did the trial court ask Peters if he was satisfied with counsel continuing to represent him under the conflict and given the problems discussed above.

Peters did not want to continue with a lawyer who felt financial pressure from his law firm to withdraw, and who was being compensated at far less than his normal rate while being forced to remain involved with the case. In this sense, he was denied of his choice of counsel. This is true, even though the trial court compelled his existing lawyer to remain in the case.

The district court had jurisdiction because this case was prosecuted as an offense against the United States, over which federal district courts have original jurisdiction. 18 U.S.C. § 3231. This Fourth Circuit had jurisdiction over the appeal pursuant to 28 U.S.C. § 1291.

#### **X. Reasons for Granting the Writ.**

The trial court and Fourth Circuit acted, in denying Peters his choice of counsel, in a manner that conflicted with the Constitution and a decision of this Court. In *Luis v. United States*, this Court held that “pretrial restraint of legitimate, untainted assets needed to retain counsel of choice violates the Sixth Amendment.” 136 S. Ct. 1083, 1088. Peters strenuously argued that around \$330,000 restrained funds were untainted and should be available to pay his lawyer. Trial counsel repeatedly informed the court that at least \$330,000 of the assets were untainted and should not be restrained under any theory, and both defendant and his trial counsel objected to the impact of restraint on the client-lawyer relationship. The defense preserved the issue and explained why the restraint was improper, noting that the government “makes no attempt to trace the proceeds of the alleged fraud and money laundering scheme to the approximately \$310,000 [later about \$330,000] presently

located in” a particular bank account. All funds in the account arrived there from Charles Schwab, for legitimate management services, in a time period well after the alleged fraud and shortly before restraint. These funds cannot, therefore, have been proceeds of the crime, and were, accordingly, untainted.

Faced with this compelling evidence that the funds were untainted, the district court failed to make specific findings that the assets in question – in particular, the \$330,000 that was in dispute – were tainted. The Court ruled simply that “[t]he Government has established a substantial probability that it will prevail on the issue of forfeiture of the specific assets...,” and that the assets have the “requisite connection to the crimes”. There is not, therefore, sufficient evidence in the record to establish that the assets were tainted, and these conclusory statements are insufficient to support the government’s position that the assets were tainted. The district court simply recited the standard under 21 U.S.C. § 853(e), and (without offering any explanation) stated that the government satisfied that standard. *See In re Assets of Martin*, 1 F.3d 1351, 1361 (3d Cir. 1993).

Moreover, the order did not comply with Federal Rule of Civil Procedure 65(d)(1)(A), which requires that every order granting an injunction and every restraining order must state the reasons why it was issued. Unsupported and conclusory statements are insufficient to meet this standard. *See Eyewonder, Inc. v. Abraham*, 293 F. App’x 818, 820 (2d Cir. 2008). The district court’s order does not provide any basis on which the appellate court may assess whether the district court properly exercised its discretion. There was no evidence in the record from which the

court could find that the assets were tainted. The Fourth Circuit’s failure to hold the district court to the standard of Rule 65, § 853(e), or the Second and Third Circuits, alone, provides grounds for granting the Petition.

It does not solve the problem that Peters’ lawyer was appointed to represent Mr. Peters under the Criminal Justice Act (18 U.S.C. § 3006A) after Mr. Peters ran out of funds to pay his lawyer. *See United States v. Ballard*, 727 F. Appx. 757, 759 (4th Cir. 2018)(unpublished). The district court’s error in forcing retained counsel to continue on an appointed basis at a small fraction of the fee – notwithstanding counsel’s repeated admission that fee problems were creating a conflict between counsel and client and affecting trial preparation, and Peters’ contention that he had concerns with the issue – is the problem that Peters places at the center of this Petition. Peters no longer “chose” his lawyer once this conflict arose.

The fee issue created by the pretrial restraint harmed Peters by delaying trial preparation, including delaying review of the voluminous discovery to such an extent that it was not completed by the time of trial. Moreover, *Luis* guarantees a defendant the right to counsel of his choice, as long as he can afford his lawyer. *Ballard*, 727 F. Appx. at 759 (citing *Luis*, 136 S. Ct. at 1088). Unlike the defendant in *Ballard*, who never complained about the failing relationship with his formerly retained lawyer once he was appointed under the Criminal Justice Act, Peters asked for a new lawyer, noting the fee situation: “placed strain on the attorney-client relationship and I believe will continue to do so on a moving-forward basis, which also gives me concerns

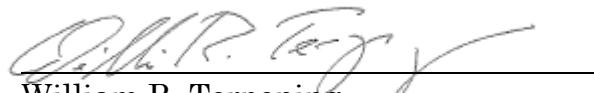
going forward.” After Peters lodged that objection to trial counsel’s continuing representation, he did not have counsel of his choice and the rule of *Luis* was violated.

