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8 Attorneys for Plaintiff  
 9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT

11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,

No. CR 2:23-cr-00440-HDV

13 Plaintiff,

PLEA AGREEMENT FOR DEFENDANT  
CHARLES JAMES RANDOL

14 v.

15 CHARLES JAMES RANDOL,

16 Defendant.

17  
 18  
 19 1. This constitutes the plea agreement between CHARLES JAMES  
 20 RANDOL ("defendant") and the United States Attorney's Office for the  
 21 Central District of California (the "USAO") in the above-captioned  
 22 case. This agreement is limited to the USAO and cannot bind any  
 23 other federal, state, local, or foreign prosecuting, enforcement,  
 24 administrative, or regulatory authorities.

25 DEFENDANT'S OBLIGATIONS

26 2. Defendant agrees to:

27 a. Give up the right to indictment by a grand jury and,  
 28 at the earliest opportunity requested by the USAO and provided by the

1 Court, appear and plead guilty to an information in the form attached  
2 to this agreement as Exhibit A or a substantially similar form, which  
3 charges defendant with failure to maintain an effective anti-money  
4 laundering program in violation of 31 U.S.C. §§ 5318(h), 5322(b).

5 b. Not contest facts agreed to in this agreement.

6 c. Abide by all agreements regarding sentencing contained  
7 in this agreement.

8 d. Appear for all court appearances, surrender as ordered  
9 for service of sentence, obey all conditions of any bond, and obey  
10 any other ongoing court order in this matter.

11 e. Not commit any crime; however, offenses that would be  
12 excluded for sentencing purposes under United States Sentencing  
13 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not  
14 within the scope of this agreement.

15 f. Be truthful at all times with the United States  
16 Probation and Pretrial Services Office and the Court.

17 g. Pay the applicable special assessment at or before the  
18 time of sentencing unless defendant has demonstrated a lack of  
19 ability to pay such assessment.

20 h. Defendant understands that the government obtained  
21 additional material in this investigation that defendant has not been  
22 shown. In exchange for the government's obligations under this  
23 agreement, defendant gives up any right he may have had to review the  
24 additional material, regardless of whether it is arguably exculpatory  
25 or inculpatory, and further agrees to waive any argument that the  
26 withholding of this material caused defendant's plea to be not  
27 knowing or involuntary. The government agrees not to use at

28

1 sentencing any of the withheld material without providing it to  
2 defendant.

3 THE USAO'S OBLIGATIONS

4 3. The USAO agrees to:

5 a. Not contest facts agreed to in this agreement.

6 b. Abide by all agreements regarding sentencing contained  
7 in this agreement.

8 c. At the time of sentencing, provided that defendant  
9 demonstrates an acceptance of responsibility for the offense up to  
10 and including the time of sentencing, recommend a two-level reduction  
11 in the applicable Sentencing Guidelines offense level, pursuant to  
12 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an  
13 additional one-level reduction if available under that section.

14 NATURE OF THE OFFENSE

15 4. Defendant understands that for defendant to be guilty of  
16 the crime charged in the information, that is, failure to maintain an  
17 effective anti-money laundering program, in violation of 31 U.S.C.  
18 §§ 5318(h), 5322, the following must be true:

19 a. defendant operated a money services business located  
20 in the United States operating as an exchanger of convertible virtual  
21 currency;

22 b. defendant failed to implement one or more of the  
23 following minimal requirements set forth by regulation by the  
24 Secretary of the Treasury: (i) policies, procedures, and internal  
25 controls regarding verifying customer identification, filing reports  
26 required for money services businesses, creating and retaining  
27 records; (ii) the designation of a person to assure day to day  
28 compliance with anti-money laundering controls, including assuring

1 that the money services business properly files reports as required  
2 by law and providing appropriate training and education; (iii)  
3 providing education of appropriate personnel concerning  
4 responsibilities under anti-money laundering program; or  
5 (iv) providing for independent review to monitor and maintain an  
6 adequate anti-money laundering program; and

7 c. defendant acted willfully in failing to develop,  
8 implement, and maintain an effective anti-money laundering program.

9 PENALTIES

10 5. Defendant understands that the statutory maximum sentence  
11 that the Court can impose for a violation of 31 U.S.C. §§ 5318(h),  
12 5322, is: five years' imprisonment; a three-year period of  
13 supervised release; a fine of \$250,000 or twice the gross gain or  
14 gross loss resulting from the offense, whichever is greatest; and a  
15 mandatory special assessment of \$100.

