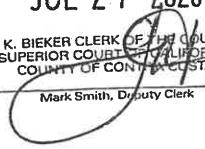


1 DIANA BECTON
2 District Attorney of Contra Costa County
3 JEREMY L. SEYMOUR, SBN: 265018
4 Deputy District Attorney
5 Special Operations Division
6 JSeymour@ContraCostaDA.org
7 900 Ward St, 4th Floor
8 Martinez, CA 94553
9 Telephone: (925) 957-2200

FILED
JUL 27 2020
K. BIEKER CLERK OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNTY OF CONTRA COSTA
By 
Mark Smith, Deputy Clerk

Attorneys for Plaintiff

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF CONTRA COSTA

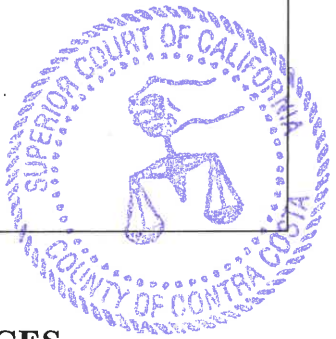
THE PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

MAUROSAN MILHOMEM,

Defendants.

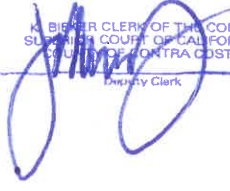


Docket: 1-193357-1

PLEA AGREEMENT

This document is a correct copy of the original on file in this office.

ATTEST: OCT 01 2020

K. BIEKER CLERK OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNTY OF CONTRA COSTA
By 
Deputy Clerk

DEFENDANT'S PLEA TO CHARGES

1. Defendant agrees to plead guilty to a felony violation of Insurance Code section 11760, subdivision (a) as charged in Count 4, 5, 6, 7, and 8. Defendant understands that by entering this plea he is admitting that he committed insurance premium fraud regarding the following Viking Pavers insurance policies:

- a. Markel Insurance, Policy MWC0002833-04, 3/22/14 – 3/22/15 (Count 4)
- b. Markel Insurance, Policy MWC0002833-05, 3/22/15 – 3/22/16 (Count 5)
- c. Markel Insurance, Policy MWC0002833-06, 3/22/16 – 3/22/17 (Count 6)
- d. Berkshire Hathaway, Policy VIWC803560, 3/22/17 – 3/22/18 (Count 7)

1 e. Berkshire Hathaway, Policy VIWC904709, 3/22/18 – 3/22/19 (Count 8)

2 2. Defendant agrees to plead guilty to a felony violation of Unemployment Insurance Code
3 section 2117.5 as charged in Count 9;

4 3. Defendant agrees to admit that he violated Penal Code section 186.11, subdivision (a) in
5 that he caused a loss of more than \$500,000 as charged;

6 **DEFENDANT'S SENTENCE**

7 4. The parties agree that pursuant to Penal Code section 1192.5 once this plea agreement is
8 accepted by the prosecuting attorney in open court, and if approved by the Court, the
9 defendant shall be sentenced to the following terms:

10 a. 5 years of formal probation

11 b. 364 days county jail

12 i. Defendant may serve this time through electronic home detention if he
13 applies for and is accepted in the Sheriff's Custody Alternative Program.

14 ii. Defendant understands that if he is rejected from the program or kicked out
15 of the program by the Sheriff's Office, then he is sentenced to jail and will
16 serve the remainder of his time in custody.

17 c. Standard terms of felony probation for Contra Costa County

18 d. Search and seizure, including for electronic devices

19 e. Special terms of probation as outlined in this plea agreement

20 **FORFEITURE OF SEIZED PROCEEDS AS CRIMINAL RESTITUTION**

21 5. Defendant represents and warrants that he is the sole owner of the \$83,920 of United States
22 Currency and separate \$4,900 of United States Currency seized during service of search
23 warrant MS19-675 and listed in Judge Cope's March 12, 2020 temporary restraining order
24 pursuant to Penal Code section 186.11.

25 6. Defendant represents and warrants that he that he is the sole beneficial owner of those
26 funds, that has the authority to dispose of them, and that is not aware of any holder of a
27 valid lien, mortgage, or security interest on those funds.
28

- 1
2
3
4
5
6
7
8
9
10
7. Defendant agrees the Court may enter an order forfeiting those funds and directing that Contra Costa County and the District Attorney of Contra Costa County pay those forfeited funds and any interest accrued directly to the victims as criminal restitution pursuant to Penal Code section 186.11, subdivision (i)(3), as follows: sixty-six percent (66%) to Markel Insurance and thirty-four (34%) to Berkshire Hathaway.
 8. Defendant agrees that the District Attorney may obtain an *ex parte* order from the Court modifying the restitution order to reflect credit against the order for the total amount of seized funds paid and deliver a copy of that order to counsel and Court Collections.
 9. The District Attorney agrees to lift the March 12, 2020 temporary restraining order regarding all other accounts and property after the plea.

11
12

CRIMINAL RESTITUTION ORDER

- 13
14
15
16
17
18
19
- 10. Defendant agrees to pay \$1,109,603 to Markel Corporation for underpayment of workers compensation insurance premium, as charged in counts four, five, and six.
 - 11. Defendant agrees to pay \$808,455.34 to the Employment Development Department as for underpayment of tax liability, as charged in count nine;
 - 12. Defendant agrees to pay \$312,000 to Berkshire Hathaway for underpayment of workers compensation insurance premium, as charged in counts seven and eight. The parties agree that this amount is co-extensive with the civil settlement of Cypress v. Viking Pavers, Inc.