This Court should grant the Petition to assess whether the trial court’s procedurally deficient restraint of funds and effort to assess the deficiency by forcing a reluctant, financially conflicted lawyer to represent Peters violates Peters’ Sixth Amendment rights.

#### **XI. Conclusion.**

For these reasons, Peters requests that the Court grant a Writ of Certiorari to review the Fourth Circuit’s judgment.

Respectfully submitted, December 3, 2021.



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# **XIII. Appendix.**

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**UNPUBLISHED****UNITED STATES COURT OF APPEALS  
FOR THE FOURTH CIRCUIT**

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**No. 19-4718**

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UNITED STATES OF AMERICA,

Plaintiff - Appellee,

v.

STEPHEN CONDON PETERS,

Defendant - Appellant.

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Appeal from the United States District Court for the Eastern District of North Carolina, at Raleigh. James C. Dever III, District Judge. (5:17-cr-00411-D-1)

Submitted: July 30, 2021

Decided: September 9, 2021

Before GREGORY, Chief Judge, WILKINSON, and HARRIS, Circuit Judges.

Affirmed by unpublished per curiam opinion.

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William R. Terpening, TERPENING LAW, PLLC, Charlotte, North Carolina, for Appellant. G. Norman Acker, III, Acting United States Attorney, Jennifer P. May-Parker, Assistant United States Attorney, Banumathi Rangarajan, Special Assistant United States Attorney, OFFICE OF THE UNITED STATES ATTORNEY, Raleigh, North Carolina, for Appellee.

Unpublished opinions are not binding precedent in this circuit.

PER CURIAM:

A jury convicted Stephen Condon Peters of investment advisor fraud, in violation of 15 U.S.C. §§ 80b-6, 80b-17; 18 U.S.C. § 2 (Count 1); fraud in the sale of unregistered securities, in violation of 15 U.S.C. §§ 78j(b), 78ff; 17 C.F.R. § 240.10b-5 (Count 2); wire fraud, in violation of 18 U.S.C. §§ 1343, 2 (Counts 3-11); money laundering, in violation of 18 U.S.C. §§ 1957, 2 (Counts 12-15); conspiring to make and use false documents and to falsify and conceal records, in violation of 18 U.S.C. § 371 (Count 16); making and using false documents, in violation of 18 U.S.C. §§ 1001(a)(1)-(3), 2 (Count 17); falsifying and concealing records and aiding and abetting, in violation of 18 U.S.C. §§ 1519, 2 (Count 18); corruptly endeavoring to influence a federal agency, in violation of 18 U.S.C. § 1505 (Count 19); and aggravated identity theft, in violation of 18 U.S.C. §§ 1028A(a)(1), 2 (Count 20). The district court sentenced Peters to an aggregate sentence of 480 months' imprisonment and ordered him to pay \$15,161,620 in restitution. On appeal, Peters contends that the district court's pretrial restraint of his assets interfered with his Sixth Amendment right to hire the counsel of his choice, insufficient evidence supports his conviction on Count 2, and the court erred in awarding restitution for losses not associated with Peters' sale of promissory notes ("Capital Notes") issued by VisionQuest Capital ("VQ Capital"). Finding no reversible error, we affirm.

I.

Peters first contends that the district court allowed the Government to freeze untainted assets which prevented him from being able to pay his attorneys. The Government argues that we must review this contention for plain error because Peters did

not raise this argument in the district court. *See United States v. Cohen*, 888 F.3d 667, 680 (4th Cir. 2018) (reviewing unpreserved Sixth Amendment claim for plain error). We agree—at a hearing to address the preindictment restraint of his assets, Peters did not argue that the Government was freezing untainted funds needed to hire counsel. And at the hearing on counsels’ motion to withdraw, Peters did not argue that the Government had seized untainted assets. To succeed on plain error review, Peters must show that “(1) an error was made; (2) the error is plain; (3) the error affects substantial rights; and (4) the error seriously affects the fairness, integrity, or public reputation of judicial proceedings.”

*United States v. Harris*, 890 F.3d 480, 491 (4th Cir. 2018) (cleaned up).

The Sixth Amendment preserves a defendant’s “right to be represented by an otherwise qualified attorney whom that defendant can afford to hire, or who is willing to represent the defendant even though he is without funds.” *Caplin & Drysdale, Chartered v. United States*, 491 U.S. 617, 624-25 (1989). The erroneous deprivation of the right to counsel of choice in violation of the Sixth Amendment is structural error not subject to a harmless error analysis. *United States v. Gonzalez-Lopez*, 548 U.S. 140, 152 (2006).