16 6. Defendant understands that supervised release is a period  
17 of time following imprisonment during which defendant will be subject  
18 to various restrictions and requirements. Defendant understands that  
19 if defendant violates one or more of the conditions of any supervised  
20 release imposed, defendant may be returned to prison for all or part  
21 of the term of supervised release authorized by statute for the  
22 offense that resulted in the term of supervised release, which could  
23 result in defendant serving a total term of imprisonment greater than  
24 the statutory maximum stated above.

25 7. Defendant understands that, by pleading guilty, defendant  
26 may be giving up valuable government benefits and valuable civic  
27 rights, such as the right to vote, the right to possess a firearm,  
28 the right to hold office, and the right to serve on a jury. Defendant

1 understands that he is pleading guilty to a felony and that it is a  
2 federal crime for a convicted felon to possess a firearm or  
3 ammunition. Defendant understands that the conviction in this case  
4 may also subject defendant to various other collateral consequences,  
5 including but not limited to revocation of probation, parole, or  
6 supervised release in another case and suspension or revocation of a  
7 professional license. Defendant understands that unanticipated  
8 collateral consequences will not serve as grounds to withdraw  
9 defendant's guilty plea.

10 8. Defendant understands that, if defendant is not a United  
11 States citizen, the felony conviction in this case may subject  
12 defendant to: removal, also known as deportation, which may, under  
13 some circumstances, be mandatory; denial of citizenship; and denial  
14 of admission to the United States in the future. The Court cannot,  
15 and defendant's attorney also may not be able to, advise defendant  
16 fully regarding the immigration consequences of the felony conviction  
17 in this case. Defendant understands that unexpected immigration  
18 consequences will not serve as grounds to withdraw defendant's guilty  
19 plea.

20 FACTUAL BASIS

21 9. Defendant admits that defendant is, in fact, guilty of the  
22 offense to which defendant is agreeing to plead guilty. Defendant  
23 and the USAO agree to the statement of facts provided below and agree  
24 that this statement of facts is sufficient to support a plea of  
25 guilty to the charge described in this agreement and to establish the  
26 Sentencing Guidelines factors set forth in paragraph 11 below but is  
27 not meant to be a complete recitation of all facts relevant to the  
28

1 underlying criminal conduct or all facts known to either party that  
2 relate to that conduct.

3 **Defendant's Crypto Exchange Business**

4 From in or around October 2017 until at least July 2021,  
5 defendant operated a virtual-currency money services business known  
6 as "Bitcoins4Less" and later "Digital Coin Strategies, LLC"  
7 (collectively referred to as "Digital Coin Strategies"). Through his  
8 business, defendant offered cryptocurrency-cash exchange services for  
9 a commission.

10 At all relevant times, defendant was the primary operator and  
11 owner of Digital Coin Strategies, and knowingly operated and  
12 controlled the business. Defendant offered his cryptocurrency  
13 exchange services in various ways, including: (1) defendant met  
14 customers in-person to complete transactions; (2) defendant  
15 controlled and operated a network of automated kiosks (hereinafter,  
16 "BTMs") throughout the Central District of California that converted  
17 cash to Bitcoin, and vice versa; and (3) defendant conducted Bitcoin  
18 for cash transactions for unknown individuals who mailed large  
19 amounts of U.S. currency to defendant, including to post office boxes  
20 that defendant controlled.

21 Defendant advertised his business on various websites, including  
22 localbitcoins.com ("LBC") and a website defendant created for his  
23 business, which falsely represented that Digital Coin Strategies was  
24 "a fully compliant FINCEN registered money services business." In  
25 truth, and as detailed below, defendant intentionally and willfully  
26 failed to comply with his obligations under the Bank Secrecy Act.  
27 Among other things, defendant failed to gather and retain appropriate  
28 information about his customers, and defendant failed to file

1 currency transaction reports and other required filings to notify the  
2 government of repeated suspicious transactions that defendant  
3 facilitate through his business. As a result, defendant's violations  
4 of the Bank Secrecy Act allowed anonymous or pseudo-anonymous persons  
5 to launder millions of dollars of criminal proceeds through  
6 defendant's business.

