

IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

Case No.: 3:17-cr-149-J-34MCR

UNITED STATES OF AMERICA	Jacksonville, Florida
v	September 17, 2018
DINO AJLONI,	9:40 a.m. - 11:48 a.m.
Defendant.	Courtroom: 10B

SENTENCING

BEFORE THE HONORABLE MARCIA MORALES HOWARD
UNITED STATES DISTRICT JUDGE

OFFICIAL COURT REPORTER:

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(Proceedings reported by stenography; transcript
produced by computer.)

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A P P E A R A N C E S

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- - -

P R O C E E D I N G S

September 17, 2018

9:39 a.m.

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COURT SECURITY OFFICER: All rise. The United States District Court, in and for the Middle District of Florida, is now in session. The Honorable Marcia Morales Howard presiding.

Please be seated.

THE COURT: This is Case No. 3:17-cr-149-J-34MCR. It is the *United States of America versus Dino Ajloni*.

Mr. Taylor is here on behalf of the United States.

And, Mr. Taylor, if you could introduce the individual seated with you.

MR. TAYLOR: Good morning, Your Honor. This is Tina Grant, an agent from the Department of Defense Investigative Services.

THE COURT: And Mr. Ceballos and Mr. King are here on behalf of Mr. Ajloni.

And you are Dino Ajloni?

THE DEFENDANT: Yes, Your Honor.

THE COURT: All right. We're scheduled for a sentencing.

Is the United States prepared to proceed?

MR. TAYLOR: Yes, Your Honor.

THE COURT: And you, Mr. Ceballos?

MR. CEBALLOS: Yes, Your Honor.

1 THE COURT: All right. Give me one moment to get my
2 computer up.

3 Mr. Ajloni, on August 17th of 2017, you entered a
4 plea of guilty to Count One of the information which charged
5 you with healthcare fraud, in violation of Title 18, United
6 States Code § 1347.

7 The Court has accepted your guilty plea and the
8 probation office has prepared a presentence report.

9 Have you reviewed that presentence report?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: And did your attorneys answer any
12 questions that you may have had about it?

13 THE DEFENDANT: Yes, Your Honor.

14 THE COURT: All right. Mr. Ceballos, did you and
15 Mr. King have sufficient opportunity to review the PSR with
16 this gentleman?

17 MR. CEBALLOS: We did, Your Honor.

18 THE COURT: And I know that there -- there were some
19 objections.

20 Is he intending to pursue all of the objections to
21 the factual statements that were raised?

22 MR. CEBALLOS: I believe we have a resolution on some
23 of the matters and some extra -- actually, some information for
24 the Court.

25 May we approach the podium?

1 THE COURT: Certainly.

2 MR. CEBALLOS: I believe we have a resolution with
3 respect to one of the paragraphs, and Mr. King can address the
4 Court on that issue.

5 MR. KING: And, Your Honor, I had a conversation with
6 Mr. Taylor today, and we have agreed -- the Government's
7 agreed --

8 THE COURT: Mr. King, can I get you to pull that
9 microphone down closer to you so I can see you a little bit
10 better.

11 Thank you, sir.

12 MR. KING: The Government has agreed -- we would have
13 an objection to paragraph 35, the obstruction of justice and
14 the two-level enhancement there.

15 The Government has indicated they're not going to be
16 able to disprove the objection and meet their burden there,
17 otherwise we would withdraw our other factual objections at
18 this time.

19 THE COURT: So what -- all right. So in the addendum
20 to the presentence report, there were a number of factual
21 objections to the offense conduct.

22 Paragraphs 13 and 15, paragraph 16, paragraph 19, and
23 paragraphs 22, 26, 27.

24 And what you're telling me is that you are -- you are
25 intending to withdraw those objections, and that Mr. Taylor has

1 agreed that, in light of those withdrawals, that the United
2 States would not be supporting the obstruction of justice
3 enhancement; is that right?

4 MR. KING: That's correct, Your Honor.

5 THE COURT: Mr. Taylor?

6 MR. TAYLOR: That's correct, Your Honor. We don't
7 have sufficient evidence to refute that objection.

8 THE COURT: All right. And so then, Mr. King, would
9 that mean there are no objections, and the only thing that we
10 would be talking about in terms of the guidelines is the motion
11 for downward departure under 5H1.4?

12 MR. KING: Yes, Your Honor.

13 THE COURT: Okay. Give me a moment to look at this.
14 Let me see the probation officer for a moment.

15 (Court confers with probation.)

16 THE COURT: So, Mr. Taylor, looking at paragraphs 26
17 and 27, which are the -- predominantly the facts that support
18 the obstruction -- well, I guess it's in paragraphs 22 and 23,
19 as well as 26 and 27, I'm a little -- if Mr. Ajloni is no
20 longer objecting to those factual statements, how is the
21 obstruction adjustment not supported?

22 MR. TAYLOR: Your Honor, we can't -- it's -- it's a
23 good question, because -- and the Court is -- the Court is
24 right on the money on that -- in questioning that.

25 He did participate to a degree in the creation of the

1 documents, but there is no evidence that he knew that the
2 prescriptions themselves were forged.

3 So half of the question, I guess we could
4 substantiate, but it seems to me that the heart of that
5 obstruction is his -- is the allegation that he recruited an
6 individual identified as A.C. to forge prescriptions, and we
7 are unable to prove that.

8 THE COURT: Did he not give her the -- give her some
9 of the prescriptions that she then obtained signatures for?

10 MR. TAYLOR: Your Honor, he did do that under an
11 assumption that the doctor was the signature -- or that a
12 doctor would be the one signing it.

13 THE COURT: Paragraph 19 says that he recruited her
14 to participate in the scheme, he gave her prescriptions, and
15 she caused her employer to sign the prescriptions by including
16 them with other documents the doctor expected to sign.

17 Ajloni provided multiple lunches, concert tickets,
18 and other inducements to A.C. in exchange for her assistance.

19 And that...

20 MR. TAYLOR: Your Honor, it reads that she caused her
21 employer to sign them, not him.

22 He would -- he would give her the -- I guess we would
23 call them the created prescriptions, and she would cause --
24 theoretically cause a doctor to sign them.

25 THE COURT: The obstruction enhancement, which is

1 what we're talking about, is based on his interview -- were the
2 false and misleading statements that, 1, that TRICARE
3 beneficiaries made copayments; 2, that no patient was offered
4 anything of value to receive prescriptions; and, 3, that
5 Wellness called the doctor prior to dispensing the
6 prescriptions.

7 And then also based on the fact that his lawyers
8 created these documents, which you're saying that he didn't
9 know that A.C. forged the forms that were given to the lawyers.

10 Is that what you're saying?

11 MR. TAYLOR: Correct. Correct.

12 THE COURT: All right. Here's where I think that
13 leaves us. I think the reality is that with Mr. Ajloni
14 withdrawing his objections to the factual statements that are
15 set forth in paragraphs 22 and 23 and 26 and 27, the Court
16 could conclude that the obstruction of justice enhancement is
17 fully supported.

18 Of course, Mr. Ajloni had originally objected to
19 those paragraphs. And, frankly, after reviewing the plea
20 agreement, his objections to those paragraphs and some of the
21 others that he was objecting to probably wasn't consistent with
22 acceptance of responsibility.

23 And so I think under the circumstances with
24 Mr. Ajloni opting to stand by his admissions rather than --
25 rather than pursue them, I'm going to accept the Government's

1 position that it is not going to advocate for the obstruction
2 of justice enhancement. I think it might be supported by
3 the -- by the factual statements that are admitted, but I'll go
4 ahead and accept that.