A defendant does not have a Sixth Amendment right to use tainted, forfeitable assets to hire counsel of his choice. *Caplin & Drysdale*, 491 U.S. at 631. However, “the pretrial restraint of legitimate, untainted assets needed to retain counsel of choice violates the Sixth Amendment.” *Luis v. United States*, 136 S. Ct. 1083, 1088 (2016). So long as assets are neither traceable to nor obtained as a result of the crime, the pretrial restraint of these assets is not permitted if it will impede the defendant’s right to secure counsel of choice, even if the funds might later be forfeitable as substitute assets. *Id.* at 1087-88.

Long before *Luis*, we held in *United States v. Farmer*, 274 F.3d 800, 805-06 (4th Cir. 2001), that a defendant has a due process right to a pretrial adversarial hearing to determine whether assets seized by the Government prior to trial were legitimate, nonforfeitable assets needed to enable him to retain counsel of his choice. To trigger the right to such a hearing, the defendant must make a threshold showing that he needs the restrained assets to pay counsel and that “the [G]overnment seized untainted assets without probable cause.” *Id.* at 804-05.

We discern no plain error in this case. At the preindictment restraint hearing, Peters only argued that \$330,000 of the assets seized were untainted, and Peters musters no argument on appeal to show that the district court’s rejection of this argument was in error. It was not until counsel moved to withdraw that any issue with paying for counsel appeared in this case. Moreover, once the fee dispute arose, the district court appointed counsel to represent Peters under the Criminal Justice Act, 18 U.S.C. § 3006A. We find this case to be analogous to *United States v. Ballard*, 727 F. App’x 757, 759 (4th Cir. 2018) (No. 16-4696). Although *Ballard* is unpublished, an unpublished Fourth Circuit case contradicting appellant’s argument “suggests that even if the district court erred, such error was not plain.” *United States v. Garcia-Lagunas*, 835 F.3d 479, 496 (4th Cir. 2016). Therefore, Peters is not entitled to relief on his Sixth Amendment claim.

## II.

Peters argues that the district court erred in denying his motion for judgment of acquittal on Count 2 because the Government failed to prove that the Capital Notes were securities. “We review the denial of a motion for judgment of acquittal de novo.” *United*

*States v. Savage*, 885 F.3d 212, 219 (4th Cir. 2018). In assessing the sufficiency of the evidence, we determine whether there is substantial evidence to support the convictions when viewed in the light most favorable to the Government. *Id.* “Substantial evidence is evidence that a reasonable finder of fact could accept as adequate and sufficient to support a conclusion of a defendant’s guilt beyond a reasonable doubt.” *United States v. Rodriguez-Soriano*, 931 F.3d 281, 286 (4th Cir. 2019) (cleaned up). In making this determination, we may not resolve conflicts in the evidence or evaluate witness credibility. *Savage*, 885 F.3d at 219. “A defendant who brings a sufficiency challenge bears a heavy burden, as appellate reversal on grounds of insufficient evidence is confined to cases where the prosecution’s failure is clear.” *Id.* (internal quotation marks omitted).

To secure a conviction on Count 2, the Government was required to “prove that in connection with the purchase or sale of a security the defendant, acting with scienter, made a material misrepresentation (or a material omission if the defendant had a duty to speak) or used a fraudulent device” and that the defendant did so willfully. *United States v Villar*, 729 F.3d 62, 88 (2d Cir. 2013) (internal quotation marks omitted). A security is defined, as relevant here, as “any note.” 15 U.S.C. §§ 77b(1), 78c(10).<sup>1</sup>

We conclude that the Government introduced more than sufficient evidence to establish that the Capital Notes were securities. In *Reves v. Ernst & Young*, 494 U.S. 56 (1990), the Supreme Court elaborated on the definition of a “note.” The Court clarified

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<sup>1</sup> “These two sections differ only slightly as far as wording and are generally accepted to be indistinguishable.” *Teague v. Bakker*, 35 F.3d 978, 986 n.6 (4th Cir. 1994).

that “the phrase any note should not be interpreted to mean literally any note, but must be understood against the backdrop of what Congress was attempting to accomplish in enacting the Securities Acts.” *Id.* at 63 (internal quotation marks omitted). However, the Court stated that there is “a presumption that every note is a security.” *Id.* at 65 (internal quotation marks omitted). The Court set forth several factors to consider in determining whether a transaction with a note involves a security. *Id.* at 66.

First, a court must “examine the transaction to assess the motivations that would prompt a reasonable seller and buyer to enter into it.” *Id.* “If the seller’s purpose is to raise money for the general use of a business enterprise or to finance substantial investments and the buyer is interested primarily in the profit the note is expected to generate, the investment is likely to be a security.” *Id.* (internal quotation marks omitted). That is the situation here. Peters promised his victims an eight or nine percent return on their investment, and he purported to use this money to buy new businesses.