#### 7 Knowledge of Bank Secrecy Act Requirements

8 At all times relevant to this factual basis, defendant knew that  
9 cryptocurrency-cash exchange services were subject to regulation by  
10 the Financial Crimes Enforcement Network ("FinCEN"), and specifically  
11 constituted money services businesses that were obligated to comply  
12 with the Bank Secrecy Act. Defendant was also specifically aware of  
13 the compliance requirements for exchangers of virtual currencies such  
14 as himself and his business, Digital Coin Strategies, including the  
15 following requirements: develop and maintain an effective anti money-  
16 laundering ("AML") program; file currency transaction reports for  
17 exchanges of currency (including cryptocurrency) in excess of  
18 \$10,000; conduct due diligence on customers to, among other things,  
19 have an understanding about the source of funds being exchanged; and  
20 file suspicious activity reports ("SARs") for transactions over  
21 \$2,000 which defendant knew, suspected, or had reason to suspect that  
22 the transaction involved use of his business to facilitate criminal  
23 activity.

24 In or around December 2017, defendant caused his business to  
25 adopt a written AML compliance policy "to prohibit and actively  
26 prevent money laundering and any activity that facilitates money  
27 laundering or the funding of terrorist or criminal activities" (the  
28 "2017 AML Policy"). The 2017 AML Policy set forth that "Charles

1 Randol will verify the identity of any customer," "maintain records  
2 of information used to verify a customer's identity," "check that a  
3 customer does not appear on government terrorist lists," and file  
4 required FinCEN reports, including SARs related to suspicious  
5 transactions or patterns of transactions. The 2017 AML Policy  
6 further stated that "Customers spending more than \$10,000 in a day  
7 are required to provide government issued [identification] and asked  
8 to provide Tax [identification] for the [currency] transaction  
9 report." In or around September 2020, defendant caused Digital Coin  
10 Strategies to adopt an updated compliance policy that, among other  
11 things, set forth directives to identify and prevent suspicious  
12 transactions and money laundering activities (the "2020 AML Policy").  
13 Specifically, the 2020 AML Policy required that defendant verify the  
14 identity of all of his customers. For transaction exceeding \$9,999 in  
15 value, the 2020 AML Policy required that defendant obtain the  
16 customer's full name, address, social security number, a verified  
17 phone number, and a photocopy of the customer's official government  
18 identification.

19 **Defendant's Willful Violations of the BSA and His Own Company's**  
20 **AML Policies**

21 From the inception of defendant's business until federal agents  
22 executed search warrants at defendant's business in July 2021,  
23 defendant repeatedly and willfully violated the Bank Secrecy Act and  
24 his own AML policies. Specifically, defendant: failed to file  
25 required CTRs and SARs; failed to implement and maintain an effective  
26 AML program; and failed to conduct appropriate due diligence on  
27 customers, including anonymous and pseudonymous customers who were  
28 conducting transactions involving large sums of U.S. currency.



1 Defendant Conducted In-Person Transactions Without Conducting Any Due  
2 Diligence

3 During the relevant timeframe, defendant conducted in-person  
4 exchanges of cryptocurrency for cash, and vice versa, with customers  
5 who contacted defendant by phone or email. In a typical transaction,  
6 defendant would meet with clients at a public location and exchange  
7 currency for the client. Defendant would not seek information about  
8 the source of funds being exchanged or purpose of the exchange  
9 transaction. In fact, defendant generally conducted no due diligence  
10 related to his customers and rarely knew more than a customer's first  
11 name and/or telephone number. For example, defendant conducted  
12 various in-person cash transactions that exceeded \$10,000 with  
13 individuals whom defendant knew only as "Puppet Shariff," "White  
14 Jetta," "Aaavvv," "Aaaa," and "Yogurt Monster." In addition to  
15 defendant's failure to conduct appropriate due diligence regarding  
16 these transactions, defendant also willfully failed to file required  
17 BSA reports, including currency transaction reports for each  
18 transaction exceeding \$10,000.

19 Additionally, between October 2020 and January 2021, defendant  
20 conducted the following in-person transactions with an undercover  
21 agent of the Federal Bureau of Investigation ("UC-1"):

- 22 • On October 23, 2020, in exchange for 3.8774263 Bitcoin,  
23 defendant gave UC-1 \$48,100.00 cash and kept a 4% commission  
24 fee at a Starbucks located in Los Angeles, California.  
25 Defendant did not request a name, proof of identity, social  
26 security number, or any other information about UC-1 or the  
27 source of the funds being exchanged.

1 • On December 3, 2020, in exchange for 4.999 Bitcoin, defendant  
2 gave UC-1 \$92,040.00 cash and kept a 4% commission fee at a  
3 Vons located in Santa Monica, California. Defendant did not  
4 request a name, proof of identity, social security number, or  
5 any other information about UC-1 or the source of the funds  
6 being exchanged. After the transaction, defendant called UC-  
7 1 and told UC-1 that defendant accidentally gave UC-1 \$800  
8 less than he should have. In response, UC-1 told defendant  
9 to pay UC-1 back when they conducted the next currency  
10 exchange.

