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12 Attorneys for United States of America

13 UNITED STATES DISTRICT COURT  
14 NORTHERN DISTRICT OF CALIFORNIA  
15 SAN FRANCISCO DIVISION  
16

17 UNITED STATES OF AMERICA, ) NO. CR-17-0448 RS  
18 Plaintiff, ) PLEA AGREEMENT  
19 v. )  
20 SHAUN W. BRIDGES, )  
21 Defendant. )  
22

23 I, Shaun W. Bridges, and the United States Attorney’s Offices for the Northern District of  
24 California and Maryland, and the United States Department of Justice, Public Integrity Section (“the  
25 government”), enter into this written plea agreement (the “Agreement”) pursuant to Rule 11(c)(1)(A)  
26 and 11(c)(1)(B) of the Federal Rules of Criminal Procedure:  
27  
28

1 The Defendant's Promises

2 1. I agree to plead guilty to Count One of the captioned Information charging me with  
3 money laundering, in violation of 18 U.S.C. § 1957. I agree that the elements of the offenses are as  
4 follows:

- 5 Count One: (1) I conducted a monetary transaction involving property that represented the proceeds  
6 of theft of government property, in violation of Title 18 U.S.C. § 641;  
7 (2) I knew that the property represented the proceeds of theft of government property;  
8 (3) The property had a value greater than \$10,000.00; and  
9 (4) The transaction occurred in the United States.

10 I further agree that the elements of the underlying unlawful activity of theft of  
11 government property are:

- 12 (1) I knowingly embezzled, stole, converted the use of myself and others, money or  
13 property of value with the intention of depriving the owner of the use or benefit of the  
14 money or property;  
15 (2) the money or property belonged to the United States; and  
16 (3) the value of the money or property was more than \$1,000.

17 I agree that the maximum penalties are as follows:

18 Count One:

- |    |    |                                 |  |
|----|----|---------------------------------|--|
| 19 | a. | Maximum prison term             | 10 years   |
| 20 | b. | Maximum fine                    | \$250,000 or twice the gross gain or<br>loss, whichever is greater |
| 21 | c. | Maximum supervised release term | 3 years  |
| 22 | d. | Restitution                     | To be determined   |
| 23 | e. | Mandatory special assessment    | \$100  |
| 24 | f. | Forfeiture                      | See below  |

25  
26  
27 2. I agree that I am guilty of the offense to which I am pleading guilty, and I agree that the  
28 following facts are true:

1 On or about March 18, 2015, I stole approximately 1606 bitcoin from a digital wallet belonging  
 2 to the United States government. I acknowledge that, at all times from March 18, 2015, to the present,  
 3 1606 bitcoin was valued at more than \$1,000. I agree that, on the day of the theft, March 18, 2015, 1606  
 4 bitcoin was valued at approximately \$359,005.00 (at approximately \$223.54 per bitcoin). I utilized a  
 5 private key in order to access the digital wallet and I knew and understood that the contents of that  
 6 wallet belonged to the United States government, and were not intended for me or my personal use. I  
 7 moved the bitcoin from the online digital wallet belonging to the government into an account under my  
 8 control at the online digital currency exchange BTC-E. After moving the bitcoin from the digital wallet  
 9 belonging to the government to the account I controlled, I intended to use the bitcoin for my own use.

10 I conducted the monetary transactions knowing the transactions involved criminally derived  
 11 property. Specifically, I caused the following transfer of a monetary instrument: On or about July 28,  
 12 2015, I transferred 1606 bitcoin from the online digital wallet "5jj9" belonging to the government to a  
 13 digital account at BTC-E. This transfer was processed in multiple automatic transactions because BTC-  
 14 E only processed withdrawals of 100 bitcoin at a time.

Date	Amount	Description of Monetary Transaction
8/3/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/4/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/5/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/6/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/8/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/10/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/11/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "rbfe"
8/12/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "sxzT"
9/15/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "dWe9"
9/16/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "dWe9"
9/17/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "Dgxi"
9/18/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "WeMd"
9/19/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "GAUo"
9/20/15	100 BTC	Withdrawal from BTC-E account to online digital wallet "GAUo"
9/21/15	100 BTC	Withdrawal from BTC-E account to online digital wallet

		“NNbC”
9/23/15	100 BTC	Withdrawal from BTC-E account to online digital wallet “H2o7”
9/24/15	6.6497 BTC	Withdrawal from BTC-E account to online digital wallet “4acr”
11/16/15	605 BTC	Deposit from multiple accounts into account “suK7” at exchange Bitfinex
Unknown	1037 BTC	Deposit into hardware wallet

I knowingly engaged in that transaction with the knowledge that the transaction involved criminally derived property in that it was the proceeds of theft from the government. I acknowledge that the value of the monetary transaction was in excess of \$10,000.

