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United States Attorney's Office
District of Oregon
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January 15, 2021

Noah Horst
Levi Merrithew Horst PC
610 SW Alder Street, Suite 415
Portland OR 97205

Re: *United States v. Glenn Stoll*, 3:19-cr-112
Revised Plea Agreement Letter

Dear Counsel:

1. **Parties/Scope**: This plea agreement is between this United States Attorney's Office (USAO) and defendant, and thus does not bind any other federal, state, or local prosecuting, administrative, or regulatory authority. This agreement does not apply to any charges other than those specifically mentioned herein.
2. **Charges**: Defendant agrees to plead guilty to Counts 1 and 3 of the Indictment in which he is charged with conspiracy to defraud the United States in violation of 18 U.S.C. § 371 and evading the payment of federal income taxes for calendar year 2013 in violation of 26 U.S.C. § 7201.
3. **Penalties**: The maximum sentence for Counts 1 and 3 is 5 years' imprisonment, a fine of \$250,000, 3 years of supervised release, and a \$100 fee assessment. Defendant agrees to pay the \$100 fee assessment by the entry of his guilty plea or to explain to the Court why this cannot be done.
4. **Dismissal/No Prosecution**: The USAO will move at the time of sentencing to dismiss any remaining counts against defendant. The USAO further agrees not to bring additional charges against defendant in the District of Oregon arising out of this investigation, known to the USAO at the time of this agreement.

A handwritten signature in blue ink, appearing to be "JB", is written over the date.

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5. **Elements and Factual Basis:** In order for defendant to be found guilty of **Count 1** of the Indictment, the government must prove the following elements beyond a reasonable doubt:

First, beginning on or about September 2007, and ending on or about December 2014, there was an agreement between two or more persons to defraud the United States by obstructing the lawful functions of the Internal Revenue Service by deceitful or dishonest means as charged in the indictment;

Second, the defendant became a member of the conspiracy knowing of at least one of its objects and intending to help accomplish it; and

Third, one of the members of the conspiracy performed at least one overt act on or after September 2007 for the purpose of carrying out the conspiracy.

In order for defendant to be found guilty of **Count 3** of the Indictment, the government must prove the following elements beyond a reasonable doubt:

First, Karl Brady owed more federal income tax for the calendar year 2013 than was declared due on Karl Brady's income tax return for that calendar year;

Second, defendant knew that more federal income tax was owed than was declared due on the Karl Brady's income tax return;

Third, defendant made or caused an affirmative attempt to evade or defeat such additional tax; and

Fourth, in attempting to evade or defeat such additional tax, defendant acted willfully.

Defendant admits the elements of the offense alleged in Counts 1 and 3 and agrees the following facts are true, can be proved beyond a reasonable doubt, and are sufficient to support his guilty plea to Counts 1 and 3.

In September of 2007, Karl Brady and Laurie Brady, husband and wife, began working with Stoll and Stoll's company, Remedies at Law, to evade the assessment of income taxes and to shield Karl Brady's Northwest Behavioral Healthcare Services (NWBHS) income and other assets from the Internal Revenue Service. Between September 2007 and December 2014, defendant Stoll and Karl Brady caused NWBHS to pay what had been Karl Brady's salary and other compensation to nominees. Stoll and Brady agreed to perform and did perform the following acts:



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1. Creating nominees, including entities and trusts, to hold legal title to real and personal property;
2. Using nominees, including entities and trusts, and associated financial accounts to conceal and to attempt to conceal income and assets from the IRS;
3. Using nominees, including entities and trusts, to pay personal expenses;
4. Causing NWBHS to pay what had been Karl Brady's salary and other compensation for Karl Brady to nominees, including entities and trusts.

On September 20, 2007, defendant Stoll, Karl Brady, and Laurie Brady executed documents purporting to create "ministerial trusts" called Progeny Services and Progeny Foundation thereby shielding the Karl Brady's income and evading the assessment of his income. They later established bank accounts for those organizations. Following the creation of Progeny Services and Progeny Foundation and related bank accounts, at the direction of Stoll, Karl Brady instructed the bookkeeper at NWBHS to direct what had been Karl Brady's salary checks to Progeny Services or other related entities in lieu of direct salary payments to Karl Brady. Karl Brady directed his payments in this fashion to evade the assessment of income. Karl Brady and Laurie Brady had full access and controlled the funds in the bank accounts for Progeny Services and Progeny Foundation and wrote checks from the Progeny accounts for personal and family expenses.

As part of Stoll's program, Stoll and others created Embassy of Heaven "licenses" for Karl Brady and Laurie Brady. The Embassy of Heaven is a separate entity affiliated with Stoll and Remedies at Law.