11 • On January 15, 2021, in exchange for 3.9208642 Bitcoin,  
12 defendant gave UC-1 \$133,800 cash and kept a 4% commission  
13 fee. Defendant did not request a name, proof of identity,  
14 social security number, or any other information about UC-1  
15 or the source of the funds being exchanged. Additionally,  
16 during the meeting, defendant referenced the \$800 he owed UC-  
17 1. In response, UC-1 stated: "Bro, don't even sweat the 800"  
18 and "I appreciate the discretion so the 800 is yours." UC-1  
19 also told defendant that UC-1 exchanges all the Bitcoin UC-1  
20 receives "within a day for cash" and "I got too many people  
21 to pay cash to."

22 During the relevant time period, defendant intentionally failed  
23 to file currency transaction reports for all in-person transactions,  
24 including in-person transactions involving UC-1. Defendant  
25 purposefully concealed these and other in-person transactions to  
26 avoid government scrutiny. For example, defendant had previously  
27 discussed his reluctance to file currency transaction reports with a  
28 customer known to defendant as "Hood" in or around August 2019.

1 Specifically, on August 2, 2019, in response to a text message sent  
2 by "Hood" asking whether defendant could send Bitcoin in exchange for  
3 money sent to defendant via wire transfer, defendant wrote: "For the  
4 wire I was doing some thinking and not so sure I want to do that ...  
5 I think it's just going to bring a lot of attention. Eyes [sic] and  
6 then have to make sure it's all in order and taxes. Have to submit a  
7 ctr as well for being over 10k. Or I'm gonna get in trouble."

8 **Defendant sent Bitcoin in Exchange for Cash He Received from Unknown**

9 **People in the Mail**

10 Defendant also conducted hundreds of Bitcoin-for-cash  
11 transactions after receiving cash shipments in the mail from  
12 anonymous individuals. Defendant and his anonymous customers would  
13 generally communicate using text messaging applications, including  
14 encrypted text messaging services that automatically deleted messages  
15 after a short timeframe. In a typical transaction, an anonymous  
16 individual would send a text communication to defendant to notify him  
17 that a parcel containing cash had been sent to a location controlled  
18 by defendant in Los Angeles, California, including various post  
19 office boxes. Once defendant received the parcel, defendant would  
20 count the money and send an equivalent amount of Bitcoin (less a  
21 commission) to a digital wallet controlled by defendant's customers.  
22 As with in-person transactions, defendant did not conduct any due  
23 diligence on the people mailing him large sums of cash, the source of  
24 funds being exchanged, or the purpose of the transaction.

25 Additionally, when defendant received the packages, the cash was  
26 often packaged in a suspicious manner, including inside hidden  
27 children's books, concealed inside fake birthday or holiday presents,  
28 buried within puzzle pieces, or wrapped within multiple magazines.

1 As a result of defendant's willful failure to maintain an  
2 effective AML program, defendant's business completed transactions  
3 involving the proceeds of illicit activity, including the proceeds of  
4 mail and wire fraud. For example, on June 5, 2019, agents with the  
5 Federal Bureau of Investigation interviewed defendant about fraud  
6 proceeds that had been mailed to post office boxes controlled by  
7 defendant. Two days later, defendant sent a text message to a  
8 customer ("Individual 1") stating that defendant "will be taking a  
9 hiatus" from converting cash parcels into cryptocurrency because he  
10 "ran into an issue with [law enforcement] about a couple packages..."  
11 On June 10, 2019, however, Individual 1 sent defendant a text message  
12 stating: "10k ready to be sent or should I still hold off package?"  
13 Defendant responded by stating that Individual 1 could continue  
14 sending cash parcels to defendant.

15 Additionally, beginning in or around June 2018 and continuing  
16 until early 2020, defendant exchanged Bitcoin for cash that was  
17 mailed to him by victim J.B., a resident of New Jersey. In or around  
18 June 2018, Co-Conspirator 1 and Co-Conspirator 2 contacted victim  
19 J.B. by phone and requested money based on materially false and  
20 fraudulent pretenses, namely, that victim J.B.'s grandson was facing  
21 criminal prosecution after purportedly killing an elderly woman in a  
22 vehicle accident. The co-conspirators also falsely told the victim  
23 that he could not talk to anyone about his grandson's legal woes or  
24 else victim J.B.'s grandson would face criminal prosecution. Based  
25 on these false claims, victim J.B. drained his savings and retirement  
26 accounts to send approximately two million dollars to the co-  
27 conspirators.