Second, a court should “examine the plan of distribution of the instrument, to determine whether it is an instrument in which there is common trading for speculation or investment.” *Id.* at 66 (cleaned up). Peters created the Capital Notes for his clients to invest in VQ Capital. Third, a court must “examine the reasonable expectations of the investing public.” *Id.* The public would expect that the Capital Note is a security as the victims expected them to be part of their investment portfolios. Finally, we are to “examine whether some factor such as the existence of another regulatory scheme significantly reduces the risk of the instrument, thereby rendering application of the Securities Acts unnecessary.” *Id.* at 67. Peters points to no such other regulatory body, and Peters himself

admitted that he registered the Capital Notes with the Securities and Exchange Commission because he learned in 2016 that they might be securities. Therefore, we affirm Peters' convictions.

### III.

Finally, Peters contends that the district court erred in awarding restitution to one victim for assuming Peters' mortgage on a property she jointly owned with him and to his non-Capital Notes investors.<sup>2</sup> We review a district court's award of restitution for abuse of discretion. *United States v. Steele*, 897 F.3d 606, 609 (4th Cir. 2018).

Under the [Victim Witness Protection Act (VWPA), 18 U.S.C. § 3663], a district court may order a convicted criminal to pay restitution to "any victim" of his offense. In determining the amount of restitution to be paid, the court shall consider the amount of the loss sustained by any victim as a result of the offense and other factors as the court deems appropriate. In general, restitution pursuant to the VWPA is permissible only for the loss caused by the specific conduct that is the basis of the offense of conviction. A proper restitution award must be limited to the losses caused by the specific conduct of which the defendant is convicted. While not necessarily fixed by the description given in the corresponding charge itself, the award may not include losses unrelated to the count of conviction.

*United States v. Henoud*, 81 F.3d 484, 488 (4th Cir. 1996) (cleaned up).

We conclude that the non-Capital Notes losses were part of Peters' offense of conviction. Count 1 was not limited to the Capital Notes. And the trial evidence showed

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<sup>2</sup> Peters also argues that the district court erred in including these losses in calculating his Sentencing Guidelines range. However, any error was harmless because the losses associated with the Capital Notes exceeded \$9.5 million. *See U.S. Sentencing Guidelines Manual* § 2B1.1(b)(1)(K) (2018); *United States v. Dowell*, 771 F.3d 162, 175-76 (4th Cir. 2014) (concluding Guidelines error was harmless because it did not increase defendant's Guidelines range).

that Peters used a similar scheme to solicit investments in these other businesses—Peters stated that they were income-producing properties, the language in the notes was similar to those used in the Capital Notes, and he used proceeds from the victim’s investment in Blue Horseshoe Capital to finance his portion of the farm purchase. The Government only requested restitution for clients of VQ Management. Finally, the Government’s case agent testified at sentencing regarding her methods for calculating the restitution and the documentation she used to substantiate the victims’ losses. Therefore, we discern no abuse of discretion.

#### IV.

Accordingly, we affirm the district court’s judgment. We dispense with oral argument because the facts and legal contentions are adequately presented in the materials before this court and argument would not aid the decisional process.

*AFFIRMED*

FILED: September 9, 2021

UNITED STATES COURT OF APPEALS  
FOR THE FOURTH CIRCUIT

---

No. 19-4718  
(5:17-cr-00411-D-1)

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UNITED STATES OF AMERICA

Plaintiff - Appellee

v.

STEPHEN CONDON PETERS

Defendant - Appellant

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JUDGMENT

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In accordance with the decision of this court, the judgment of the district court is affirmed.

This judgment shall take effect upon issuance of this court's mandate in accordance with Fed. R. App. P. 41.

/s/ PATRICIA S. CONNOR, CLERK

## UNITED STATES DISTRICT COURT

Eastern District of North Carolina

UNITED STATES OF AMERICA

v.

STEPHEN CONDON PETERS

) **AMENDED JUDGMENT IN A CRIMINAL CASE**  
)  
)  
) Case Number: 5:17-CR-411-1-D  
) USM Number: 64439-056  
) Wes J. Camden / Caitlin M. Poe  
) Defendant's Attorney

**Date of Original Judgment:** 9/13/2019*(Or Date of Last Amended Judgment)***THE DEFENDANT:**

- pleaded guilty to count(s) \_\_\_\_\_  
 pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court.  
 was found guilty on count(s) 1s, 2s, 3s - 11s, 12s - 15s, 16s, 17s, 18s, 19s and 20s of the Superseding Indictment  
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
15 U.S.C. § 80b-6,	Investment Advisor Fraud and Aiding and Abetting	7/31/2017	1s
15 U.S.C. § 80b-17			
and 18 U.S.C. § 2			