On November 17, 2011, defendant Stoll and Karl Brady created "ministerial property trusts" and executed a Quit Claim Deed transferring three of Karl Brady's properties to these trusts, as follows:

1. Brady's rental property at 21151 S. Richard Court to PLand-1 LRC Trust.
2. Brady's personal residence and 14.6 acres at 19661 S. Redland Road to PLand-3 RR Trust. 30.
3. Brady's vacation home at 54-302 Hauula Homestead Rd in Hauula, Hawaii, to PLand-2 Condo Trust.

Karl Brady received letters from the Internal Revenue Service regarding his federal taxes and failure to file. Karl Brady consulted with Stoll about these inquiries. Stoll advised Karl Brady not to respond to requests from the Internal Revenue Service. Karl Brady did as instructed by Stoll.



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management.

After Internal Revenue Service Criminal Investigation Agents executed search warrants at Karl Brady's home in 2014, Stoll directed Karl Brady to deposit all of what had been Karl Brady's NWBHS income into an account in the name of From the Heart Foundation. Stoll and his associates at Remedies at Law had sole control over the From the Heart Foundation account. From July 2014 through August 2016, Karl Brady accessed funds in the From the Heart Foundation account by communicating with Remedies at Law associates. Karl Brady or Laurie Brady submitted check requests to Remedies at Law for funds to pay Karl Brady's personal and family expenses from the From the Heart Foundation nominee account. Stoll reviewed and signed the From the Heart Foundation checks and sent the checks to Karl Brady.

In 2015, Karl Brady participated in the sale of real property where the proceeds of the sales were directed to a nominee account in the name of the Family Defense League. Stoll and his associates at Remedies at Law had sole management control over the Family Defense League account. Karl Brady requested and received disbursements from the Family Defense League account.

For 2008 through 2015, during the time Karl Brady and others worked with Stoll, Karl Brady filed no personal income tax returns, despite receiving income in excess of \$3 million dollars and being required by law to do so.

On March 11, 2016, Stoll set up a meeting with Internal Revenue Service Criminal Investigation Agents, Karl Brady, and Laurie Brady. At that meeting, Stoll represented himself as church counsel for Karl Brady and Laurie Brady and claimed that Karl Brady and Laurie Brady were ministers associated with the Embassy of Heaven.

The Internal Revenue Service is an agency of the United States Department of Treasury responsible for administering and enforcing the tax laws of the United States and collecting taxes owed to the United States Treasury.

6. **Sentencing Factors:** The parties agree that the Court must first determine the applicable advisory guideline range, then determine a reasonable sentence considering that range and the factors listed in 18 U.S.C. § 3553(a). Where the parties agree that sentencing factors apply, such agreement constitutes sufficient proof to satisfy the applicable evidentiary standard.
7. **Relevant Conduct:** The parties agree that the loss associated with Count 1, including relevant conduct, is approximately \$1,419,932. The parties have no agreement regarding defendant's criminal history or criminal history category.
8. **Acceptance of Responsibility:** Defendant must demonstrate to the Court that defendant fully admits and accepts responsibility under USSG § 3E1.1 for defendant's unlawful conduct in

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this case. If defendant does so, the USAO will recommend a three-level reduction in defendant's offense level (two levels if defendant's offense level is less than sixteen). The USAO reserves the right to change this recommendation if defendant, between plea and sentencing, commits any criminal offense, obstructs or attempts to obstruct justice as explained in USSG § 3C1.1, or acts inconsistently with acceptance of responsibility as explained in USSG § 3E1.1.

9. **Advisory Guidelines Calculation:** The parties agree the following United States Sentencing Guidelines ("Guidelines") provisions apply:

- a. U.S.S.G. §§ 2T1.1(a)(1) and 2T4.1(G) – base offense level is 20;
- b. U.S.S.G. § 2T1.1(b)(2) – because the offense involved sophisticated means, a 2-level increase is warranted; and
- c. U.S.S.G. § 3B1.1(c) – because defendant was an organizer, leader, manager, or supervisor of the charged criminal activity, a 2-level increase applies.

10. **Sentencing Recommendations:** Given the unique factors of this case, including the application of the sentencing factors listed in 18 U.S.C. § 3553, the USAO will recommend a 5-year term of probation (non-custodial sentence) so long as defendant demonstrates an acceptance of responsibility as explained above. Defendant reserves the right to argue for any sentence defendant deems appropriate under the factors set forth in 18 U.S.C. § 3553.