28



1 transactions. During the relevant time discussed herein, defendant  
2 failed to get full customer identification through his BTMs,  
3 including those who were using defendant's business to launder  
4 criminal proceeds. For example, the setting on defendant's BTM  
5 machines allowed customers to structure funds to avoid currency  
6 reporting requirements by creating numerous accounts and by engaging  
7 in successive transactions involving up to \$3,000. Defendant also  
8 set up one or more "test" accounts that contained no customer  
9 information, which defendant allowed customers to use to complete BTM  
10 transactions.

11 In or around September 2020, defendant retained Individual 2 to  
12 serve as the compliance officer for Digital Coin Strategies. While  
13 defendant and Individual 2 implemented certain measures to better  
14 comply with the Bank Secrecy Act, defendant's AML program continued  
15 to be woefully deficient. For example, after defendant hired  
16 Individual 2, Individual 2 instructed defendant to cease any use of  
17 "test" accounts for customer transactions. Defendant assured  
18 Individual 2 he would no longer use "test" accounts for customer  
19 transactions but nonetheless continued to do so. Individual 2 also  
20 told defendant to stop conducting in-person cash transactions due to  
21 the risk that the cash or Bitcoin defendant was receiving was derived  
22 from an unlawful source. Defendant nonetheless continued to engage  
23 in in-person transactions, including those with UC-1, and concealed  
24 those transactions from Individual 2.

#### 25 SENTENCING FACTORS

26 10. Defendant understands that in determining defendant's  
27 sentence the Court is required to calculate the applicable Sentencing  
28 Guidelines range and to consider that range, possible departures

1 under the Sentencing Guidelines, and the other sentencing factors set  
2 forth in 18 U.S.C. § 3553(a). Defendant understands that the  
3 Sentencing Guidelines are advisory only, that defendant cannot have  
4 any expectation of receiving a sentence within the calculated  
5 Sentencing Guidelines range, and that after considering the  
6 Sentencing Guidelines and the other § 3553(a) factors, the Court will  
7 be free to exercise its discretion to impose any sentence it finds  
8 appropriate up to the maximum set by statute for the crime of  
9 conviction.

10 11. Defendant and the USAO agree to the following applicable  
11 Sentencing Guidelines factors:

12 Base Offense Level: 8 [U.S.S.G. § 2S1.3(a)(1)]

13 Specific Offense  
14 Characteristics

15 Knew funds were from illegal  
source +2 [U.S.S.G. § 2S1.3(b)(1)]

16 Pattern of unlawful activity  
exceeding \$100,000 +2 [U.S.S.G. § 2S1.3(b)(2)]  
17

18 Defendant and the USAO reserve the right to argue that additional  
19 specific offense characteristics, adjustments, and departures under  
20 the Sentencing Guidelines are appropriate.  
21

22 12. Defendant understands that there is no agreement as to  
23 defendant's criminal history or criminal history category.

24 13. Defendant and the USAO reserve the right to argue for a  
25 sentence outside the sentencing range established by the Sentencing  
26 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),  
27 (a)(2), (a)(3), (a)(6), and (a)(7).  
28





1 appeal defendant's conviction on the offense to which defendant is  
2 pleading guilty. Defendant understands that this waiver includes,  
3 but is not limited to, arguments that the statute to which defendant  
4 is pleading guilty is unconstitutional, and any and all claims that  
5 the statement of facts provided herein is insufficient to support  
6 defendant's plea of guilty.

7 WAIVER OF APPEAL AND COLLATERAL ATTACK

8 16. Defendant gives up the right to appeal all of the  
9 following: (a) the procedures and calculations used to determine and  
10 impose any portion of the sentence; (b) the term of imprisonment  
11 imposed by the Court; (c) the fine imposed by the Court, provided it  
12 is within the statutory maximum; (d) to the extent permitted by law,  
13 the constitutionality or legality of defendant's sentence, provided  
14 it is within the statutory maximum; (e) the term of probation or  
15 supervised release imposed by the Court, provided it is within the  
16 statutory maximum; and (f) any of the following conditions of  
17 probation or supervised release imposed by the Court: the conditions  
18 set forth in General Order 20-04 of this Court; the drug testing  
19 conditions mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the  
20 alcohol and drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

21 17. Defendant also gives up any right to bring a post-  
22 conviction collateral attack on the conviction or sentence, except a  
23 post-conviction collateral attack based on a claim of ineffective  
24 assistance of counsel, a claim of newly discovered evidence, or an  
25 explicitly retroactive change in the applicable Sentencing  
26 Guidelines, sentencing statutes, or statutes of conviction.