5 So there are no other objections on behalf of
6 Mr. Ajloni; is that right, Mr. King?

7 MR. KING: Yes, Your Honor, that's correct.

8 THE COURT: Mr. Taylor, any objections by the United
9 States?

10 MR. TAYLOR: No, Your Honor.

11 THE COURT: Then before addressing the motion for
12 downward departure, the Court accepts the factual statements
13 set forth in the presentence report, and determines that the
14 guidelines applicable to Mr. Ajloni are as follows: Total
15 offense level is a 25; criminal history category is I, which
16 gives us a guideline term of imprisonment of 57 to 71 months; 1
17 to 3 years supervised release; restitution in the amount of
18 \$1,916,206.97; fines ranging from \$10,000 to \$100,000, and a
19 \$100 special assessment.

20 Is that consistent with your understanding, Mr. King?

21 MR. KING: Your Honor, I believe with the
22 obstruction, two levels, it would be a --

23 THE COURT: You're right, Mr. King. I didn't make --
24 I didn't correct for that. So 23 -- give me my --

25 MR. KING: Be a 46-to-57 month range.

1 THE COURT: And it's going to change -- it's 46 to
2 57 -- am I looking at the wrong sentencing table?

3 I see a fine range of 20,000 to 200,000.

4 Okay. So it's the old fine range that applies.

5 So that's right.

6 Okay. So we'll do that again.

7 Total offense level 23; criminal history category I,
8 gives us a guideline term of imprisonment of 46 to 57 months; 1
9 to 3 years supervised release; the restitution figure is the
10 same; fines ranging from \$10,000 to \$100,000, and a \$100
11 special assessment.

12 With that, Mr. King, is that consistent with the
13 Court's ruling?

14 MR. KING: Yes, Your Honor.

15 THE COURT: Mr. Taylor?

16 MR. TAYLOR: Yes, Your Honor.

17 THE COURT: Madam Deputy, may I see you a minute.

18 (Confers with courtroom deputy.)

19 THE COURT: All right. Then the next thing, I think,
20 the Court has to address is Document No. 37, which is the
21 defendant's motion for downward departure under 5H1.4.

22 Mr. Ceballos, are you intending to address that, sir?

23 MR. CEBALLOS: We are -- I am, Your Honor.

24 Let me give you a little bit of background, if I may.

25 In his professionalism, on Friday afternoon, we

1 finally, after filing the exhibit list, the motion pursuant to
2 5H.1, and the variance motion, had a conversation with
3 Mr. Taylor.

4 It is my understanding that the United States will
5 not oppose the granting of the motion with respect to the
6 variance and will not oppose our suggestion we made in that
7 pleading that Your Honor impose a sentence than doesn't involve
8 incarceration.

9 We are prepared to summarize that argument, if you
10 wish. Of course, you will need to verify it with Mr. Taylor.
11 But in light of the United States' position with respect to
12 that, we can proceed with evidence and testimony and the
13 exhibits that are already part of the file that, I think,
14 caused him to come to that -- the United States to come to that
15 position, and perhaps curtail the evidentiary presentation.

16 I'll defer to Your Honor with respect to that.

17 But am I correct, Mr. Taylor?

18 MR. TAYLOR: That's correct.

19 Would the Court like me to address that now?

20 THE COURT: No. I just want to make sure I'm
21 understanding.

22 I think what you're telling me is you're withdrawing
23 it as a motion for downward departure. You're just going to
24 argue it as a variance. And the Government is not going to
25 oppose the request for a variance; is that correct?

1 MR. CEBALLOS: I believe that's correct.

2 MR. TAYLOR: I think that's -- I think that's what
3 we've agreed to, Judge.

4 THE COURT: Okay.

5 All right. Then, Madam Deputy, if the record will
6 reflect that the motion for a guideline departure is withdrawn.
7 And then at this point the -- what we would normally do,
8 Mr. Ceballos, is I would hear from the Government with regard
9 to their recommendation, and then I'll hear from you with
10 regard to your sentencing presentation, including all of the
11 reasons for a downward variance.

12 MR. CEBALLOS: Thank you, Your Honor.

13 May I have just a moment?

14 THE COURT: Certainly.

15 And I will say, if you're more comfortable proceeding
16 with the variance presentation first and then me hearing from
17 Mr. Taylor, that's fine, too.

18 There's no required structure.

19 MR. CEBALLOS: Thank you. Then I -- at this time,
20 Your Honor, the defense would call Dania Ajloni.

21 THE COURT: Okay.

22 Hello. Can you tell us your full name, please.

23 MS. AJLONI: Dania Ajloni.

24 THE COURT: Will you spell your first name for us.

25 MS. AJLONI: D-A-N-I-A.

1 THE COURT: Okay. Go ahead.

2 MR. CEBALLOS: Ma'am, please state your full name for
3 the record.

4 MS. AJLONI: Dania Ajloni.

5 MR. CEBALLOS: And what is your address?

6 MS. AJLONI: 6350 Palm Trace Landings Drive, No. 308,
7 Davie, Florida, 33314.

8 MR. CEBALLOS: How far is Davie from Jacksonville?

9 MS. AJLONI: Five hours.

10 MR. CEBALLOS: Okay. And can you tell us your
11 relationship to the defendant, Dino Ajloni?

12 MS. AJLONI: I'm his older sister.

13 MR. CEBALLOS: Very briefly -- some of it's in the
14 PSI.

15 Can you give Her Honor a little bit of history about
16 how the family got to the United States of America and what
17 brought you into the St. Augustine area.

18 MS. AJLONI: Yes, sir.

19 Your Honor, we moved here back in 1983, 1984. I was
20 ten years of age. My brother was six.

21 My father was a practicing physician in Germany,
22 specializing in surgery. And due to discrimination, my father
23 found it best that we move to a country of opportunity that was
24 non-discriminatory.

25 So he did relocate us. He gave up a very successful

1 practice to give us an opportunity at life.

2 So what he had done is developed a real estate
3 business, pretty much giving affordable housing to the
4 community of St. Augustine.

5 MR. CEBALLOS: And you came here at what age?

6 MS. AJLONI: Ten.

7 MR. CEBALLOS: And your brother at what age?

8 MS. AJLONI: Six.

9 MR. CEBALLOS: And your older sister?

10 MS. AJLONI: That's correct.

11 MR. CEBALLOS: You graduated from high school in
12 St. Augustine?

13 MS. AJLONI: That's correct.

14 MR. CEBALLOS: Okay. What was your educational
15 career like after that?

16 MS. AJLONI: I pursued a doctorate in pharmacy in
17 Tallahassee at Florida A&M University.

18 MR. CEBALLOS: Did your brother follow a similar
19 career path?

20 MS. AJLONI: That's correct.

21 MR. CEBALLOS: Where did he go to school?

22 MS. AJLONI: Florida A&M in Tallahassee.

23 MR. CEBALLOS: And specialized in a degree of
24 pharmacy as well?

25 MS. AJLONI: That's correct.

1 MR. CEBALLOS: What was your first professional
2 endeavor after graduating with your pharmacy degree?

3 MS. AJLONI: I was a retail pharmacist at Publix, and
4 was offered a job opportunity as a disease state management or
5 clinical pharmacist with the North Broward Hospital District,
6 covering Florida hospitals.

7 THE COURT: I missed that.

8 You were offered a position what?

9 MS. AJLONI: At the North Broward Hospital District.
10 A hospital system. Like Baptist, similar to Baptist Medical.

11 THE COURT: Okay.

12 MR. CEBALLOS: Did there come a time when the
13 family -- or you and your brother opened up a pharmacy in
14 St. Johns County?

15 MS. AJLONI: That is correct.

16 MR. CEBALLOS: What was the name of it?

17 MS. AJLONI: Wellness Pharmacy of St. Augustine.

18 MR. CEBALLOS: And what was the -- how did that
19 endeavor come about?

20 MS. AJLONI: It's always been a dream of ours and a
21 hope and expectation from my father for us to be partnered up
22 so that we can serve the community in an independent manner
23 that is not restricted as you would be in corporate.

24 So we partnered up -- we grew up in that community
25 and we were giving back to it.

1 MR. CEBALLOS: What was your job? What did you do
2 with the pharmacy?

3 MS. AJLONI: I was daily operating pharmacist. If I
4 was there, my brother was not. If he was there, I was not.
5 But all usual course of pharmacy practice.