11. **Payment of Criminal Tax Loss and Civil Tax Proceedings:** Defendant understands the criminal tax loss amount does not include applicable statutory penalties and interest for which the defendant may be liable under the Internal Revenue Code and that the Internal Revenue Service (IRS) may assess him penalties and interest in addition to the criminal tax loss amount. Defendant understands and agrees that this plea agreement does not prohibit the United States or the IRS from pursuing any civil or administrative proceeding against the defendant. Defendant agrees the USAO and IRS Criminal Investigation may disclose the criminal file in this case to any civil component of the IRS for assessment or collection of any taxes defendant may owe. Defendant waives any rights he may have pursuant to 26 U.S.C. §§ 6103 and 7213 and Fed.R.Crim.P. 6(e), regarding privacy/secrecy of tax returns, return information, and grand jury material.

Defendant's Right to Contest the IRS's Civil and Administrative Actions: Defendant does not waive, and retains any right he may have to contest civilly or administratively any findings, assessments, or collection activity by the IRS.


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12. **Tax Compliance and Special Conditions of Probation:** Defendant agrees to the following special conditions of probation or supervised release:

- (1) He meet with the IRS to determine his legal obligation to file tax returns and pay taxes and to sign any IRS forms deemed necessary by the IRS to enable the IRS to make an immediate assessment of that portion of the tax that he agrees to pay as restitution, including IRS Form 8821, "Tax Information Authorization;"
- (2) He not file any claim for refund of taxes represented by any amount of restitution paid pursuant to this agreement;
- (3) This agreement, or any judgment, order, release, or satisfaction issued in connection with this agreement, will not satisfy, settle, or compromise the defendant's obligation to pay the balance of any remaining civil liabilities, including tax, additional tax, additions to tax, interest, and penalties, owed to the IRS for the time periods covered by this agreement or any other time period;
- (4) That unless the Director of the Administrative Office of the United States Courts directs defendant otherwise, all payments made pursuant to the Court's restitution order are to be sent only to the Clerk of the Court at the following address: Clerk, United States District Court, District of Oregon, 1000 SW Third Avenue, Portland, Oregon 97204;
- (5) He provide with each payment to the Clerk of the Court made pursuant to the District Court's restitution order:
 - a. His name and Social Security number;
 - b. The District Court docket number assigned to this case;
 - c. The periods for which restitution has been ordered; and
 - d. A statement that the payment is being submitted pursuant to the District Court's restitution order;
- (6) He include a request that the Clerk of the Court send the information, along with defendant's payments, to the appropriate IRS office;
- (7) He send a notice of any payments made pursuant to the agreement, including the information listed in the previous paragraph, to the IRS at the following address: IRS -RACS Attn: Mail Stop 6261, Restitution, 333 W. Pershing Ave, Kansas City, MO 64108.



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- (8) He is not entitled to credit with the IRS for any payment sent to an incorrect address or accompanied by incomplete or inaccurate information, unless and until any payment is actually received by the IRS and identified by it as pertaining to his particular liability.

13. **Restitution**: Defendant agrees fully to disclose all assets in which defendant has any interest or over which defendant exercises control, directly or indirectly, including those held by a spouse, nominee, or third party. Defendant agrees to truthfully complete the Financial Disclosure Statement provided herewith no later than 90 days before the sentencing hearing, sign it under penalty of perjury, and provide it to both the United States Attorney's Office and the United States Probation Office. Defendant agrees to provide updates with any material changes in circumstances, as described in 18 U.S.C. § 3664(k), within seven days of the event giving rise to the changed circumstances.

Defendant expressly authorizes the U.S. Attorney's Office to obtain a credit report on defendant. Defendant agrees to provide waivers, consents, or releases requested by the U.S. Attorney's Office to access records to verify the financial information. Defendant also authorizes the U.S. Attorney's Office to inspect and copy all financial documents and information held by the U.S. Probation Office.

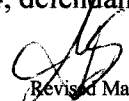
The parties agree that defendant's failure to timely and accurately complete and sign the Financial Disclosure Statement, and any update thereto, may, in addition to any other penalty or remedy, constitute defendant's failure to accept responsibility under USSG § 3E1.1.

Defendant agrees to submit to examination under oath or affirmation and/or a polygraph examination by an examiner selected by the U.S. Attorney's office, on the issue of defendant's financial disclosures and assets.

Defendant agrees to notify the Financial Litigation Unit of the United States Attorney's Office before defendant transfers any interest in property with a value exceeding \$2500 owned directly or indirectly, individually or jointly, by defendant, including any interest held or owned under any name, including trusts, partnerships, and corporations.

The Court shall order restitution to each victim in the full amount of each victim's losses as determined by the Court. Defendant agrees to pay restitution in this case, up to \$1,419,932, to the IRS.