27 Defendant understands that this waiver includes, but is not limited  
28 to, arguments that the statute to which defendant is pleading guilty

1 is unconstitutional, and any and all claims that the statement of  
2 facts provided herein is insufficient to support defendant's plea of  
3 guilty.

4 18. This agreement does not affect in any way the right of the  
5 USAO to appeal the sentence imposed by the Court.

6 RESULT OF WITHDRAWAL OF GUILTY PLEA

7 19. Defendant agrees that if, after entering a guilty plea  
8 pursuant to this agreement, defendant seeks to withdraw and succeeds  
9 in withdrawing defendant's guilty plea on any basis other than a  
10 claim and finding that entry into this plea agreement was  
11 involuntary, then (a) the USAO will be relieved of all of its  
12 obligations under this agreement; and (b) should the USAO choose to  
13 pursue any charge that was either dismissed or not filed as a result  
14 of this agreement, then (i) any applicable statute of limitations  
15 will be tolled between the date of defendant's signing of this  
16 agreement and the filing commencing any such action; and  
17 (ii) defendant waives and gives up all defenses based on the statute  
18 of limitations, any claim of pre-indictment delay, or any speedy  
19 trial claim with respect to any such action, except to the extent  
20 that such defenses existed as of the date of defendant's signing this  
21 agreement.

22 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

23 20. Defendant agrees that if the count of conviction is  
24 vacated, reversed, or set aside, both the USAO and defendant will be  
25 released from all their obligations under this agreement.



1 speedy trial claim with respect to any such action, except to the  
2 extent that such defenses existed as of the date of defendant's  
3 signing this agreement.

4 c. Defendant agrees that: (i) any statements made by  
5 defendant, under oath, at the guilty plea hearing (if such a hearing  
6 occurred prior to the breach); (ii) the agreed to factual basis  
7 statement in this agreement; and (iii) any evidence derived from such  
8 statements, shall be admissible against defendant in any such action  
9 against defendant, and defendant waives and gives up any claim under  
10 the United States Constitution, any statute, Rule 410 of the Federal  
11 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal  
12 Procedure, or any other federal rule, that the statements or any  
13 evidence derived from the statements should be suppressed or are  
14 inadmissible.

15 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

16 OFFICE NOT PARTIES

17 24. Defendant understands that the Court and the United States  
18 Probation and Pretrial Services Office are not parties to this  
19 agreement and need not accept any of the USAO's sentencing  
20 recommendations or the parties' agreements to facts or sentencing  
21 factors.

22 25. Defendant understands that both defendant and the USAO are  
23 free to: (a) supplement the facts by supplying relevant information  
24 to the United States Probation and Pretrial Services Office and the  
25 Court, (b) correct any and all factual misstatements relating to the  
26 Court's Sentencing Guidelines calculations and determination of  
27 sentence, and (c) argue on appeal and collateral review that the  
28 Court's Sentencing Guidelines calculations and the sentence it

1 chooses to impose are not error, although each party agrees to  
2 maintain its view that the calculations in paragraph 11 are  
3 consistent with the facts of this case. While this paragraph permits  
4 both the USAO and defendant to submit full and complete factual  
5 information to the United States Probation and Pretrial Services  
6 Office and the Court, even if that factual information may be viewed  
7 as inconsistent with the facts agreed to in this agreement, this  
8 paragraph does not affect defendant's and the USAO's obligations not  
9 to contest the facts agreed to in this agreement.

10 26. Defendant understands that even if the Court ignores any  
11 sentencing recommendation, finds facts or reaches conclusions  
12 different from those agreed to, and/or imposes any sentence up to the  
13 maximum established by statute, defendant cannot, for that reason,  
14 withdraw defendant's guilty plea, and defendant will remain bound to  
15 fulfill all defendant's obligations under this agreement. Defendant  
16 understands that no one -- not the prosecutor, defendant's attorney,  
17 or the Court -- can make a binding prediction or promise regarding  
18 the sentence defendant will receive, except that it will be within  
19 the statutory maximum.

20 NO ADDITIONAL AGREEMENTS

21 27. Defendant understands that, except as set forth herein,  
22 there are no promises, understandings, or agreements between the USAO  
23 and defendant or defendant's attorney, and that no additional  
24 promise, understanding, or agreement may be entered into unless in a  
25 writing signed by all parties or on the record in court.