On or about December 8 and 9, 2016, I met with law enforcement agents from the DHS-OIG, FBI, IRS-CI, and representatives of the United States Attorney’s Office. During those meetings, I truthfully revealed my crimes and I provided law enforcement with a passcode to obtain the stolen bitcoin that had not previously been retrieved by the government, despite its past efforts. Specifically, the government had recovered approximately 605 of the bitcoin I had taken. I also provided the passwords for the government to obtain the bitcoin that I now understand they had already retrieved, not knowing that they had already retrieved them. I did this in an effort to reimburse the United States government and in the hope of consideration in the form of a recommendation for leniency from the government.

3. I agree to give up all rights that I would have if I chose to proceed to trial, including the rights to a jury trial with the assistance of any attorney; to confront and cross-examine government witnesses; to remain silent or testify; to move to suppress evidence or raise any other Fourth or Fifth Amendment claims; to any further discovery from the government; and to pursue any affirmative defenses and present evidence. I agree, for purposes of entering this guilty plea, sentencing and all other proceedings relevant to the filing of this Agreement, to consent to the jurisdiction of the United States District Court for the Northern District of California. I expressly waive my right to object to venue in the Northern District of California.

4. I agree to give up my right to appeal my conviction, the judgment, and orders of the

1 Court. I also agree to waive any right I have to appeal any aspect of my sentence, including any orders  
 2 relating to forfeiture and or restitution.

3 5. I agree not to file any collateral attack on my conviction or sentence, including a petition  
 4 under 28 U.S.C. § 2255 or 28 U.S.C. § 2241, except that I reserve my right to claim that my counsel was  
 5 ineffective in connection with the negotiation of this Agreement or the entry of my guilty plea. I also  
 6 agree not to seek relief under 18 U.S.C. § 3582.

7 6. I agree not to ask the Court to withdraw my guilty plea at any time after it is entered. I  
 8 understand that by entering into this Agreement: (a) I agree that the facts set forth in Paragraph 2 of this  
 9 Agreement shall be admissible against me under Fed. R. Evid. 801(d)(2)(A) in any subsequent  
 10 proceeding, including at trial, in the event I violate any of the terms of this Agreement, and (b) I  
 11 expressly waive any and all rights under Fed. R. Crim. 11(f) and Fed. R. Evid. 410 with regard to the  
 12 facts set forth in Paragraph 2 of this Agreement in such subsequent proceeding. I understand that the  
 13 government will not preserve any physical evidence obtained in this case.

14 7. I agree that the Court will use the Sentencing Guidelines to calculate my sentence. I  
 15 understand that the Court must consult the Guidelines and take them into account when sentencing,  
 16 together with the factors set forth in 18 U.S.C. § 3553(a). I also understand that the Court is not bound  
 17 by the Guidelines calculations below, the Court may conclude that a higher Guidelines range applies to  
 18 me, and, if it does, I will not be entitled, nor will I ask to withdraw my guilty plea. I agree that  
 19 regardless of the sentence that the Court imposes on me, I will not be entitled, nor will I ask, to  
 20 withdraw my guilty plea. I also agree that the Sentencing Guidelines offense level will be calculated as  
 21 follows and that I will not ask for any other adjustment to or reduction in the offense level or for a  
 22 downward departure from the Guidelines range as determined by the Court, except as provided in  
 23 paragraph 15. The parties have reached no agreement regarding my Criminal History Category.

24 Count One:

- |    |    |  |                         |
|----|----|--|-------------------------|
| 25 | a. | Base Offense Level, U.S.S.G. §2 S1.1(a)(1):            | 6 (§ 2B1.1(a)(2))       |
| 26 | b. | Specific offense characteristics under U.S.S.G. Ch. 2: | +12 (§ 2B1.1(b)(1)(G))  |
| 27 |    |  | (amount of loss)        |
| 28 |    |  | +1 (§ 2S1.1(b)(2)(B))   |
|    |    |  | (conviction for § 1957) |

1 c. Adjustments under U.S.S.G. Ch. 3: +2 (§ 3B1.3)  
 2 (abuse of position of  
 3 trust/special skill) +3 (§ 3C1.3)  
 4 (commission of offense while  
 5 on release)

6 d. Acceptance of Responsibility: If I meet the requirements of U.S.S.G. § 3E1.1, I may be  
 7 entitled to a three level reduction for acceptance of responsibility, provided that I forthrightly  
 8 admit my guilt, cooperate with the Court and the Probation Office in any presentence  
 investigation ordered by the Court, and continue to manifest an acceptance of responsibility  
 through and including the time of sentencing: -3

9 e. Adjusted Offense Level: 21

10  
 11 8. I agree that regardless of any other provision of this Agreement, the government may and  
 12 will provide the Court and the Probation Office with all information relevant to the charged offense and  
 13 the sentencing decision.

