

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Case No. 21-CR-26-SRN

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
ISAIAH LESLIE GOODMAN,)
)
 Defendant.)

**PLEA AGREEMENT AND
SENTENCING STIPULATIONS**

The United States of America and defendant Isaiah Leslie Goodman (“defendant”), and his attorney, pursuant to Rule 11 of the Federal Rules of Criminal Procedure, agree to resolve this case on the terms and conditions that follow. This Plea Agreement binds only the defendant and the United States Attorney’s Office for the District of Minnesota. This Plea Agreement does not bind any other United States Attorney’s Office or any other federal or state agency. The parties to this Agreement have agreed upon the following:

Charges in this Case

1. By this Agreement, defendant agrees to plead guilty to Count 1 of the Information, which charges defendant with mail fraud, in violation of 18 U.S.C. § 1341.
2. Defendant has read the charges against him contained in the Information, and those charges have been fully explained to him by his attorney.
3. Defendant fully understands the nature and elements of the crime with which he has been charged.

Factual Basis

4. Defendant is pleading guilty because he is in fact guilty of Count One of the Information. In pleading guilty, defendant admits the following facts and that those facts establish his guilt beyond a reasonable doubt and constitute relevant conduct pursuant to the United States Sentencing Guidelines:

Beginning in or about 2017, and continuing until in or about November 2020, in the State and District of Minnesota, and elsewhere, defendant knowingly devised and executed a scheme to defraud his investor clients. More specifically, defendant held himself out to the public as an investment advisor through his companies, Becoming Financial Group, Inc., and Becoming Financial Advisory Services L.L.C. Defendant also owned and operated MoneyVerbs, a business that claimed to provide customers with financial guidance, including services through an internet-based application for devices and smart phones. Goodman maintained offices for all three companies in Minneapolis, Minnesota, and Maple Grove, Minnesota.

Defendant was registered with the Financial Industry Regulatory Authority (“FINRA”) from in or about 2016 through in or about July 2018 as a broker in the business of buying and selling securities—including stocks, bonds, and mutual funds, among certain other investment products—on behalf of his customers. In addition, defendant was registered as an investment adviser with FINRA and the State of Minnesota’s Department of Commerce under the name Becoming Financial Advisory Services L.L.C. from in or about November 2018 to in or about November 17, 2020.

As an investment adviser, defendant was paid for providing advice about securities to clients.

Through Becoming Financial Group, Inc., and Becoming Financial Advisory Services L.L.C., defendant represented that he would provide his clients with financial planning and investment advice, which included, among other things, purporting to place his clients' savings and retirement funds into financial accounts that he claimed were safe, secure, and profitable. Defendant further claimed that he placed his clients' funds into various individual retirement accounts and 401(k) retirement savings plans operated by Company A, a financial services firm based in McLean, Virginia, that provided customers with various investment and asset management services.

As part of defendant's fraudulent scheme to obtain and retain his clients' money for his own personal use and benefit and to fund his other business, MoneyVerbs, defendant fraudulently received approximately \$2,250,123 from at least 23 of his investor clients. In fraudulently receiving these funds, defendant lied to prospective and existing clients about his use of their money, the security and profitability of the financial accounts he claimed to administer on his clients' behalf, the status of the funds they provided to defendant, and the historical investment and trading performance of his clients' funds.

Through his companies, Becoming Financial Group, Inc., and Becoming Financial Advisory Services L.L.C., defendant prepared and provided potential and existing clients with materially false and fraudulent investment proposals, which he

typically provided during in-person sales pitches or through email messages and phone calls. Defendant falsely represented to clients that he would roll their money into safe and secure investment accounts, such as individual retirement accounts and 401(k) retirement savings plans supposedly maintained by Company A, when, rather than deposit and invest the money as promised, defendant intended to and did fraudulently misappropriate client funds into his bank accounts for his own personal use and benefit and to pay expenses to develop and maintain his other business, MoneyVerbs.

As an additional part of defendant's scheme, defendant misrepresented to clients that their funds would be returned to them upon request, when, in fact, he either kept all of the clients' money or, in other instances, despite their refund requests, he provided investors with refunded payments that were late, incomplete, or both, or that were refunds actually funded by other clients' money.

In order to conceal his fraud, to retain the clients' money, and to lull clients into a false sense of security, defendant provided the investors with materially false and fraudulent information about their money. For example, defendant provided his clients with bogus on-line account information that deceived his clients into believing their funds had been deposited into individual retirement accounts and 401(k) retirement savings plans and had thereafter realized positive growth, when, in fact, defendant never deposited their money in such investment accounts as promised and he instead misappropriated the money without the clients' knowledge or authorization.