6 MR. CEBALLOS: And your brothers were all --

7 MS. AJLONI: The same.

8 MR. CEBALLOS: When you were -- you weren't there at
9 the same time, the same day?

10 MS. AJLONI: That's correct.

11 MR. CEBALLOS: Okay. Did there come a time when you
12 became aware that the Government was looking into the conduct
13 of Mr. Stroman?

14 MS. AJLONI: Yes.

15 MR. CEBALLOS: Okay. Can you describe for Her Honor
16 how you became aware of that and what you did when you became
17 aware of it.

18 MS. AJLONI: We had gone to a conference that was put
19 on by a reputable company that basically was giving guidelines
20 and letting you know what should be done, what was right and
21 what was wrong.

22 At that conference, we learned that a 1099
23 representative would be inappropriate as far as what we were
24 doing. They needed to be safe harbored.

25 So we contacted counsel, spoke with them regarding

1 it, and drew up a --

2 MR. CEBALLOS: Excuse me. What counsel did you
3 contact?

4 MS. AJLONI: Frier & Levitt in New Jersey.

5 MR. CEBALLOS: Go ahead.

6 MS. AJLONI: We drew up marketing contracts to be in
7 compliance with the law.

8 MR. CEBALLOS: Did your -- what happened with your
9 association with Mr. Stroman?

10 MS. AJLONI: Mr. Stroman opted not to be a safe
11 harbor payrolled employee. He chose that he wanted to stay
12 1099, and we opposed.

13 MR. CEBALLOS: And you're aware and the Court's aware
14 of what happened in Mr. Stroman's case?

15 MS. AJLONI: That's correct.

16 MR. CEBALLOS: Can you describe the condition of your
17 brother's health?

18 MS. AJLONI: Very poor and deteriorating.

19 MR. CEBALLOS: We made an exhibit that's before the
20 Court as a chart that summarizes some of his medical maladies.

21 Did you participate in the creation of that document?

22 MS. AJLONI: Yes, I did.

23 MR. CEBALLOS: Okay. What does -- we have all kinds
24 of medical records here, but can you summarize briefly for Her
25 Honor what his primary medical concerns are.

1 MS. AJLONI: His primary and decreasing -- or
2 increasingly deteriorating is a cardiac condition.

3 He's already had two open-heart surgeries, two
4 pacemakers.

5 The first surgery was at the age of 18 years old.
6 Apparently nothing has taken the way it should and his heart is
7 deteriorating. He needs a valve replacement, which is going to
8 be another open-heart surgery.

9 He also has a pulmonary state that is being affected.
10 He does not circulate blood properly. It's not nutritional
11 blood. Therefore he's also been diagnosed with a blood
12 disorder that is not treatable, it's only symptomatically
13 supported and is only going to worsen.

14 All of those combined, he cannot breathe properly.
15 He doesn't have the proper circulation and nutrition. And his
16 cardiac condition actually restricts him from many, many normal
17 daily devices, such as generators, power lines, speakers,
18 microwaves, transformers, two-way radios, radio transmitters,
19 magnetic doors, magnetic buttons, alternators, capacitors,
20 anything that involves magnets and power. He can't even have
21 an MRI.

22 MR. CEBALLOS: You're referring to a document that's
23 in front of you. I haven't asked you to identify it yet.

24 What is that document you were referring to a moment
25 ago?

1 MS. AJLONI: His current cardiologist has detailed
2 what his requirements and restrictions are.

3 MR. CEBALLOS: And who is that?

4 MS. AJLONI: Dr. Cubby.

5 MR. CEBALLOS: And that's one of the exhibits also,
6 Your Honor, that's been provided to the Court.

7 Do you have any familiarity yourself with the penal
8 institutions?

9 MS. AJLONI: Yes, I do.

10 MR. CEBALLOS: Explain that to Her Honor, please.

11 MS. AJLONI: The sheriff of St. Johns County had
12 referred me to all of the Duval County correctional
13 institutions and all of Flagler County. I do jail inspections
14 for them.

15 MR. CEBALLOS: What do you actually do?

16 What do you do when you go there?

17 MS. AJLONI: I go into their medical portion and do
18 their inspection and make sure they're in compliance with
19 dating, with paperwork, with documentation, in accordance with
20 state laws.

21 MR. CEBALLOS: Are some of the things that your
22 brother's not supposed to have physical contact with or
23 encounter, are they contained in institutions?

24 MS. AJLONI: Absolutely. The two-way radios, the
25 radio transmitters.

1 I have to walk through several magnetic doors, be
2 escorted through. I'm also wanded and have to go through the
3 screening.

4 MR. CEBALLOS: You have one brother?

5 MS. AJLONI: That's correct.

6 MR. CEBALLOS: And your parents are your other
7 immediate family?

8 MS. AJLONI: Yes.

9 MR. CEBALLOS: They're here today in the courtroom?

10 MS. AJLONI: Yes, sir.

11 MR. CEBALLOS: Is your mother here?

12 MS. AJLONI: Yes, she is.

13 MR. CEBALLOS: And rather than call her, I'll ask
14 your mother to stand and be recognized by the Court.

15 And what is your mom's name?

16 MS. AJLONI: Amena Ajloni.

17 MR. CEBALLOS: What is the condition of her health?

18 MS. AJLONI: I would say worse than my brother's.

19 MR. CEBALLOS: She's older?

20 MS. AJLONI: Yes.

21 MR. CEBALLOS: How does she -- what role, if any,
22 does your brother take in assisting your mom with her medical
23 issues?

24 MS. AJLONI: He is there for day-to-day activities
25 that she cannot perform. He takes her to all of her doctor's

1 appointments and procedures, and is there when she has acute
2 illness, crisis, whether it's to hook her up to oxygen,
3 medicate properly, because some of her crisis or syndromes can
4 be life-threatening if not treated immediately, timely, or
5 properly.

6 MR. CEBALLOS: Do you have any [unintelligible] your
7 brother?

8 MS. AJLONI: Absolutely.

9 MR. CEBALLOS: At the conclusion of this hearing,
10 we're going to ask Her Honor to impose conditions of supervised
11 release where your brother would have to fulfill certain
12 promises to the Court.

13 Do you have any concern in your mind that he'll be
14 able to do that?

15 MS. AJLONI: Absolutely not. He will go above and
16 beyond.

17 MR. CEBALLOS: Will you use any of your influence
18 that you have to make sure that he's able to be compliant with
19 any instructions given by this Court?

20 MS. AJLONI: Absolutely and promised.

21 MR. CEBALLOS: Before your testimony concludes, your
22 direct testimony concludes, is there anything you would like to
23 say to Her Honor?

24 MS. AJLONI: Yes.

25 Your Honor, thank you for listening to us, taking the

1 time to hear our concerns and thoughts. I'm not just saying
2 this because I'm his older sister, I'm saying it because I know
3 my brother, and he's a good kid. He's a good kid. He's a good
4 soul.

5 He's always helping people to an extent that I always
6 have to tell him, you know, be careful. You're putting
7 yourself on the line.

8 And people need help, whether it's somebody who needs
9 shoes -- we've had people walk up to us, asking for money,
10 asking for food, we'll take it out of our fridge and our mouths
11 to give it, with nothing expected in return.

12 He's so genuine. He's so kind. We've always been
13 brought up to do what's right, expecting nothing in return.

14 He's never going to break the law. He actually
15 supported the law.

16 He volunteered for the FBI, JTTF, and he also helped
17 with the Narcotics Division in St. Johns County.

18 We're pro-country. He's pro the country. He didn't
19 expect any reimbursement or compensation from the FBI. He did
20 it to keep us safe. That's the kind of person he is.