Defendant understands and agrees that the total amount of any monetary judgment that the Court orders defendant to pay will be due and payable immediately. Defendant further understands and agrees that pursuant to Title 18, United States Code, Section 3614, defendant


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may be resentenced to any sentence which might have originally been imposed if the court determines that defendant has knowingly and willfully refused to pay a fine or restitution as ordered or has failed to make sufficient bona fide efforts to pay a fine or restitution.

Additionally, defendant understands and agrees that the government may enforce collection of any fine or restitution imposed in this case pursuant to Title 18, United States Code, Sections 3572, 3613, and 3664(m), notwithstanding any initial or subsequently modified payment schedule set by the court. Defendant understands that any monetary debt defendant owes related to this matter may be included in the Treasury Offset Program (TOP) to potentially offset defendant's federal retirement benefits, tax refunds, and other federal benefits.

Pursuant to Title 18, United States Code, Section 3612(b)(F), defendant understands and agrees that until a fine or restitution order is paid in full, defendant must notify the United States Attorney's Office of any change in the mailing address or residence address within 30 days of the change. Further, pursuant to Title 18, United States Code, Section 3664(k), defendant shall notify the Court and the U.S. Attorney's Office immediately of any material change in defendant's economic circumstances that might affect defendant's ability to pay restitution, including, but not limited to, new or changed employment, increases in income, inheritances, monetary gifts, or any other acquisition of assets or money.

14. **Waiver of Appeal/Post-Conviction Relief:** Defendant knowingly and voluntarily waives the right to appeal from any aspect of the conviction and sentence on any grounds, except for a claim that: (1) the sentence imposed exceeds the statutory maximum, or (2) the Court arrives at an advisory sentencing guideline range by applying an upward departure under the provisions of Guidelines Chapters 4 or 5K, or (3) the Court exercises its discretion under 18 U.S.C. § 3553(a) to impose a sentence which exceeds the advisory guideline sentencing range as determined by the Court. Should defendant seek an appeal, despite this waiver, the USAO may take any position on any issue on appeal. Defendant also waives the right to file any collateral attack, including a motion under 28 U.S.C. § 2255, challenging any aspect of the conviction or sentence on any grounds, except on grounds of ineffective assistance of counsel, and except as provided in Fed. R. Crim. P. 33 and 18 U.S.C. § 3582(c)(2). In the event that defendant's conviction under this agreement is vacated, the government may reinstate and/or file any other charges, and may take any position at a resentencing hearing, notwithstanding any other provision in this agreement.

15. **Court Not Bound:** The Court is not bound by the recommendations of the parties or of the presentence report (PSR) writer. Because this agreement is made under Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, defendant may not withdraw any guilty plea or rescind this plea agreement if the Court does not follow the agreements or recommendations of the parties.


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16. **Full Disclosure/Reservation of Rights:** The USAO will fully inform the PSR writer and the Court of the facts and law related to defendant's case. Except as set forth in this agreement, the parties reserve all other rights to make sentencing recommendations and to respond to motions and arguments by the opposition.

17. **Breach of Plea Agreement:** If defendant breaches the terms of this agreement, or commits any new criminal offenses between signing this agreement and sentencing, the USAO is relieved of its obligations under this agreement, but defendant may not withdraw any guilty plea.

If defendant believes that the government has breached the plea agreement, defendant must raise any such claim before the district court, either prior to or at sentencing. If defendant fails to raise a breach claim in district court, defendant has waived any such claim and is precluded from raising a breach claim for the first time on appeal.

18. **Memorialization of Agreement:** No promises, agreements, or conditions other than those set forth in this agreement will be effective unless memorialized in writing and signed by all parties listed below or confirmed on the record before the Court. If defendant accepts this offer, please sign and attach the original of this letter to the Petition to Enter Plea.

19. **Deadline:** This plea offer expires if not accepted by October 26, 2020, at 5 p.m.

Sincerely,

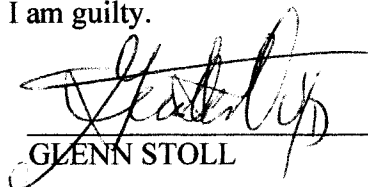
BILLY J. WILLIAMS
United States Attorney



JULIA E. JARRETT
SCOTT E. BRADFORD
Assistant United States Attorneys

I have carefully reviewed every part of this agreement with my attorney. I understand and voluntarily agree to its terms. I expressly waive my rights to appeal as outlined in this agreement. I wish to plead guilty because, in fact, I am guilty.

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Date



GLENN STOLL

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Defendant

I represent the defendant as legal counsel. I have carefully reviewed every part of this agreement with defendant. To my knowledge, defendant's decisions to make this agreement and to plead guilty are informed and voluntary ones.

1/15/2021

Date



NOAH HORST

Attorney for Defendant