The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

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

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

9/13/2019

Date of Imposition of Judgment

  
Signature of JudgeJames C. Dever III

U.S. District Judge

Name and Title of Judge

11/19/2019

Date

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

**ADDITIONAL COUNTS OF CONVICTION**

<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
15 U.S.C. § 78j(b), 15 U.S.C. § 78ff, 17 C.F.R. § 240.10b-5	Fraud in Sale of Unregistered Securities	7/31/2017	2s
18 U.S.C. § 1343 and 18 U.S.C. § 2	Wire Fraud and Aiding and Abetting	7/31/2017	3s - 11s
18 U.S.C. § 1957, 18 U.S.C. § 1957(b)(1) and 18 U.S.C. § 2	Money Laundering and Aiding and Abetting	7/31/2017	12s - 15s
18 U.S.C. § 371	Conspiracy to Make and Use False Documents and to Falsify and Conceal Records	11/30/2016	16s
18 U.S.C. § 1001(a)(1), 18 U.S.C. § 1001(a)(2), 18 U.S.C. § 1001 (a)(3), and 18 U.S.C. § 2	Make and Use False Documents and Aiding and Abetting	11/30/2016	17s
18 U.S.C. § 1519 and 18 U.S.C. § 2	Falsifying and Concealing Records and Aiding and Abetting	11/30/2016	18s
18 U.S.C. § 1505	Corrupt Endeavor to Influence Federal Agency	7/31/2017	19s
18 U.S.C. § 1028A(a)(1) and 18 U.S.C. § 2	Aggravated Identity Theft and Aiding and Abetting	7/31/2017	20s

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons to be imprisoned for a total term of :

See page 4

- The court makes the following recommendations to the Bureau of Prisons:  
The court recommends that the defendant receive vocational and educational training opportunities. The court recommends that he serve his term in FCI Butner, North Carolina.
- The defendant is remanded to the custody of the United States Marshal.
- The defendant shall surrender to the United States Marshal for this district:
- at \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_  
 as notified by the United States Marshal.
- The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:
- before 2 p.m. on \_\_\_\_\_  
 as notified by the United States Marshal.  
 as notified by the Probation or Pretrial Services Office.

## RETURN

I have executed this judgment as follows:

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_  
at \_\_\_\_\_ with a certified copy of this judgment.

\_\_\_\_\_  
UNITED STATES MARSHAL

By \_\_\_\_\_  
DEPUTY UNITED STATES MARSHAL

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

### **ADDITIONAL IMPRISONMENT TERMS**

Count 1s: 60 months

Counts 2s, 16s, 17s, and 19s: 60 months per count, to be served concurrently with each other and consecutively to count 1s

Counts 3s, 4s, 5s, 6s, 7s, 8s, 9s, 10s, 11s and 18s: 216 months per count, to be served concurrently with each other and consecutively to counts 2s, 16s, 17s, and 19s

Counts 12s, 13s, 14s and 15s: 120 months per count, to be served concurrently with each other and consecutively to counts 3s, 4s, 5s, 6s, 7s, 8s, 9s, 10s, 11s and 18s

Counts 20s: 24 months, to be served consecutively to all other counts

Total term: 480 months

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## SUPERVISED RELEASE

Upon release from imprisonment, you will be on supervised release for a term of :

Counts 1s through 19s: 3 years and a term of 1 year on count 20s, all such terms shall run concurrently - (Total term: 3 years)

## MANDATORY CONDITIONS

1. You must not commit another federal, state or local crime.
2. You must not unlawfully possess a controlled substance.
3. You must refrain from any unlawful use of a controlled substance. You must submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.
  - The above drug testing condition is suspended, based on the court's determination that you pose a low risk of future substance abuse. *(check if applicable)*
4.  You must make restitution in accordance with 18 U.S.C. § 3663 and 3663A or any other statute authorizing a sentence of restitution. *(check if applicable)*
5.  You must cooperate in the collection of DNA as directed by the probation officer. *(check if applicable)*
6.  You must comply with the requirements of the Sex Offender Registration and Notification Act (34 U.S.C. § 20901, *et seq.*) as directed by the probation officer, the Bureau of Prisons, or any state sex offender registration agency in the location where you reside, work, are a student, or were convicted of a qualifying offense. *(check if applicable)*
7.  You must participate in an approved program for domestic violence. *(check if applicable)*

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

DEFENDANT: STEPHEN CONDON PETERS

CASE NUMBER: 5:17-CR-411-1-D

## STANDARD CONDITIONS OF SUPERVISION

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

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

## U.S. Probation Office Use Only

A U.S. probation officer has instructed me on the conditions specified by the court and has provided me with a written copy of this judgment containing these conditions. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: [www.uscourts.gov](http://www.uscourts.gov).