14 9. I agree to pay restitution for all the losses caused by all the schemes or offenses with  
 15 which I was charged in this case, and I agree that the amount of restitution will not be limited to the loss  
 16 attributable to the counts to which I am pleading guilty, pursuant to 18 U.S.C. § 3663(a)(3). I agree to  
 17 pay restitution in an amount to be set by the Court. I agree that any fine, forfeiture, or restitution  
 18 imposed by the Court against me will be immediately due and payable and subject to immediate  
 19 collection by the government and I understand that the government may seek immediate collection of  
 20 the entire fine, forfeiture, or restitution from any assets without regard to any schedule of payments  
 21 imposed by the Court or established by the Probation Office. I agree that I will make a good-faith effort  
 22 to pay any fine, forfeiture, or restitution I am ordered to pay. Before or after sentencing, I will upon  
 23 request of the Court, the government, or the Probation Office, provide accurate and complete financial  
 24 information, submit sworn statements and give depositions under oath concerning my assets and my  
 25 ability to pay, surrender assets I obtained as a result of my crimes, and release funds and property under  
 26 my control in order to pay any fine, forfeiture, or restitution. I agree to pay the special assessment at the  
 27 time of sentencing.

28 10. I agree not to commit or attempt to commit any crimes before sentence is imposed or



1 before I surrender to serve my sentence. I also agree not to violate the terms of my pretrial release; not  
 2 to intentionally provide false information to the Court, the Probation Office, Pretrial Services, or the  
 3 government; and not to fail to comply with any of the other promises I have made in this Agreement. I  
 4 agree not to have any contact with any victims or witnesses in this case, either directly or indirectly,  
 5 before and after I am sentenced. This includes, but is not limited to, personal contact, telephone, mail,  
 6 or electronic mail contact, or any other written form of communication, and includes any harassing,  
 7 annoying, or intimidating conduct by me directed to any victims or witnesses. I agree that the Court  
 8 may also include this no-contact provision as a condition of my supervised release term. I agree that if I  
 9 fail to comply with any promises I have made in this Agreement, then the government will be released  
 10 from all of its promises in this Agreement, including those set forth in the Government's Promises  
 11 Section below, but I will not be released from my guilty plea.

12 11. I agree to forfeit the following property (hereinafter "subject property"):

13 a. 1,037.0670306 bitcoin seized on December 8, 2016, from the following bitcoin wallets:

- 14 i. 1Q1vZck4AqV5xJLxh8n9uUvVLteRzTyzmf
- 15 ii. 1P3ETyRmDUnr1qyxqzu3mUbvsvMx65GJFW
- 16 iii. 1PWuF67kvf7BEgmW9d7fZWRgANvw9FskkR
- 17 iv. 18zpm6oCEjPgntN2tpYu7LmrPfTX4cdUUG
- 18 v. 1NWwhnjWLzRDq1NXxum7TkPa4UrtvhN6JU
- 19 vi. 15Bc9Xj3GrVGAPjYTq3G5G4CVGyHJwde1i
- 20 vii. 1AJKHg4nWXJzsEmi5Z7ZWHhXJrjzjosiDP
- 21 viii. 1NMUCEyVYnUVxkwavVJRcBFY6wD4MXNAg4
- 22 ix. 1H45HStWnDgBY6gaUzsNrrNnUdnVPahxUj
- 23 x. 19hncbBs19X5gTq5FkLH6TrhkkyZ5QDBfh

24 b. 384.5582652 bitcoin seized pursuant to a seizure warrant,

25 c. \$3,569.28 in fiat currency seized from Bitfinex account, and

26 d. approximately 40 bitcoin seized while an agent with USSS.