21 He's genuine. He's compassionate. I can't lose him.

22 MR. CEBALLOS: No further questions.

23 Mr. Booth?

24 THE COURT: While he's making his way up to the
25 podium, I did want to make a record of the fact that

1 Mr. Ceballos and Mr. King provided a number of sentencing
2 documents for the Court to review, character letters, various
3 exhibits, exhibits or letters from JSO, doctor's records, the
4 medical charts, as well as the motion for downward departure
5 and all of those attachments, and I did read of all of those.

6 And to the extent there's anybody in the courtroom
7 who is responsible for taking the time to write one of those
8 letters, I want to thank you for taking the time to do that and
9 assure you that I read everything that was provided to me with
10 regard to Mr. Ajloni in this case.

11 Go ahead, Mr. Ceballos.

12 MR. CEBALLOS: Please state your full name for the
13 record.

14 MR. BOOTH: Jerry Forrest Booth.

15 MR. CEBALLOS: Mr. Booth, where do you reside?

16 MR. BOOTH: Fleming Island, Florida.

17 MR. CEBALLOS: What are your past employments been,
18 sir?

19 MR. BOOTH: Throughout my entire professional career,
20 I was with the Central Intelligence Agency.

21 MR. CEBALLOS: Where were you stationed?

22 MR. BOOTH: Various places overseas and domestically
23 in the Washington, D.C. area.

24 MR. CEBALLOS: Do you know Dino Ajloni?

25 MR. BOOTH: I do.

1 MR. CEBALLOS: And did you have some remarks you wish
2 to share with Her Honor?

3 MR. BOOTH: I do.

4 Thank you, Your Honor, for the opportunity to comment
5 in support of Mr. Ajloni today.

6 I'm unaccustomed to addressing the Court, so for the
7 sake of clarity and brevity, I've prepared a brief statement
8 that I -- with your permission, I would like to read.

9 THE COURT: Of course.

10 MR. BOOTH: Thank you.

11 Your Honor, I'm a 76-year-old resident of Fleming
12 Island, Florida, where I resettled from northern Virginia in
13 2006, following a 40-year career as a senior officer with the
14 Central Intelligence Agency.

15 I also had the privilege of serving my country as a
16 commissioned officer in the United States Army.

17 I've known Mr. Ajloni for about five years, mostly
18 through his association with my daughter who is employed at
19 Wellness Pharmacy in St. Augustine.

20 Mr. Ajloni was also my pharmacist.

21 My contact with him is best described as occasional
22 social contact, principally at the pharmacy, although I have
23 also been in his home.

24 It is in that context that I can comfortably state
25 that Mr. Ajloni consistently comported himself well and

1 honorably.

2 Additionally, Mr. Ajloni showed considerable kindness
3 towards me and my grandchildren, and I believe his sincerity
4 was genuine.

5 He gave them small gifts, engaged them in
6 conversation, and made them feel very comfortable and at home.

7 Additionally, he was compassionate and understanding
8 when my daughter injured her back and had to adjust her
9 schedule to accommodate doctor's visits and recuperation.

10 His counsel to her at the time was: Take care of
11 yourself and get better.

12 Although I did not personally observe, I've learned
13 anecdotally that Mr. Ajloni occasionally paid out of the pocket
14 the cost of medications for some of his indigent customers.

15 He took flip-flops off the pharmacy inventory and
16 gave them to barefooted kids of impoverished customers.

17 These similar acts of kindness demonstrate his
18 concern for others less fortunate, I believe. Generosity runs
19 in the family, a quality readily apparent when one meets his
20 siblings and parents -- his sibling and parents.

21 Mrs. Ajloni, Dino's mother, frequently gave treats
22 and showed extraordinary kindness to my grandkids whenever we
23 visited the pharmacy.

24 These were all unconditional acts of kindness, in my
25 view, sincere and from the heart, to be sure. Likely

1 culturally based behavior derived, I believe, from their Middle
2 Eastern heritage.

3 I believe the Ajloni family is an American success
4 story, immigrating from the Middle East and settling ultimately
5 in the U.S., acquiring U.S. citizenships, the kids receiving
6 excellent education, starting a business, helping others and
7 remaining loyal to their new home and country. I think all of
8 that is very commendable to them.

9 One additional and critical point, in my opinion.
10 Mr. Ajloni has a serious cardiac issue which requires close
11 monitoring, and I'm confident that a medical referral or
12 evaluation by the Court would validate the seriousness of his
13 heart condition.

14 I'm very concerned that a harsh sentence or
15 imprisonment will elevate his stress, exacerbate his illness,
16 and threaten his life.

17 Similarly, his mother's health is also a concern.
18 She is a very kind and decent lady and very frail. A severe
19 sentence will devastate her.

20 I urge the Court to take into account the whole
21 person and recognize Mr. Ajloni's extraordinary compassion, his
22 patriotism, his health, his mom's health, and balance all of
23 these against the charges and render the most lenient sentence
24 permissible to include probation.

25 I want to thank you, Your Honor, for allowing me the

1 opportunity to address this matter with you in court.

2 Thank you very much.

3 THE COURT: Thank you, sir.

4 I don't think we got the spelling of your full name.

5 Can you give that to my court reporter.

6 MR. BOOTH: Of course. Jerry, J-E-R-R-Y; Forrest
7 F-O-R-R-E-S-T; Booth, B-O-O-T-H.

8 THE COURT: Thank you.

9 MR. BOOTH: Thank you.

10 MR. CEBALLOS: Ms. Pearson?

11 Please state your full name and spell your full name
12 for the court reporter, please.

13 MS. PEARSON: Nora Christen Pearson; N-O-R-A;
14 C-H-R-I-S-T-E-N; P-E-A-R-S-O-N.

15 MR. CEBALLOS: Ms. Pearson, where do you reside, what
16 city?

17 MS. PEARSON: Fleming Island, Florida.

18 MR. CEBALLOS: Do you know the defendant, Dino
19 Ajloni?

20 MS. PEARSON: I do.

21 MR. CEBALLOS: Do you have some comments you wish to
22 share with Her Honor?

23 MS. PEARSON: I do.

24 Thank you for allowing me to speak, Your Honor. I
25 also had to write mine down too because I'm not very good at

1 this sort of thing.

2 I am writing on behalf of Dr. Dino Ajloni. I
3 relocated to Florida from Washington State about ten years ago
4 and I reside in Fleming Island.

5 Dino and I met shortly after my move to Florida and
6 we have been good friends ever since.

7 Over the years -- sorry.

8 THE COURT: Take your time.

9 MS. PEARSON: I'm terrible at this stuff.

10 Over the years, he has demonstrated to me to be an
11 exceptional pharmacist, coworker, caring friend, and of
12 responsible character.

13 Dino has many, many friends, and they're all going to
14 describe him in a similar manner that I will.

15 He is known throughout the community for his genuine
16 compassion and love of his patients, his desire to help those
17 less fortunate, and his ability to bring humor and light to
18 even the most difficult of situations.

19 I have always known Dino to exercise good moral
20 character, both in his professional and personal life.

21 During our friendship, he has always been there for
22 me, especially in the months following the loss of my husband
23 to cancer.

24 He and his family have always shown unconditional
25 friendship, emotional support, and understanding during my

1 personal loss and the difficult years that were to follow.

2 Dino has always been a constant source of joy and
3 stability for both myself and my children during a very sad
4 time in our lives.

5 The true kindness that Dino naturally exudes is like
6 nothing I've ever known, and I've always said that I am a
7 better person for simply having known him.

8 In addition to our friendship, he is also an
9 outstanding pharmacist and member of our community. While it
10 is unfortunate that he made some bad decisions which have
11 resulted in this case, Dino himself is not a bad person.

12 While I may have been surprised to learn the many
13 details of this case, I am not surprised by his willingness to
14 accept the responsibility for his actions.

15 I believe he'll emerge from this an even better
16 person by the end of the process.

17 It is my sincere hope that the Court takes this
18 letter into consideration at the time of Dr. Dino Ajloni's
19 sentencing.

20 Despite the details of this case, I still believe
21 Dino Ajloni to be an exceptional and honorable human being as
22 well as a valuable member of our community.