26 //

27 //

28 //

1                    PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

2            28. The parties agree that this agreement will be considered  
3 part of the record of defendant's guilty plea hearing as if the  
4 entire agreement had been read into the record of the proceeding.

5 AGREED AND ACCEPTED

6 UNITED STATES ATTORNEY'S OFFICE  
7 FOR THE CENTRAL DISTRICT OF  
8 CALIFORNIA

9 E. MARTIN ESTRADA  
10 United States Attorney

11 *Ian V. Yanniello*

8/25/2023

12 IAN V. YANNIELLO  
13 Assistant United States Attorney

Date

14 *Charles James Randol*

8/25/23

15 CHARLES JAMES RANDOL  
16 Defendant

Date

17 *Kate Corrigan*  
18 KATE CORRIGAN  
19 Attorney for Defendant CHARLES  
20 JAMES RANDOL

8/25/23

Date

21                    CERTIFICATION OF DEFENDANT

22            I have read this agreement in its entirety. I have had enough  
23 time to review and consider this agreement, and I have carefully and  
24 thoroughly discussed every part of it with my attorney. I understand  
25 the terms of this agreement, and I voluntarily agree to those terms.  
26 I have discussed the evidence with my attorney, and my attorney has  
27 advised me of my rights, of possible pretrial motions that might be  
28 filed, of possible defenses that might be asserted either prior to or  
at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a),  
of relevant Sentencing Guidelines provisions, and of the consequences  
of entering into this agreement. No promises, inducements, or  
representations of any kind have been made to me other than those

1 contained in this agreement. No one has threatened or forced me in  
2 any way to enter into this agreement. I am satisfied with the  
3 representation of my attorney in this matter, and I am pleading  
4 guilty because I am guilty of the charge and wish to take advantage  
5 of the promises set forth in this agreement, and not for any other  
6 reason.

7   
8 CHARLES JAMES RANDOL  
Defendant

08/25/23  
Date

10  
11 CERTIFICATION OF DEFENDANT'S ATTORNEY

12 I am CHARLES JAMES RANDOL's attorney. I have carefully and  
13 thoroughly discussed every part of this agreement with my client.  
14 Further, I have fully advised my client of his rights, of possible  
15 pretrial motions that might be filed, of possible defenses that might  
16 be asserted either prior to or at trial, of the sentencing factors  
17 set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines  
18 provisions, and of the consequences of entering into this agreement.  
19 To my knowledge: no promises, inducements, or representations of any  
20 kind have been made to my client other than those contained in this  
21 agreement; no one has threatened or forced my client in any way to  
22 enter into this agreement; my client's decision to enter into this  
23 agreement is an informed and voluntary one; and the factual basis set

24 //

25 //

26 //

1 forth in this agreement is sufficient to support my client's entry of  
2 a guilty plea pursuant to this agreement.

3 

4 KATE CORRIGAN  
5 Attorney for Defendant CHARLES  
6 JAMES RANDOL

8/25/23  
Date

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# **EXHIBIT A**

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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
CHARLES JAMES RANDOL  
aka "Bitcoins4less,"  
aka "Digital Coin  
Strategies, LLC,"  
  
Defendant.

CR No.  
  
I N F O R M A T I O N  
  
[31 U.S.C. §§ 5318(h), 5322(a):  
Failure to Maintain an Effective  
Anti-Money Laundering Program; 18  
U.S.C. § 982 and 28 U.S.C. §  
2461(c): Criminal Forfeiture]

The United States Attorney charges:  
  
[31 U.S.C. §§ 5318(h), 5322(a)]

Beginning in or about October 2017, and continuing until in or about July 2021, in Los Angeles County, within the Central District of California, and elsewhere, defendant CHARLES JAMES RANDOL, also known as ("aka") "Bitcoins4less," aka "Digital Coin Strategies, LLC," willfully violated the Bank Secrecy Act, Title 31, United States Code, Sections 5318(h) and 5322, and regulations issued thereunder, specifically, Title 31, Code of Federal Regulations, Section 1022.210(a), by failing to develop, implement, and maintain an effective anti-money laundering program for his virtual currency exchange business.

1 Specifically, defendant RANDOL willfully failed to implement and  
2 maintain effective policies, procedures, and internal controls for:  
3 (1) verifying customer identification, in particular as to customers  
4 exchanging in excess of \$10,000 in currency in a single day as  
5 required by the Bank Secrecy Act; (2) filing Currency Transaction  
6 Reports for currency transactions in excess of \$10,000, conducted by  
7 or on behalf of the same person on the same day; and (3) filing  
8 Suspicious Activity Reports for transactions over \$2,000 involving  
9 funds that defendant knew, suspected, or had reason to suspect that  
10 the transaction involved use of the money services business to  
11 facilitate criminal activity.