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

Date \_\_\_\_\_

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

### **ADDITIONAL STANDARD CONDITIONS OF SUPERVISION**

The defendant shall not incur new credit charges or open additional lines of credit without approval of the probation office.

The defendant shall provide the probation office with access to any requested financial information.

The defendant shall consent to a warrantless search by a United States probation officer or, at the request of the probation officer, any other law enforcement officer, of the defendant's person and premises, including any vehicle, to determine compliance with the conditions of this judgment.

The defendant shall cooperate in the collection of DNA as directed by the probation officer.

The defendant shall support his dependent(s).

The defendant must make restitution in accordance with 18 U.S.C. §§ 3663 and 3663A or any other statute authorizing a sentence of restitution.

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## CRIMINAL MONETARY PENALTIES

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

	<u>Assessment</u>	<u>Restitution</u>	<u>Fine</u>	<u>AVAA Assessment*</u>	<u>JVTA Assessment**</u>
<b>TOTALS</b>	\$ 2,000.00	\$ 15,161,624.00	\$	\$	\$

- The determination of restitution is deferred until \_\_\_\_\_ . An *Amended Judgment in a Criminal Case (AO 245C)* will be entered after such determination.
- The defendant shall make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss***</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
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\*See Attachment A\*

<b>TOTALS</b>	\$ _____	\$ _____	0.00
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- Restitution amount ordered pursuant to plea agreement \$ \_\_\_\_\_
- The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- The court determined that the defendant does not have the ability to pay interest, and it is ordered that:
- the interest requirement is waived for  fine  restitution.
- the interest requirement for the  fine  restitution is modified as follows:

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

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

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

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D**SCHEDULE OF PAYMENTS**

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

- A  Lump sum payment of \$ \_\_\_\_\_ due immediately, balance due  
 not later than \_\_\_\_\_, or  
 in accordance with  C,  D,  E, or  F below; or
- B  Payment to begin immediately (may be combined with  C,  D, or  F below); or
- C  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment; or
- D  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E  Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F  Special instructions regarding the payment of criminal monetary penalties:

The special assessment in the amount of \$2000.00 shall be due in full immediately. Payment of restitution shall be due in full immediately and shall not bear interest. However, if the defendant is unable to pay in full immediately, the special assessment and restitution may be paid through the Inmate Financial Responsibility Program (IFRP). The court orders that the defendant pay a minimum payment of \$25 per quarter through the IFRP, if available. The court, having considered the defendant's financial resources and ability to pay, orders that any balance still owed at the time of release shall be paid in installments of \$500 per month to begin 60 days after the defendant's release from prison. At the time of the defendant's release, the probation officer shall take into consideration the defendant's ability to pay the restitution ordered and shall notify the court of any needed modification of the payment schedule.

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

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

- Joint and Several

Case Number Defendant and Co-Defendant Names (including defendant number)	Total Amount	Joint and Several Amount	Corresponding Payee, if appropriate.
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- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:  
 The defendant shall forfeit to the United States the defendant's interest in the property specified in the Jury Verdict on Forfeiture entered on June 6, 2019, Preliminary Order of Forfeiture entered on June 21, 2019, and Order Substituting Res entered on August 14, 2019.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) AVAA assessment, (5) fine principal, (6) fine interest, (7) community restitution, (8) JVTA assessment, (9) penalties, and (10) costs, including cost of prosecution and court costs.

Investor	Restitution Owed
Adkins, Tony & Terry	100,000
Baker, Lisa	100,000
Bartsch, Eric & Lynda	36,453
Boose, David R. & Susan M.	150,000
Borghoff, Susan	75,000
Bot, Molli Z.	50,655
Boylston, James	99,333
Cotton, Victoria (Brooks)	291,667
Burton, Lynn	232,400
Cahoon, Karl G.	116,558
Carr, Kenneth	50,000
Crowley, Ellen	357,000
Davis, Patricia S.	67,200
Deckert, Kevin P. & Jacynthe	250,000
DePietro, Anthony J. and Marie	73,667
DeSarno, Michael & Katharine	125,000
Dunham, Thomas & Lisa	161,199
Easley, Joseph Andrew	240,000
Evans, Ricky A.	337,512
Fairfax, Paul F.	100,000
Fellenstein, David & Tammy	315,721
Gunter, Keith & Paige	68,833
Hapgood, William	124,669
Harris, Sharon (Cambrium Group, LLC)	3,166,667
Helms, Charles W. & Dale W.	313,116
Holland, Nancy N.	240,893
Janowski, Thaddeus	150,000
Tucker, Janice (Jennings)	98,000
Jennings, John & Estelle	200,000
Leary, Jill	100,000
Leary, Paul D.	27,300
Light, James & Susan	50,000
Lybrand, Benjamin R. & Linda H.	67,000
Malitas, Harry & Mary	147,333
Malon, Kathryn A.	127,262
Moore, Ellen A. & Terry L.	429,000
Murray, Eugene & Beverly	87,000
Nigh, Cynthia & Larry	200,000
Nottingham, Virginia & Jeffrey C.	701,167
Putterman, Andrew M.	50,000
Radford, Lee (Heinrich)	272,052
Robins, Cathy B.	183,733
Ross, Roberta M.	127,500