23 Thank you for allowing me to speak.

24 THE COURT: Thank you.

25 MR. CEBALLOS: No further questions.

1 THE COURT: Go ahead. Mr. King.

2 MR. KING: Thank you, Your Honor.

3 I want to thank the Court and Ms. Anderson, as well
4 as Agent Grant and Mr. Taylor for taking the time to review all
5 the materials we provided.

6 One of the things that we did provide in support of a
7 variance under 3553(a) (6) was a non-exhaustive chart -- I
8 believe it's attached to the presentence investigation report.
9 It will be pages 31 through 35. It's at the end.

10 And those -- that chart documents many of the civil
11 settlements that have occurred out of the Jacksonville Division
12 of the United States Attorney's Office.

13 THE COURT: Yeah. I was going to ask Mr. Taylor what
14 the -- because I've seen a number of these cases go through a
15 -- I've generally seen them on the civil side. Obviously I did
16 have Mr. Stroman.

17 But I didn't -- I wondered what the difference was
18 that caused this one to be brought criminally. And I'll ask
19 Mr. Taylor that, if he knows.

20 I know Mr. Mehta was involved earlier, so you may not
21 know, Mr. Taylor, but I'm going to ask you, so be ready.

22 MR. TAYLOR: I will not have a comment, Your Honor.

23 THE COURT: I take it that that was just before you
24 were involved?

25 MR. TAYLOR: Yes, Your Honor.

1 THE COURT: All right. Go ahead, Mr. King.

2 MR. KING: And, Your Honor, I'm sure the Court's
3 aware, Mr. Mehta had been in the civil division of the U.S.
4 Attorney's Office and then transferred to the criminal briefly,
5 no longer with the office.

6 And he actually helped me prepare some of these. I
7 reached out to him and he provided some of the information
8 regarding these different cases, many of them the conduct is
9 nearly identical. The dollar amounts for almost all of them
10 are much higher than the dollar amounts here.

11 The amounts that the Court sees are not
12 necessarily -- almost all of them would be significantly lower
13 than what a sentencing guideline calculation would be. These
14 are actual settlements.

15 And many of them, particularly where you see
16 50 percent of net profits, those are for a settlement reached
17 under what they call an ability to pay.

18 So the Department of Justice has a whole team in
19 Washington that will look at a business' financial documents
20 when making an FCA settlement, and they will take the dollar
21 amount and then it's 50 percent of the profits.

22 And as the Court can see, with the exception of, I
23 believe, one of these cases, the dollar amount were all well in
24 excess of the dollar amounts for this pharmacy's case.

25 And all of these were handled civilly. And I don't

1 believe anybody related to any of these cases have been
2 criminally prosecuted.

3 We'd ask the Court to take that into consideration
4 under the 3553(a)(6).

5 Thank you, Your Honor.

6 THE COURT: Thank you, Mr. King.

7 And I guess, Mr. Taylor, I know you said you had no
8 comment. But -- so, to your knowledge, there isn't anything
9 that was more egregious or specific about this case that caused
10 it to be pursued criminally rather than civilly?

11 MR. TAYLOR: Not to my knowledge, Your Honor. Not to
12 my knowledge.

13 And does the Court want me to go ahead and address
14 the --

15 THE COURT: Sure. And I'll continue to hear from
16 you-all, but let me hear what the Government's recommendation
17 is as to sentencing.

18 And then I'll give you an opportunity to respond.
19 And I also need to give Mr. Ajloni an opportunity to speak.

20 MR. TAYLOR: Thank you, Judge.

21 Yes, in preparing for this sentencing, both speaking
22 with the agent and reviewing documents and going over it, it
23 was not an easy decision to come to -- to come to the place
24 where I feel that a probationary sentence is not something that
25 we're going to object to.

1 I was both heavily persuaded by both aspects of this
2 presentation here, even though I felt that this fit a little
3 better as a variance rather than a departure, but it's -- it's
4 actually the same thing.

5 The representations of his medical condition are
6 significant, and, I think, carry great weight as mitigation.
7 And I was equally as concerned when Mr. King and Mr. Ceballos
8 made their presentation to us regarding the disparity of the
9 motion for the -- for the variance.

10 It's -- I guess the furthest I'm going to say about
11 it is that it's a little bit disturbing, and so I agreed that
12 given the combination of those two things, that we were not
13 going to object to a term of probation if the Court believes
14 that would be the appropriate sentence in the matter.

15 And, no, I did not indict the case, and came to it
16 only for sentencing purposes, but that is the position of the
17 United States.

18 THE COURT: All right.

19 MR. TAYLOR: Thank you.

20 THE COURT: Thank you, Mr. Taylor.

21 Mr. Ceballos?

22 MR. CEBALLOS: Your Honor, other than having
23 Mr. Ajloni address the Court, we have no further factual
24 development in light of the United States' position.

25 We do have a brief argument I can present now or

1 however Your Honor wishes.

2 THE COURT: However you'd like to proceed.

3 MR. CEBALLOS: I'll proceed and then let Mr. Ajloni
4 have the last word.

5 Your Honor, we're going to ask the United States'
6 position and that of the defense to be adopted by the Court.

7 We're asking that Your Honor grant either the 5H1
8 motion or the variance motion, whichever Your Honor believes
9 is -- deems appropriate, and then render a sentence that
10 doesn't involve incarceration.

11 Mr. Ajloni accepted responsibility. We have never
12 fully comprehended how his case got distinguished and brought
13 from the civil to the criminal arena either.

14 We -- we have provided the Court with an exhibit from
15 his prior counsel.

16 We did not comprehend a justiciable motion based upon
17 that that would warrant asking for any dispositive relief from
18 the Court, so we're here instead on the variance motion asking
19 for justice.

20 Mr. Ajloni, as the evidence and record has
21 demonstrated, has been of assistance to law enforcement in the
22 past.

23 He's lost a lot. His career as a pharmacist, with
24 his conviction, will render that essentially void and over.
25 His ability to future earn a living is compromised by these

1 proceedings.

2 Obviously his health issues are -- it's
3 uncontradicted how difficult they are. We provided case law
4 argument in support for the proposition that when somebody is
5 ill and in medical distress but are still an assistant to a
6 loved one or a family member who is dependent upon them, that's
7 another additional legal basis for the Court to grant leniency
8 and mercy. And, in this case, we're asking for a
9 non-incarcerative sentence.

10 We have the -- the Ajloni family is -- the retired
11 CIA agent said it better than anybody, they're the American
12 success story. They're what makes this country wonderful.

13 Here they are, they're a close -- close-knit family
14 that have avoided the persecutions of other parts of the
15 country, came here and fulfilled the American dream.

16 Some of that's lost to him because of these
17 proceedings and he won't have those back.

18 We ask Your Honor to temper the judgment of this
19 Court by recognition of his medical situation, the disparate
20 circumstances with the other cases, and the things he's already
21 lost.