12 Defendant RANDOL took actions designed to prevent the  
13 implementation and maintenance of an effective anti-money laundering  
14 program, in that he: (1) failed to obtain information about customers  
15 who engaged in significant transactions, often failing to get any  
16 information about customers other than a name and/or phone number;  
17 (2) failed to file currency transaction reports as required for  
18 currency transactions exceeding \$10,000 that were conducted by or on  
19 behalf of the same person on the same day; and (3) failed to file  
20 suspicious activity reports for transactions over \$2,000 that he  
21 knew, suspected, and had reason to suspect that the transaction  
22 involved use of his business to facilitate criminal activity, namely,  
23 drug trafficking.

1 FORFEITURE ALLEGATION

2 [18 U.S.C. § 982 and 28 U.S.C. § 2461(c)]

3 1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal  
4 Procedure, notice is hereby given that the United States will seek  
5 forfeiture as part of any sentence, pursuant to Title 18, United  
6 States Code, Section 982(a)(1) and Title 28, United States Code,  
7 Section 2461(c), in the event of Defendant's conviction of the  
8 offenses set forth in this Information.

9 2. The Defendant, if so convicted, shall forfeit to the United  
10 States of America the following:

11 (a) Any property, real or personal, involved in such  
12 offense, and any property traceable to such property; and

13 (b) To the extent such property is not available for  
14 forfeiture, a sum of money equal to the total value of the property  
15 described in subparagraph (a).

16 3. Pursuant to Title 21, United States Code, Section 853(p), as  
17 incorporated by Title 18, United States Code, Section 982(b)(1), and  
18 Title 18, United States Code, Section 982(b)(2), the defendant, if so  
19 convicted, shall forfeit substitute property, if, by any act or  
20 omission of the defendant, the property described in the preceding  
21 paragraph, or any portion thereof: (a) cannot be located upon the  
22 exercise of due diligence; (b) has been transferred, sold to, or  
23 deposited with a third party; (c) has been placed beyond the  
24 jurisdiction of the court; (d) has been substantially diminished in  
25 value; or (e) has been commingled with other property that cannot be  
26 divided without difficulty. Substitution of assets shall not be  
27 ordered, however, where the convicted defendant acted merely as an  
28 intermediary who handled but did not retain the property in the

1 course of the money laundering offense unless the defendant, in  
2 committing the offense or offenses giving rise to the forfeiture,  
3 conducted three or more separate transactions involving a total of  
4 \$100,000.00 or more in any twelve-month period.

5  
6 E. MARTIN ESTRADA  
United States Attorney  
7

8  
9 MACK E. JENKINS  
Assistant United States Attorney  
10 Chief, Criminal Division

11 J. MARK CHILDS  
Assistant United States Attorney  
12 Chief, International Narcotics, Money  
Laundrying, and Racketeering Section  
13

14 BENEDETTO L. BALDING  
Assistant United States Attorney  
Deputy Chief, International Narcotics, Money  
15 Laundrying, and Racketeering Section

16 IAN V. YANNIELLO  
Assistant United States Attorney  
17 Deputy Chief, General Crimes Section  
18

**CERTIFICATE OF SERVICE**

I, **Mercedes Romero**, declare:

That I am a citizen of the United States and a resident of or employed in Los Angeles County, California; that my business address is the Office of United States Attorney, 312 North Spring Street, Los Angeles, California 90012; that I am over the age of 18; and that I am not a party to the above-titled action;

That I am employed by the United States Attorney for the Central District of California, who is a member of the Bar of the United States District Court for the Central District of California, at whose direction I served a copy of:

**PLEA AGREEMENT FOR DEFENDANT CHARLES JAMES RANDOL**

- |  |   |
|--|---|
| <input type="checkbox"/> Placed in a closed envelope for collection and inter-office delivery, addressed as follows: | <input checked="" type="checkbox"/> Placed in a sealed envelope for collection and mailing via United States mail, addressed as follows:<br><b>CHARLES JAMES RANDOL</b><br>c/o Kate Corrigan, Esq.<br>Corrigan Welbourn & Stokke. APLC<br>4100 Newport Place, Suite 550<br>Newport Beach, CA. 92660 |
|--|---|

This Certificate is executed on **September 5, 2023**, at Los Angeles, California. I certify under penalty of perjury that the foregoing is true and correct.

  
\_\_\_\_\_  
Mercedes Romero  
Legal Assistant