20
21

SPECIAL TERMS OF PROBATION

- 22
23
24
25
26
27
28
13. Defendant agrees the Court will order and that he will abide by the following special terms of probation for the entire period of his probation:
 - a. Defendant shall truthfully and accurately disclose all existing assets, including foreign held assets, on a completed form CR-115 on the date of his plea;
 - b. Defendant shall voluntarily liquidate and repatriate any foreign assets, and pay them over as restitution, within six months of the date of his plea;
 - c. Defendant shall not to conceal, sell, or dispose of any property, or attempt to do so, in violation of Penal Code section 155;

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- d. Defendant shall pay at least \$10,000 restitution per month, before the first of each month, starting before October 1, 2020, and notify the District Attorney's Office and probation in writing by certified mail within ten days of any missed or incomplete payment;
 - e. Defendant shall commission and maintain personal financial statements, prepared with the assistance of a qualified CPA according to Generally Accepted Accounting Principles (GAAP) for each quarter of probation, at his own expense, and to provide them promptly if requested by probation or the District Attorney's Office;
 - f. Defendant agrees to personally ensure all of the following for the entire period of probation for any business, including a corporation, LLC, sole proprietorship or partnership he owns, manages, or maintains the ability to control or direct:
 - i. Defendant shall personally ensure the business complies with all requirements under the Insurance Code, Labor Code, Unemployment and Insurance Code, and Business and Profession Code, including but not limited to Business and Professions Code sections 7153, 7118, and 7028, Unemployment and Insurance Code sections 2117 and 2118, as well as Insurance Code section 11760;
 - ii. Defendant shall personally review and sign all insurance audit responses;
 - iii. Defendant shall personally ensure that no cash, cashier's check, or similar instrument is ever used to pay any employee wage;
 - iv. Defendant shall personally ensure that all wages are paid by payroll check or direct deposit, and all employees shall be provided itemized deductions for each paycheck in compliance with Labor Code section 226;
 - v. Defendant shall personally ensure that all wages are properly documented and reported to the Employment Development Department for taxation;
 - vi. Defendant shall personally ensure that no cash, cashier's check, or similar instrument, may be used to make a payment to a subcontractor;

- 1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
- vii. Defendant shall personally ensure that all subcontractor payments shall be paid directly from a business bank account via business check or electronic transfer;
 - viii. Defendant shall personally ensure that a file is created and maintained on all subcontractors performing work during the period of probation setting forth the full legal name, CSLB license number, and tax identification number, date the license was verified on CSLB, date the insurance was verified on WCIRB prior to allowing them to perform any work, and shall be updated with the name, address, and customer of all jobs for which the subcontractor was hired and permitted to work;
 - ix. Defendant shall personally ensure that all contract documents truthfully state the name and license number of the registered salesperson that made the contract, the license number of the contractor, and whether subcontractors will be used;
 - x. Defendant shall personally ensure that the homeowner is informed in writing of any additional subcontractors, including the identity and license number of the subcontractor, prior to permitting the subcontractor to work on the job;
 - xi. Defendant shall personally ensure that bank statements and an accounting ledger are maintained, up to date, and provided to probation or the District Attorney's Office on request within ten days of the request;

22
23
24
25
26
27
28


OTHER TERMS

14. Defendant understands and acknowledges that while this plea agreement resolves his criminal case, it is not a global settlement of his tax liability and does not resolve his civil or administrative tax status. It is highly likely that an audit of the business owned, controlled and/or operated by the defendant follows nearly all criminal cases and that such civil audits often encompass audit periods and taxable transactions, as well as civil or


1 administrative penalties, that may not have been included in the criminal case. Defendant
2 acknowledges that this plea agreement and his attorney have made him aware of this fact.

3 15. Defendant understands and acknowledges that this resolution leaves him in possession of
4 substantial assets that could have been forfeited and used to pay criminal restitution,
5 including the assets of Viking Pavers, Inc. Defendant acknowledges that the People have
6 made him aware that if he fails to pay his restitution obligation, the District Attorney may
7 file a request for modification of probation seeking an order that he liquidate the
8 corporation and/or any other assets he may own or possess pursuant to Penal Code section
9 1202.3, exercise its statutory authority to seek an order of examination per Penal Code
10 section 1202.4 (h), file a motion to revoke probation pursuant to Penal Code section
11 1203.2 if the violation is willful, or pursue any other such legal action as the District
12 Attorney deems necessary at the District Attorney's sole discretion, and that such litigation
13 and actions are contemplated by this plea agreement and will not invalidate the defendant's
14 plea, conviction, and sentence.
15

16
17 Dated: 1-27-20

18 Signature: 

19 MAUROSAN MILHOMEM
20 Defendant

21 Signature: 

22 CHRISTOPHER A. LAMIERO
23 Attorney for MAUROSAN MILHOMEM

24
25 Dated: 7/27/2020

26 Signature: 

27 JEREMY L. SEYMOUR
28 Deputy District Attorney

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28