22 We ask Mr. Ajloni to then be allowed to address the
23 Court, Your Honor.

24 THE COURT: Sir, if you'll come up to the podium if
25 you'd like to speak.

1 You don't have to speak, but you certainly have the
2 right to do so.

3 THE DEFENDANT: Thank you, Your Honor.

4 I accept responsibility for my actions stated -- as
5 stated in the plea agreement.

6 There is not a moment in time that ticks by where I
7 do not feel the wrath or the calamity of what I have done.

8 I cannot begin to tell you what I have lost, material
9 as well as immaterial, the losses being great.

10 The air that I breathe is not of a free and righteous
11 man, it is of a stained and cursed sole whose country has
12 found --

13 THE COURT: Just a moment, Mr. Ajloni.

14 Mr. King, is your cell phone -- is it on your person?

15 MR. KING: It is, Your Honor.

16 THE COURT: Maybe -- sometimes that causes
17 interference. Maybe you could put it at your desk.

18 I don't know that that's what it is, but we sometimes
19 have that problem.

20 MR. KING: It's his pacemaker, Your Honor. He's a
21 little stressed out.

22 THE COURT: You know what, that's probably what's
23 causing the interference.

24 Why don't I let Mr. Ajloni take his seat and speak to
25 me from his chair, please.

1 No, please -- stay where you are. Let him take his
2 seat.

3 Did you get him some water, Mr. King?

4 MR. KING: We have some water, Your Honor.

5 THE COURT: Okay. Take your time, Mr. Ajloni.

6 And if you'd like, I can read your letter aloud if it
7 would be easier for you.

8 MR. KING: Your Honor, if we could -- if we could do
9 that.

10 THE COURT: Yes.

11 MR. KING: If it's all right with the Court, I'll --

12 THE COURT: Sure.

13 MR. KING: Your Honor, I accept responsibilities for
14 my actions as stated in the plea agreement.

15 There's not a moment in time that ticks by where I do
16 not feel the wrath or calamity of what I have done.

17 I cannot begin to tell you what I have lost, material
18 as well as immaterial, the loss has been great.

19 The air I breathe is not of a free and righteous man,
20 it is of a stained and cursed soul, whose country has found
21 him -- to deem him fit as a cowardly law-breaking man.

22 I could stand here and tell you how sorry I am or how
23 much I regret my actions, but the damage is already done.

24 My immediate family has lovingly shared the shame and
25 solitude that followed my arrest.

1 We once held our heads high in our community, but
2 because of my actions, we have been shunned from all of our
3 friends, our family, our former patients, and most
4 heartbreaking to me, I was unable to attend two funerals of my
5 beloved aunts overseas, nor see them before they passed.

6 No amount of money can buy back time, and so I am
7 responsible for losing that time.

8 I pray that I do not lose any more precious time with
9 my loved ones. Words simply cannot describe the impact this
10 has had on me and my family. I have and will mention my family
11 often in this speech to the Court because I am very close to my
12 loving mother, father, and sister.

13 There is nothing I can say to undo my actions to go
14 back in time, but if there is anything I can do to make amends
15 with the authorities, I will humbly do so.

16 I can never be the man I once was in this great
17 country. I shall never have the freedoms I once had. I shall
18 never practice pharmacy again, and I can never look my parents
19 in the eyes again, for the shame is too great.

20 I have now realized that ignorance of the laws of
21 this great nation is not an excuse. And for that, I am
22 extremely ashamed and apologetic.

23 I complied and fully cooperated with the federal
24 government with good intentions. I answered all the questions
25 honestly and accurately.

1 With the exception of the charges against me, I had
2 the best of intentions in practicing pharmacy and being a
3 righteous businessman. I did so with the utmost care and due
4 diligence in accordance with the oath I took and the law.

5 I take solace in knowing that all of the patients of
6 the pharmacy were cared for like family, because besides my
7 family, they were the most important people in my life.

8 I sincerely apologize to anyone and everyone who has
9 been affected by my actions, the government, my family, and my
10 patients. Breaking the law is extremely out of character for
11 me and it haunts me night and day, I assure you of that.

12 Your Honor, I hope that you believe leniency is
13 warranted in my case, and I sincerely thank you for the time
14 and attention today.

15 THE COURT: Thank you, sir.

16 MR. CEBALLOS: That concludes defense's presentation,
17 Your Honor.

18 THE COURT: Mr. Taylor, anything further from the
19 United States?

20 MR. TAYLOR: No, Your Honor. Thank you.

21 THE COURT: The victim in this is TRICARE. And I'm
22 required to ask whether the victim wishes to be heard or make
23 any presentation.

24 Do I need to hear from the victim or have you --

25 MR. TAYLOR: We've complied with victim statutes and

1 there's nobody present to speak.

2 THE COURT: All right. I'm going to take about a
3 five- to ten-minute recess and come back and announce my
4 ruling.

5 Before I do that, any bar to sentencing,
6 Mr. Ceballos?

7 MR. CEBALLOS: I'm sorry?

8 THE COURT: Any bar to sentencing?

9 MR. CEBALLOS: No, Your Honor.

10 THE COURT: Mr. Taylor?

11 MR. TAYLOR: No, Your Honor.

12 COURT SECURITY OFFICER: All rise.

13 (Recess taken, 10:36 a.m. - 11:20 a.m.)

14 COURT SECURITY OFFICER: This Honorable Court is now
15 in session.

16 THE COURT: Thank you-all for your patience.

17 Mr. Ajloni is before the Court having pled guilty to
18 a very serious offense of healthcare fraud.

19 And it's a serious offense for a number of reasons.
20 Mr. Ajloni engaged in this conduct for a very significant
21 period of time. It included at least 40 healthcare
22 beneficiaries, a loss of \$1.9 million to the United States, and
23 Mr. Ajloni did not stop the conduct voluntarily.

24 It is troublesome that when confronted by TRICARE, as
25 reflected in paragraph 22 of the presentence report, he made

1 false and misleading statements about his conduct and denied
2 many of the things that he was, in fact, doing to accomplish
3 the criminal activity.

4 It is a serious offense and the guidelines which are
5 applicable to Mr. Ajloni are 46 to 57 months are correctly
6 calculated and they reflect the seriousness of his offense.

7 And the Court finds that to be particularly true,
8 because in this case, even though the statements in
9 paragraph 22 would warrant a two-level obstruction of justice
10 enhancement, the Court has not applied that, and so a 46-to-57
11 month guideline appears to be warranted for the offense
12 conduct.

13 Having said that, in looking at the presentence
14 report before the sentencing, I thought likely that a downward
15 departure or a variance was warranted after reviewing the
16 materials that had been submitted by counsel, but I did not
17 think that a departure or a variance to a probationary or a
18 non-incarcerative sentence would be appropriate.

19 And I would have a hard time finding that a
20 non-incarcerative or a probationary sentence would be
21 appropriate, given the very many aggravating factors that are
22 present in this case.

23 And those factors with respect to Mr. Ajloni -- and I
24 say that because Mr. Stroman, of course, obtained a
25 probationary sentence, but these aggravating factors did not

1 apply to Mr. Stroman.

2 With regard to Mr. Ajloni, it's his role in the
3 offense.

4 It is his position as a pharmacist.

5 It is the length of time over which he continued the
6 offense conduct.

7 It's his actions in recruiting beneficiaries to
8 participate in the fraudulent scheme.

9 It is his false statements to TRICARE when they began
10 their investigation.

11 And it is the fact that he did not voluntarily
12 withdraw, but only withdrew upon discovery by TRICARE of his
13 criminal history.

14 And so for all of those reasons, it seemed to me that
15 while a 46-to-57 month sentence was more than necessary, a
16 probationary sentence would not be appropriate.

17 After hearing from counsel here today, and, in part,
18 based on Mr. Taylor's candid responses to the Court's
19 inquiries, I am persuaded otherwise, and I'm persuaded by
20 two things predominantly.

21 And -- and the one that I think is most important is
22 that the Court, in imposing sentence, is required to consider
23 the nature and circumstances of the offense, and the history
24 and characteristics of the defendant to determine an
25 appropriate sentence.

1 And in determining what an appropriate sentence is,
2 the Court has to consider the seriousness of the offense, which
3 I've discussed; the need for a sentence to promote respect for
4 the law and to provide just punishment; to afford deterrence
5 and to protect the public; and the Court has to avoid
6 unwarranted sentencing disparity.

7 And in this particular case, a lot of those different
8 sentencing factors are at odds with each other.

9 An incarcerative sentence is likely appropriate to
10 promote respect for the law and to reflect the seriousness of
11 the offense.

12 When I look at Mr. Ajloni's in particular, however,
13 it doesn't seem to me that an incarcerative sentence is
14 necessarily needed to accomplish just punishment.

15 I think, in his circumstances, just punishment can be
16 accomplished in other ways.

17 The same is true for deterrence. At least individual
18 deterrence, I think, can be accomplished in other ways.
19 Although one could argue that general deterrence weighs in
20 favor of a -- an incarcerative sentence.

