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17 IN THE UNITED STATES DISTRICT COURT
 18 FOR THE DISTRICT OF ARIZONA

19 United States of America,
 20
 21 Plaintiff,
 22
 23 vs.
 24
 25 Pierre Zarokian,
 26
 27 Defendant.

No. CR181626-PHX-JJT

PLEA AGREEMENT

28 Plaintiff, United States of America, and the defendant, PIERRE ZAROKIAN, hereby agree to dispose of this matter on the following terms and conditions:

1. **PLEA**

The defendant will plead guilty to the Information charging the defendant with a violation of 18 United States Code (U.S.C.) § 371, Conspiracy, a Class D felony offense.

2. **MAXIMUM PENALTIES**

a. A violation of 18 U.S.C. § 371 is punishable by a maximum fine of \$250,000, a maximum term of imprisonment of five years, or both, and a term of supervised release of three years. A maximum term of probation is five years.

b. According to the Sentencing Guidelines issued pursuant to the Sentencing Reform Act of 1984, the Court shall order the defendant to:

1 (1) make restitution to any victim of the offense pursuant to 18 U.S.C.
2 § 3663 and/or 3663A, unless the Court determines that restitution would not be
3 appropriate;

4 (2) pay a fine pursuant to 18 U.S.C. § 3572, unless the Court finds that a
5 fine is not appropriate;

6 (3) serve a term of supervised release when required by statute or when a
7 sentence of imprisonment of more than one year is imposed (with the understanding that
8 the Court may impose a term of supervised release in all other cases); and

9 (4) pay upon conviction a \$100 special assessment for each count to
10 which the defendant pleads guilty pursuant to 18 U.S.C. § 3013.

11 c. The Court is required to consider the Sentencing Guidelines in determining
12 the defendant's sentence. However, the Sentencing Guidelines are advisory, and the Court
13 is free to exercise its discretion to impose any reasonable sentence up to the maximum set
14 by statute for the crime(s) of conviction, unless there are stipulations to the contrary that
15 the Court accepts.

16 **3. AGREEMENTS REGARDING SENTENCING**

17 a. Recommendation: Acceptance of Responsibility. Pursuant to Fed. R. Crim.
18 P. 11(c)(1)(B), if the defendant makes full and complete disclosure to the U.S. Probation
19 Office of the circumstances surrounding the defendant's commission of the offense, and if
20 the defendant demonstrates an acceptance of responsibility for this offense up to and
21 including the time of sentencing, the United States will recommend a two-level reduction
22 in the applicable Sentencing Guidelines offense level pursuant to U.S.S.G. § 3E1.1(a). If
23 the defendant has an offense level of 16 or more, the United States will move the Court for
24 an additional one-level reduction in the applicable Sentencing Guidelines offense level
25 pursuant to U.S.S.G. § 3E1.1(b).

26 b. Non-Binding Recommendations. The defendant understands that
27 recommendations are not binding on the Court. The defendant further understands that the
28

1 defendant will not be permitted to withdraw the guilty plea if the Court does not follow a
2 recommendation.

3 c. Stipulation: Restitution. Pursuant to 18 U.S.C. § 3663 and/or 3663A, the
4 defendant specifically agrees to pay full restitution, regardless of the resulting loss amount
5 but in no event more than \$200,000, to all victims directly or proximately harmed by the
6 defendant's "relevant conduct," including conduct pertaining to any dismissed counts or
7 uncharged conduct, as defined by U.S.S.G. § 1B1.3, regardless of whether such conduct
8 constitutes an "offense" under 18 U.S.C. §§ 2259, 3663 or 3663A. The defendant
9 understands that such restitution will be included in the Court's Order of Judgment and that
10 an unanticipated restitution amount will not serve as grounds to withdraw the defendant's
11 guilty plea or to withdraw from this plea agreement.

12 d. Assets and Financial Responsibility. The defendant shall make a full
13 accounting of all assets in which the defendant has any legal or equitable interest. The
14 defendant shall not (and shall not aid or abet any other party to) sell, hide, waste, spend, or
15 transfer any such assets or property before sentencing, without the prior approval of the
16 United States (provided, however, that no prior approval will be required for routine, day-
17 to-day expenditures). The defendant also expressly authorizes the United States Attorney's
18 Office to immediately obtain a credit report as to the defendant in order to evaluate the
19 defendant's ability to satisfy any financial obligation imposed by the Court. The defendant
20 also shall make full disclosure of all current and projected assets to the U.S. Probation
21 Office immediately and prior to the termination of the defendant's supervised release or
22 probation, such disclosures to be shared with the U.S. Attorney's Office, including the
23 Financial Litigation Unit, for any purpose. Finally, the defendant shall participate in the
24 Inmate Financial Responsibility Program to fulfill all financial obligations due and owing
25 under this agreement and the law.