Slayton, Joe (Slayton Enterprises)	1,230,000
Smith, Leo C.	213,333
Terry, Linda	237,485
Toler, Ann P.	166,250
Torres, Michael L. & Cynthia	506,000
Vincent, Martha J.	88,667
Webster, Glenn R. & Kathleen A.	250,005
Whitehead, James & Jolie	200,000
Wilson, Ashley	250,000
Zimmerman, Jonathan S.	43,060
Paul and Clair Puttermann	250,307
Stephen and Gail Dwyer	63,000
Dhiren & Shaila Pandya	48,500
Robert Mark & Rebecca Rowland Steffe	25,000
Lea Lilie & Jack Lilie	141,908
Evan & Rosemary Kovlsky	102,187
Dewayne and Jannine LeBlanc	171,777
Michael Harkins	232,361
Charles Daniel Gregory Jr.	20,798
Matthew R. and Kristi K. DiRocco	123,679
Gregory J. and Nancy M. Tavalsky	250,000
Mike and Connie Utecht	194,415
Daniel and Rachel Kendall	92,000
<b>Grand Total</b>	<b>15,161,624</b>

# UNITED STATES DISTRICT COURT

Eastern District of North Carolina

UNITED STATES OF AMERICA ) **JUDGMENT IN A CRIMINAL CASE**  
v. )  
STEPHEN CONDON PETERS ) Case Number: 5:17-CR-411-1-D  
 ) USM Number: 64439-056  
 ) Wes J. Camden / Caitlin M. Poe  
 ) Defendant's Attorney

## THE DEFENDANT:

- pleaded guilty to count(s) \_\_\_\_\_
- pleaded nolo contendere to count(s) \_\_\_\_\_ which was accepted by the court.
- was found guilty on count(s) 1s, 2s, 3s - 11s, 12s - 15s, 16s, 17s, 18s, 19s and 20s of the Superseding Indictment after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
15 U.S.C. § 80b-6, 15 U.S.C. § 80b-17 and 18 U.S.C. § 2	Investment Advisor Fraud and Aiding and Abetting	7/31/2017	1s

The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

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

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

9/13/2019  
Date of Imposition of Judgment

  
Signature of Judge

James C. Dever III, United States District Judge  
Name and Title of Judge

9/13/2019  
Date

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

### ADDITIONAL COUNTS OF CONVICTION

<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
15 U.S.C. § 78j(b), 15 U.S.C. § 78ff, 17 C.F.R. § 240.10b-5	Fraud in Sale of Unregistered Securities	7/31/2017	2s
18 U.S.C. § 1343 and 18 U.S.C. § 2	Wire Fraud and Aiding and Abetting	7/31/2017	3s - 11s
18 U.S.C. § 1957, 18 U.S.C. § 1957(b)(1) and 18 U.S.C. § 2	Money Laundering and Aiding and Abetting	7/31/2017	12s - 15s
18 U.S.C. § 371	Conspiracy to Make and Use False Documents and to Falsify and Conceal Records	11/30/2016	16s
18 U.S.C. § 1001(a)(1), 18 U.S.C. § 1001(a)(2), 18 U.S.C. § 1001 (a)(3), and 18 U.S.C. § 2	Make and Use False Documents and Aiding and Abetting	11/30/2016	17s
18 U.S.C. § 1519 and 18 U.S.C. § 2	Falsifying and Concealing Records and Aiding and Abetting	11/30/2016	18s
18 U.S.C. § 1505	Corrupt Endeavor to Influence Federal Agency	7/31/2017	19s
18 U.S.C. § 1028A(a)(1) and 18 U.S.C. § 2	Aggravated Identity Theft and Aiding and Abetting	7/31/2017	20s

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons to be imprisoned for a total term of:

\*\*See page 4\*\*

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

The court recommends that the defendant receive vocational and educational training opportunities. The court recommends that he serve his term in FCI Butner, North Carolina.

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

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

at \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_

as notified by the United States Marshal.