21 The need to protect the public from future crimes, I
22 do not think weighs in favor of an incarcerative sentence.

23 I don't think Mr. Ajloni poses a threat of future
24 criminal activity.

25 And then there's, of course, the need to provide

1 Mr. Ajloni with appropriate medical care.

2 Likely, the Bureau of Prisons can provide that
3 treatment, but Mr. Ajloni's health conditions are severe.

4 (Brief interruption.)

5 THE COURT: I apologize. If I could make it stop, I
6 would.

7 Okay. Well, then we're all just going to have to
8 pretend it's not happening.

9 Can you-all hear over that?

10 MR. CEBALLOS: Yes -- yes, Your Honor.

11 THE COURT: I apologize.

12 And I've lost my train of thought.

13 I think the bottom line is what -- when I looked at
14 those various sentencing factors, what I think is most
15 concerning is the need to avoid unwarranted sentencing
16 disparity.

17 And it's odd, because in this case, it's not so much
18 sentencing disparity, because the other individuals who have
19 engaged in similar conduct didn't face sentencing at all.

20 And I don't think that it would be appropriate for
21 the Court to conclude that just because the United States opted
22 not to prosecute a particular individual that engaged in
23 criminal activity, that that would mean they couldn't choose to
24 prosecute another similarly situated individual.

25 In this case, what is somewhat troublesome is that

1 there doesn't appear to be any explanation of why of all the
2 myriad of people that have engaged in this conduct, many of
3 whom did so to a much greater extent, why Mr. Ajloni is one of
4 the few who ends up being prosecuted for it.

5 All of the other individuals ended up having to face
6 significant money judgments, which Mr. Ajloni faces in this
7 case with the forfeiture, but he's also facing the possibility
8 of incarceration, and what -- what I haven't heard is any
9 reason why his situation or his offense conduct is so serious
10 as to warrant incarceration.

11 And let me be clear, I'm not criticizing the United
12 States' decision to bring the charges, that is an executive
13 branch decision that the United States has the right to make,
14 but I appreciate Mr. Taylor's candor in recognizing that
15 there's not a lot that appears to distinguish Mr. Ajloni from
16 other individuals who have engaged in similar conduct, at least
17 not enough to suggest that an incarcerative sentence is
18 necessarily warranted. And then I think that's why Mr. Taylor
19 has taken the position that he's not objecting to a
20 non-incarcerative sentence.

21 There is also the issue of Mr. Ajloni's health
22 conditions, and those health conditions are real and they are
23 of concern to the Court.

24 I probably have to say out loud that if it was those
25 health conditions alone, I would not be persuaded that that

1 would justify a non-incarcerative sentence.

2 Mr. Ajloni had all of these health conditions when he
3 engaged in the conduct, and so it's a little hard to rely on
4 those health conditions as a reason -- as a reason not to face
5 the consequences. And the Bureau of Prisons is equipped to
6 address medical conditions, and the Court has had to engage in
7 the distasteful act of sentencing individuals to prison whose
8 health conditions are as bad as -- and in one particular
9 circumstance that I can think of, far worse than Mr. Ajloni's.

10 And so alone, that would not be a factor. But in
11 combination, I am persuaded that the circumstances of the
12 offense that -- the matter in which similar offenses have been
13 treated by the United States, combined with Mr. Ajloni's health
14 condition, that in this particular case, a probationary
15 sentence is an appropriate sentence. And so, for those
16 reasons, that is the sentence which the Court intends to
17 impose.

18 Ordinarily I would ask Mr. Ajloni and counsel to come
19 up to the podium. But I'm concerned about his -- I think the
20 act of sentencing has been sufficiently stressful that rather
21 than exacerbate it, I should let Mr. Ajloni stay at counsel
22 table.

23 Any reason why I shouldn't proceed to impose the
24 sentence at this time, Mr. Ceballos?

25 MR. CEBALLOS: No, Your Honor.

1 THE COURT: Mr. Taylor?

2 MR. TAYLOR: No, Your Honor.

3 THE COURT: The Court has asked why judgment should
4 not be pronounced and has been given no cause.

5 I have heard from counsel. I've reviewed the myriad
6 of documents that were filed on behalf of Mr. Ajloni by
7 counsel. I've heard from his witnesses here in court today and
8 I've reviewed the presentence report.

9 Pursuant to Title 18, United States Code § 3551 and
10 3553, it is the judgment of the Court that Mr. Ajloni will be
11 placed on a term of probation of five years.

12 While he's on that term of probation, he will be
13 required to comply with the standard conditions of probation
14 adopted in the Middle District of Florida, as well as certain
15 special conditions.

16 He will have to participate in a mental health
17 treatment program consistent with the instructions of his
18 probation officer.

19 He is -- will be ordered -- well, he's prohibited
20 from incurring any new credit charges, opening any lines of
21 credit, or obligating himself for any major purchase without
22 the approval of the probation officer.

23 And the reason for that is that Mr. Ajloni has agreed
24 to a forfeiture money judgment in the amount of 1.9 --
25 \$1,916,206.97, and also has to pay restitution in that amount.

1 So Mr. Ajloni will also be required to provide the
2 probation officer with access to any requested financial
3 information.

4 It is my understanding that Mr. Ajloni had one
5 firearm in his residence that is an antique that -- Mr. Taylor,
6 you're of the view that he can continue to possess; is that
7 correct?

8 I'm told it's a powder pistol, black powder pistol.

9 MR. TAYLOR: Judge, I'm trying to -- I did have a
10 case recently in which that question arose.

11 I'm trying to remember if this was the case. I know
12 that there are provisions within both federal statutes and
13 state statutes for the lawful possession of antique weapons in
14 certain classifications, but I've never examined this gun nor
15 have we had it examined, so I don't know the answer to that.
16 But I -- if it's an antique black powder, I think he's -- my
17 understanding is, in general --

18 THE COURT: Let me tell you-all what my concern is,
19 because I don't know that we have to decide right now whether
20 he can possess that particular firearm.

21 What I'm intending to impose is a condition, in light
22 of Mr. Ajloni's stated and demonstrated mental health issues,
23 and in light of the fact that based on his conviction, he is
24 not lawfully permitted to possess a firearm, other than one
25 that's accepted, I would intend to impose a search condition to

1 allow the probation officer to verify that Mr. Ajloni is not in
2 violation of that condition, and so that was the only reason I
3 inquired about that.

4 Any questions about that, Mr. Ceballos?

5 MR. CEBALLOS: No, Your Honor.

6 MR. KING: And, Your Honor, there is one other issue.

7 We reached out to ATF earlier. Mr. Ajloni has a
8 silencer that he lawfully possessed. We've been trying to
9 surrender that to ATF. And I don't want there to be a surprise
10 if probation does a search and turns that up, because we have
11 not successfully gotten that. He had a permit for it, but
12 obviously, on my instruction, has left it until we could
13 arrange with ATF to get that surrendered.

14 THE COURT: How do we accomplish that, do we know,
15 Mr. Taylor?

16 MR. CEBALLOS: May I suggest this? I did this in
17 another case.

18 As an officer of the Court, I would represent that
19 I'm going to instruct Mr. Ajloni to provide that to our office
20 and we'll place it in the safe until ATF takes possession of
21 it.

22 It won't be in the residence for that reason, and
23 would represent to the Court that we'll take possession of it
24 forthwith.

25 THE COURT: That's fine.

1 MR. TAYLOR: I appreciate it, Judge, but I'm not sure
2 that's even lawful.

3 THE COURT: Oh -- oh, because he has to have a permit
4 to possess it.

5 MR. TAYLOR: Is it in a trust or is it personally
6 possessed?

7 THE DEFENDANT: Personally.

8 MR. TAYLOR: I don't think -- we can't do that.

9 THE COURT: Okay. Well, how do we get it out of his
10 possession?

11 MR. TAYLOR: I think probation can confiscate it.

12 THE COURT: I didn't think that the probation officer
13 thought they could.

14 PROBATION: Your Honor, a firearm that we find during
15 a search, we transfer to the Sheriff's Office, Jacksonville
16 Sheriff's Office.