26 **4. COURT APPROVAL REQUIRED; REINSTITUTION OF PROSECUTION**

27 a. If the Court, after reviewing this plea agreement, concludes that any
28 provision contained herein is inappropriate, it may reject the plea agreement and give the

1 defendant the opportunity to withdraw the guilty plea in accordance with Fed. R. Crim. P.
2 11(c)(5).

3 b. If the defendant's guilty plea or plea agreement is rejected, withdrawn,
4 vacated, or reversed at any time, this agreement shall be null and void, the United States
5 shall be free to prosecute the defendant for all crimes of which it then has knowledge and
6 any charges that have been dismissed because of this plea agreement shall automatically
7 be reinstated. In such event, the defendant waives any and all objections, motions, and
8 defenses based upon the Statute of Limitations, the Speedy Trial Act, or constitutional
9 restrictions in bringing later charges or proceedings. The defendant understands that any
10 statements made at the time of the defendant's change of plea or sentencing may be used
11 against the defendant in any subsequent hearing, trial, or proceeding subject to the
12 limitations of Fed. R. Evid. 410.

13 **5. WAIVER OF DEFENSES AND APPEAL RIGHTS**

14 The defendant waives (1) any and all motions, defenses, probable cause
15 determinations, and objections that the defendant could assert to the indictment or
16 information; and (2) any right to file an appeal, any collateral attack, and any other writ or
17 motion that challenges the conviction, an order of restitution or forfeiture, the entry of
18 judgment against the defendant, or any aspect of the defendant's sentence, including the
19 manner in which the sentence is determined, including but not limited to any appeals under
20 18 U.S.C. § 3742 (sentencing appeals) and motions under 28 U.S.C. §§ 2241 and 2255
21 (habeas petitions), and any right to file a motion for modification of sentence, including
22 under 18 U.S.C. § 3582(c). This waiver shall result in the dismissal of any appeal,
23 collateral attack, or other motion the defendant might file challenging the conviction, order
24 of restitution or forfeiture, or sentence in this case. This waiver shall not be construed to
25 bar an otherwise-preserved claim of ineffective assistance of counsel or of "prosecutorial
26 misconduct" (as that term is defined by Section II.B of Ariz. Ethics Op. 15-01 (2015)).
27
28

- 1 1. There was an agreement between two or more persons to intentionally cause
2 damage to a protected computer;
- 3 2. The defendant became a member of the conspiracy knowing of its object and
4 intending to help accomplish it; and
- 5 3. One of the members of the conspiracy performed at least one overt act for
6 the purpose of carrying out the conspiracy.

7 **Intentional Damage to Protected Computer**

- 8 1. A defendant knowingly caused the transmission of a program, a code, a
9 command, or information to a computer;
- 10 2. As a result of the transmission, a defendant intentionally impaired without
11 authorization the integrity or availability of data or information; and
- 12 3. The computer was used in or affected interstate or foreign commerce or
13 communication.

14 **9. FACTUAL BASIS**

15 a. The defendant admits that the following facts are true and that if this matter
16 were to proceed to trial the United States could prove the following facts beyond a
17 reasonable doubt:

18 I, Pierre Zarokian, worked with Joshua Polloso Epifaniou during October
19 2016 through May 2017 to obtain unauthorized access to Ripoff Report
20 (ROR)'s database and delete information. ROR is a company based in
21 Phoenix, Arizona, that hosts a website where customers can post anonymous
22 complaints about people and businesses. I operated a search engine
23 marketing company in California that offered "reputation management
24 services," including the removal of negative customer complaints from ROR.
25 In October 2016 Epifaniou—a computer hacker living in Cyprus—gained
26 unauthorized access to ROR computer servers in Phoenix, Arizona, and then
27 contacted me. In furtherance of the conspiracy, and to achieve the object of
28 the conspiracy, Epifaniou and I committed an overt act—namely that I paid
him \$1000 per complaint removal and then charged my clients a fee for
removal between \$1000 to \$5000. I knew that Epifaniou was deleting the
records through unauthorized access to the ROR computer servers, and I
acknowledge that the ROR computer servers were used in and affected
interstate commerce.

b. The defendant shall swear under oath to the accuracy of this statement and,
if the defendant should be called upon to testify about this matter in the future, any

1 intentional material inconsistencies in the defendant's testimony may subject the defendant
2 to additional penalties for perjury or false swearing, which may be enforced by the United
3 States under this agreement.