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

before 2 p.m. on \_\_\_\_\_

as notified by the United States Marshal.

as notified by the Probation or Pretrial Services Office.

## RETURN

I have executed this judgment as follows:

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

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

\_\_\_\_\_  
UNITED STATES MARSHAL

By \_\_\_\_\_  
DEPUTY UNITED STATES MARSHAL

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

### **ADDITIONAL IMPRISONMENT TERMS**

Count 1s: 60 months

Counts 2s, 16s, 17s, and 19s: 60 months per count, to be served concurrently with each other and consecutively to count 1s

Counts 3s, 4s, 5s, 6s, 7s, 8s, 9s, 10s, 11s and 18s: 216 months per count, to be served concurrently with each other and consecutively to counts 2s, 16s, 17s, and 19s

Counts 12s, 13s, 14s and 15s: 120 months per count, to be served concurrently with each other and consecutively to counts 3s, 4s, 5s, 6s, 7s, 8s, 9s, 10s, 11s and 18s

Counts 20s: 24 months, to be served consecutively to all other counts

Total term: 480 months

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## SUPERVISED RELEASE

Upon release from imprisonment, you will be on supervised release for a term of:

Counts 1s through 19s: 3 years and a term of 1 year on count 20s, all such terms shall run concurrently - (Total term: 3 years)

## MANDATORY CONDITIONS

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

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

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## STANDARD CONDITIONS OF SUPERVISION

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

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

## U.S. Probation Office Use Only

A U.S. probation officer has instructed me on the conditions specified by the court and has provided me with a written copy of this judgment containing these conditions. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: [www.uscourts.gov](http://www.uscourts.gov).

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

Date \_\_\_\_\_

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

### **ADDITIONAL STANDARD CONDITIONS OF SUPERVISION**

The defendant shall not incur new credit charges or open additional lines of credit without approval of the probation office.

The defendant shall provide the probation office with access to any requested financial information.

The defendant shall consent to a warrantless search by a United States probation officer or, at the request of the probation officer, any other law enforcement officer, of the defendant's person and premises, including any vehicle, to determine compliance with the conditions of this judgment.

The defendant shall cooperate in the collection of DNA as directed by the probation officer.

The defendant shall support his dependent(s).

The defendant must make restitution in accordance with 18 U.S.C. §§ 3663 and 3663A or any other statute authorizing a sentence of restitution.

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## CRIMINAL MONETARY PENALTIES

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

<u>TOTALS</u>	<u>Assessment</u>	<u>JVTA Assessment*</u>	<u>Fine</u>	<u>Restitution</u>
	\$ 2,000.00	\$	\$	\$

- The determination of restitution is deferred until \_\_\_\_\_. An *Amended Judgment in a Criminal Case (AO 245C)* will be entered after such determination.
- The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss**</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
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Restitution shall be held open for 45 days.

<u>TOTALS</u>	\$ _____ 0.00	\$ _____ 0.00
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- Restitution amount ordered pursuant to plea agreement \$ \_\_\_\_\_
- The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- The court determined that the defendant does not have the ability to pay interest and it is ordered that:
  - the interest requirement is waived for the  fine  restitution.
  - the interest requirement for the  fine  restitution is modified as follows:

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

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

DEFENDANT: STEPHEN CONDON PETERS  
CASE NUMBER: 5:17-CR-411-1-D

## SCHEDULE OF PAYMENTS

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

- A  Lump sum payment of \$ \_\_\_\_\_ due immediately, balance due  
 not later than \_\_\_\_\_, or  
 in accordance with  C,  D,  E, or  F below; or
- B  Payment to begin immediately (may be combined with  C,  D, or  F below); or
- C  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment; or
- D  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E  Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F  Special instructions regarding the payment of criminal monetary penalties:

The special assessment in the amount of \$2000.00 shall be due in full immediately. Payment of restitution shall be due in full immediately and shall not bear interest. However, if the defendant is unable to pay in full immediately, the special assessment and restitution may be paid through the Inmate Financial Responsibility Program (IFRP). The court orders that the defendant pay a minimum payment of \$25 per quarter through the IFRP, if available. The court, having considered the defendant's financial resources and ability to pay, orders that any balance still owed at the time of release shall be paid in installments of \$500 per month to begin 60 days after the defendant's release from prison. At the time of the defendant's release, the probation officer shall take into consideration the defendant's ability to pay the restitution ordered and shall notify the court of any needed modification of the payment schedule.

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

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

- Joint and Several

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

- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:  
The defendant shall forfeit to the United States the defendant's interest in the property specified in the Jury Verdict on Forfeiture entered on June 6, 2019, Preliminary Order of Forfeiture entered on June 21, 2019, and Order Substituting Res entered on August 14, 2019.

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