17 THE COURT: So can probation do a home visit and --

18 PROBATION: I think that he can bring -- for him to
19 bring the firearm in, and we can dispose of that way.

20 We can research how to dispose of it.

21 THE COURT: Bring it to the courthouse?

22 The CSOs aren't going to appreciate that, nor the
23 marshals in the back of my courtroom.

24 PROBATION: He could probably transfer it to a family
25 member, in a safe. That is what we do --

1 THE COURT: Here's what I'm going to do.

2 I don't need to be involved in how this occurs,
3 because this is not -- all I know is that he's not lawfully
4 permitted to possess it, and I'm imposing a search condition,
5 and you-all have to figure out how to get it --

6 MR. CEBALLOS: Yes.

7 THE COURT: -- lawfully get it out of his hands and
8 into the appropriate person's hands.

9 MR. CEBALLOS: Correct, yes.

10 THE COURT: Mr. Ajloni -- I am going to require
11 Mr. Ajloni to perform 25 hours a year of community service.

12 And my intention is that that community service be
13 accomplished by Mr. Ajloni identifying appropriate audiences in
14 which he can speak to them about the pitfalls and dangers of
15 engaging in healthcare fraud and prescription fraud, which
16 would address both his history of dispensing medications
17 without a doctor's signature, as well as the offense conduct.

18 And it will be incumbent upon Mr. Ajloni to identify
19 appropriate audiences for those talks, and he can do so in
20 consultation with the probation officer. And that is 25 hours
21 per year during the course of his probation.

22 If the -- and, as I said, the probation officer will
23 assist Mr. Ajloni in accomplishing that community service.

24 In addition, Mr. Ajloni is prohibited from engaging
25 in any employment related to the dispensing of prescription

1 medications.

2 And so that we're clear, that goes beyond just saying
3 he can't serve as a pharmacist. He cannot serve as a pharmacy
4 tech. He can't work in the finance area of a pharmacy. He
5 cannot work in any employment that is -- that relates to the
6 dispensing of prescription medications, given the offense
7 conduct.

8 He's required to submit to the collection of DNA.

9 The Court waives the drug testing requirements of the
10 Violent Crime Control Act.

11 Mr. Ajloni is required to make restitution in the
12 amount of \$1,916,206.90 -- one document says 97 and one
13 document says 94.

14 I think I've seen 97 every where else. Let me look
15 at the presentence report.

16 I think 97 is the correct -- 97 cents.

17 Any objection to that, Mr. Ceballos?

18 MR. CEBALLOS: No, Your Honor.

19 THE COURT: All right. Restitution in the amount of
20 that to TRICARE, Defense Health Agency Resource Management
21 Division. That restitution should be paid to the Clerk of the
22 Court.

23 Madam Deputy, Mr. Stroman had to pay some
24 restitution. I didn't think it was in that amount.

25 A portion of Mr. Ajloni's restitution obligation

1 should be joint and several with Mr. Stroman, but I think that
2 should only be up to the extent of Mr. Stroman's restitution,
3 if you can give me that figure.

4 All right. So in Mr. Stroman's judgment, the Court
5 ordered him to pay restitution in the amount of \$178,193.40,
6 and ordered that it would be joint and several with any
7 restitution that might ultimately be imposed against a
8 co-defendant.

9 And so to the extent of that 178,193.40, Mr. Ajloni's
10 restitution is joint and several with Mr. Stroman.

11 Mr. Taylor, is that the right way to do it?

12 MR. TAYLOR: Yes, Your Honor.

13 THE COURT: Do you agree, Mr. Ceballos?

14 MR. CEBALLOS: I do, yes, ma'am.

15 THE COURT: And you'll have to begin paying \$250 a
16 month towards that restitution figure within 60 days of today.

17 Do you understand that, sir?

18 THE DEFENDANT: Yes, Your Honor.

19 THE COURT: The Court waives the imposition of a
20 fine, in particular, in light of Mr. Ajloni's financial
21 circumstances is the very significant restitution and the
22 significant forfeiture that is imposed.

23 There is a motion for an order of forfeiture to which
24 Mr. Ajloni agreed in his plea agreement.

25 And, Mr. King, Mr. Ajloni consents to the Court

1 entering that at this time?

2 MR. KING: Yes, Your Honor.

3 THE COURT: All right. So the Court will grant the
4 motion for forfeiture and enter the order of forfeiture.

5 There is also a \$100 special assessment, which is
6 mandatory and is imposed.

7 I previously explained the reasons why I have varied
8 downward from the guidelines.

9 Mr. Ajloni, you should understand, though, that those
10 guidelines were fair for the conduct, and you easily could have
11 faced a term of incarceration. Probably wouldn't have been 46
12 to 57 months, but it probably would have been more than a year.
13 And I -- and you don't have to get up.

14 I say that only because I want to make sure -- I
15 don't think I will see you here during the term of your
16 probation. In fact, I'm fairly confident that I won't. But I
17 just want to make sure you understand that it is very important
18 that you not do anything during the term of your probation to
19 violate its terms. Because if you did so, you would -- you
20 could face the very same sentence that you faced here today.

21 Do you understand that, sir?

22 THE DEFENDANT: Yes, Your Honor.

23 THE COURT: The Court accepts the plea agreement
24 because it -- the Court is satisfied that it adequately
25 reflects Mr. Ajloni's offense conduct and that its acceptance

1 does not undermine the statutory purposes of sentencing.

2 Mr. Ajloni, you'll have to report to the probation
3 office here on the sixth floor. Your attorneys will get you
4 there.

5 You're going to meet with a probation officer, and
6 the probation officer will talk to you about the rules that you
7 have to follow.

8 And I want you to make sure that you understand all
9 of them and that you take to heart the mental health treatment
10 that I've asked you to participate in, and also make every
11 effort to complete the community service so that we don't have
12 any issues.

13 Do you understand those things, sir?

14 THE DEFENDANT: Yes, Your Honor.

15 THE COURT: Do you have any questions?

16 THE DEFENDANT: No, Your Honor.

17 THE COURT: All right. Mr. Ajloni, you have the
18 right -- somewhat limited by your plea agreement, which I'll
19 let your attorneys discuss with you -- to appeal the Court's
20 sentence.

21 And if you wish to pursue an appeal, you have to file
22 a notice appeal within 14 days.

23 The Government also has the right to appeal.

24 You are entitled to be represented by an attorney in
25 any appeal that's taken, and if you can't afford one, the Court

1 will appoint one to represent you at no cost to you.

2 Do you understand these things, sir?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: Do you have any questions about them?

5 THE DEFENDANT: No, Your Honor.

6 THE COURT: All right. Mr. Ceballos, Mr. King, any
7 objections to the sentence or the manner in which it was
8 imposed?

9 MR. CEBALLOS: No, Your Honor.

10 MR. KING: No, Your Honor.

11 THE COURT: Mr. Taylor, any objections by the United
12 States?

13 MR. TAYLOR: No objections.

14 THE COURT: All right. To those of you who were here
15 on behalf of Mr. Ajloni today, thank you for coming.

16 Mr. Ajloni, I'm not going to see you again; right?

17 THE DEFENDANT: No, Your Honor.

18 THE COURT: All right. Good luck to you, sir.

19 MR. CEBALLOS: Thank you, Your Honor.

20 THE COURT: We're in recess.

21 COURT SECURITY OFFICER: All rise.

22 (Proceedings concluded at 11:49 a.m.)

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C E R T I F I C A T E

UNITED STATES DISTRICT COURT)

MIDDLE DISTRICT OF FLORIDA)

I hereby certify that the foregoing transcript is a true and correct computer-aided transcription of my stenotype notes taken at the time and place indicated herein.

Dated this 7th day of December 2018.

/s/Cindy Packevicz Jarriel

Cindy Packevicz Jarriel, RPR, FCRR