4 **APPROVAL AND ACCEPTANCE OF THE DEFENDANT**

5 I have read the entire plea agreement with the assistance of my attorney. I
6 understand each of its provisions and I voluntarily agree to it.

7 I have discussed the case and my constitutional and other rights with my attorney.
8 I understand that by entering my plea of guilty I shall waive my rights to plead not guilty,
9 to trial by jury, to confront, cross-examine, and compel the attendance of witnesses, to
10 present evidence in my defense, to remain silent and refuse to be a witness against myself
11 by asserting my privilege against self-incrimination, all with the assistance of counsel, and
12 to be presumed innocent until proven guilty beyond a reasonable doubt.

13 I agree to enter my guilty plea as indicated above on the terms and conditions set
14 forth in this agreement.

15 I have been advised by my attorney of the nature of the charges to which I am
16 entering my guilty plea. I have further been advised by my attorney of the nature and range
17 of the possible sentence and that my ultimate sentence shall be determined by the Court
18 after consideration of the advisory Sentencing Guidelines.

19 My guilty plea is not the result of force, threats, assurances, or promises, other than
20 the promises contained in this agreement. I voluntarily agree to the provisions of this
21 agreement and I agree to be bound according to its provisions.

22 I understand that if I am granted probation or placed on supervised release by the
23 Court, the terms and conditions of such probation/supervised release are subject to
24 modification at any time. I further understand that if I violate any of the conditions of my
25 probation/supervised release, my probation/supervised release may be revoked and upon
26 such revocation, notwithstanding any other provision of this agreement, I may be required
27 to serve a term of imprisonment or my sentence otherwise may be altered.

28

1 This written plea agreement, and any written addenda filed as attachments to this
2 plea agreement, contain all the terms and conditions of the plea. Any additional
3 agreements, if any such agreements exist, shall be recorded in a separate document and
4 may be filed with the Court under seal; accordingly, additional agreements, if any, may not
5 be in the public record.

6 I further agree that promises, including any predictions as to the Sentencing
7 Guideline range or to any Sentencing Guideline factors that will apply, made by anyone
8 (including my attorney) that are not contained within this written plea agreement, are null
9 and void and have no force and effect.

10 I am satisfied that my defense attorney has represented me in a competent manner.

11 I fully understand the terms and conditions of this plea agreement. I am not now
12 using or under the influence of any drug, medication, liquor, or other intoxicant or
13 depressant that would impair my ability to fully understand the terms and conditions of this
14 plea agreement.

15
16 12/12/18
Date

15
16 P. Z.
PIERRE ZAROKIAN
Defendant

17
18 **APPROVAL OF DEFENSE COUNSEL**

19 I have discussed this case and the plea agreement with my client in detail and have
20 advised the defendant of all matters within the scope of Fed. R. Crim. P. 11, the
21 constitutional and other rights of an accused, the factual basis for and the nature of the
22 offense to which the guilty plea will be entered, possible defenses, and the consequences
23 of the guilty plea including the maximum statutory sentence possible. I have further
24 discussed the concept of the advisory Sentencing Guidelines with the defendant. No
25 assurances, promises, or representations have been given to me or to the defendant by the
26 United States or any of its representatives that are not contained in this written agreement.
27 I concur in the entry of the plea as indicated above and that the terms and conditions set
28 forth in this agreement are in the best interests of my client. I agree to make a bona fide

1 effort to ensure that the guilty plea is entered in accordance with all the requirements of
2 Fed. R. Crim. P. 11.

3
4 12/12/18
Date


ELON BERK
Attorney for Defendant

6 **APPROVAL OF THE UNITED STATES**

7 I have reviewed this matter and the plea agreement. I agree on behalf of the United
8 States that the terms and conditions set forth herein are appropriate and are in the best
9 interests of justice.

10
11 ELIZABETH A. STRANGE
First Assistant United States Attorney
District of Arizona

12
13 12/12/2018
Date


JAMES R. KNAPP
ANDREW C. STONE
Assistant U.S. Attorneys

16 **ACCEPTANCE BY THE COURT**

17
18
19 _____
Date

United States District Judge