27 I admit that the subject property constitutes money involved in money laundering and/or  
 28 proceeds from obstruction of justice or wire fraud, and thus is forfeitable to the United States pursuant to

1 the provisions of 18 U.S.S § 981(a)(1)(A), 18 U.S.C. § 982(a)(1); 28, U.S.C. § 2461(c) and/or the  
2 procedures outlined in Rule 32.2 of the Federal Rules of Criminal Procedure and 21 U.S.C. § 853. I  
3 relinquish any and all right, title, and interest I may have in the subject property and agree that such  
4 right, title, and interest can be forfeited to the United States without further notice to me. I also agree I  
5 will not contest, nor assist anyone in contesting any administrative or judicial forfeiture proceeding  
6 (whether criminal, civil, state or federal) which may be brought against said property. I further agree to  
7 waive all constitutional and statutory challenges in any manner (including direct appeal, habeas corpus,  
8 or any other means) to any forfeiture carried out in accordance with this Agreement on any grounds,  
9 including that the forfeiture constitutes an excessive fine or punishment or that the forfeiture proceeding  
10 was brought in violation of the statute of limitations.

11 I agree that the money involved in the monetary transactions discussed above in Paragraph 2, is  
12 subject to forfeiture. I further agree that the assets identified in Paragraph 11 (a) - (d), which were  
13 obtained through violations of money laundering, wire fraud, and/or obstruction of justice, can be  
14 forfeited.

15 12. I agree that this Agreement contains all of the promises and agreements between the  
16 government and me, and I will not claim otherwise in the future. No modification of this Agreement  
17 shall be effective unless it is in writing and signed by all parties.

18 13. I agree that the Agreement binds the U.S. Attorney's Offices for the Northern District of  
19 California and Maryland, and the United States Department of Justice, Public Integrity Section, only,  
20 and does not bind any other federal, state, or local agency.

#### 21 The Government's Promises

22 14. Except as provided in this Agreement, the government agrees not to file any charges  
23 against the defendant that could be filed for or arising from the investigation of (1) his role in stealing  
24 money from the government in the form of approximately 1646 bitcoin on March 18, 2015, (2) financial  
25 transactions conducted with the proceeds from these thefts from the government, (3) obstructing the  
26 investigations of the government into the theft from the government that led to the captioned  
27 Information, (4) conduct discussed with law enforcement agents and the United States Attorney's Office  
28 during meetings on December 8 and 9, 2016, which is not the subject of this plea agreement and (5)



1 conduct arising out of the events underlying the criminal complaint in case number CR 15-319 RS,  
2 which is not the subject of this plea agreement.

3 15. The government agrees to recommend the Guideline calculations set out above. The  
4 government will not object to the defendant arguing for a departure from those Guideline calculations  
5 pursuant to § 5K2.0 and/or to argue for a variance pursuant to 18 U.S.C. § 3553. In support of the  
6 recommended sentence, the government will bring to the attention of the Court the extent of the  
7 defendant's cooperation with the government into recovering the stolen bitcoin, the defendant's  
8 agreement to waive venue by pleading guilty in this district, and any other assistance provided by the  
9 defendant which the government deems relevant at the time of sentencing. The government is released  
10 from its agreements if the defendant violates the terms of the Agreement above or fails to accept  
11 responsibility.

12 The Defendant's Affirmations

13 16. I confirm that I have had adequate time to discuss this case, the evidence, and the  
14 Agreement with my attorney and that my attorney has provided me with all the legal advice that I  
15 requested.

16 17. I confirm that the while I considered signing this Agreement, and at the time I signed it, I  
17 was not under the influence of any alcohol, drug, or medicine that would impair my ability to understand  
18 the Agreement.

19 18. I confirm that my decision to enter a guilty plea is made knowing the charges that have  
20 been brought against me, any possible defense, and the benefits and possible detriments of proceeding to  
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28

1 trial. I also confirm that my decision to plead guilty is made voluntarily, and no one coerced or  
2 threatened me to enter into this Agreement.

3  
4 Dated: 8/15/17

  
SHAUN W. BRIDGES  
Defendant

BRIAN J. STRETCH  
United States Attorney

6  
7  
8 Dated: 8/15/17

  
WILLIAM FRENTZEN  
DAVID COUNTRYMAN  
Assistant United States Attorneys

11 ANNALOU TIROL  
12 Acting Chief, Public Integrity Section  
13 U.S. Department of Justice

14 Dated: 8/15/17

  
RICHARD B. EVANS  
Trial Attorney

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16  
17 19. I have fully explained to my client all the rights that a criminal defendant has and all the  
18 terms of this Agreement. In my opinion, my client understands all the terms of this Agreement and all  
19 the rights my client is giving up by pleading guilty, and, based on the information now known to me, my  
20 client's decision to plead guilty is knowing and voluntary.

21  
22 Dated: August 15, 2017

  
LAUREL HEADLEY  
Attorney for Defendant