In response to defendant's investment pitch, some of his clients cancelled their existing investment and retirement accounts and directed their funds to be rolled over into new accounts for supposed investment by defendant. For example, as alleged in Count One of the Information, on or about June 7, 2019, defendant caused a UPS shipment from Ameriprise Financial in Minneapolis, Minnesota, to J.L. in St. Paul, Minnesota, which contained a check in the amount of \$377,532.90 that consisted of the closing balance of J.L.'s investment retirement account. The delivery of this check thereafter resulted in defendant unlawfully receiving J.L.'s money into defendant's account x1914 at Bank of America in the name of "Becoming Financial Group Inc dba MoneyVerbs" rather than, as defendant had promised, rolling over J.L.'s money into a new investment retirement account.

As a result of defendant's material misrepresentations and omissions, at least 23 victim clients were collectively defrauded of at least \$2,250,123 in savings and retirement funds, which he misappropriated including by, among other things:

(a) Maple Grove Property: an approximately \$76,000 payment on or about September 26, 2017, for the purchase of GOODMAN's residence located at 6296 Queensland Lane North in Maple Grove, Minnesota, and the payment of approximately \$57,399 to Remodeling Company A for improvements to that Maple Grove residence; and payments totaling approximately \$13,798 for the purchase of a hot tub at the Maple Grove residence;

(b) Plymouth Property: payments between September 2019 and November 2020 totaling approximately \$90,921.21 to Building Company A and payments

between April 2020 and August 2020 of approximately \$136,000 to Real Estate Company A for the purchase and construction of an approximately \$1.69 million residence for GOODMAN at 5000 Alvarado Lane North in Plymouth, Minnesota;

(c) Vehicles: initial payments in May 2019 totaling \$49,500 for the purchase of a 2019 Ford Expedition with vehicle identification number 1FMJK2AT4KEA09191, and an initial payment in September 2019 in the approximate amount of approximately \$12,000 for the purchase of a 2020 Ford Explorer with vehicle identification number 1FMSK8FH4LGA39826;

(d) MoneyVerbs Business: payments between July 2019 and October 2020 totaling approximately \$439,000 to Consulting Company A for services rendered to GOODMAN's MoneyVerbs business; payments between February 2019 and October 2020 totaling approximately \$147,000 to additional parties for services rendered to GOODMAN's MoneyVerbs business; payroll in the approximate amount of \$109,000 to employees of GOODMAN's MoneyVerbs business; and

(e) Other Expenditures: personal expenditures, including approximately \$12,000 to Royal Caribbean Cruise Line, approximately \$8,300 to Life Time Fitness; approximately \$114,000 for various on-line and retail purchases, which includes approximately \$4,516 to Tiffany & Company and approximately \$11,000 to Best Buy, and approximately \$195,000 to pay GOODMAN's various credit cards, debts, and loans.

Maximum Statutory Penalties

5. Defendant understands that Count 1 of the Information carries the following maximum statutory penalties:

- a. 20 years in prison;
- b. supervised release term of 3 years;
- c. fine of \$250,000, or twice the gross gain or loss from the offense, whichever is greater;
- d. mandatory special assessment of \$100; and
- e. payment of mandatory restitution in an amount to be determined by the Court.

Guidelines Calculations

6. The parties acknowledge that defendant will be sentenced in accordance with 18 U.S.C. § 3551, *et seq.* Nothing in this Plea Agreement should be construed to limit the parties from presenting any and all relevant evidence to the Court at sentencing. The parties also acknowledge that the Court will consider the United States Sentencing Guidelines in determining the appropriate sentence and stipulate to the following guidelines calculations:

- a. Base Offense Level. The parties agree that the base offense level for mail fraud is 7. (U.S.S.G. § 2B1.1(a)(1)).
- b. Specific Offense Characteristics (Loss). The parties agree that the offense level should be increased by 16 levels because the loss (approximately \$2,250,123) is more than \$1,500,000, but not more than \$3,500,000. (U.S.S.G. § 2B1.1(b)(1)(I)).
- c. Specific Offense Characteristics (Victims). The government believes that the offense level should be increased by 4 levels because the offense resulted in substantial financial hardship to five or more victims. (U.S.S.G. § 2B1.1(b)(2)(B)). Defendant reserves the right to argue that instead a 2-level enhancement applies because the offense involved 10 or more victims or resulted in substantial financial hardship to one or more victims, pursuant to U.S.S.G. § 2B1.1(b)(2)(A)(i) or (iii).

- d. Specific Offense Characteristics (Securities Law Violation by Registered Broker and Investment Adviser). The parties agree that the offense level should be increased by 4 levels because defendant's offense involved a violation of securities law and, at the time of the offense, defendant was a registered broker and an investment adviser. (U.S.S.G. § 2B1.1(b)(20)(A)(ii) and (iii)). The parties agree that no other specific offense characteristics apply.
- e. Acceptance of Responsibility. The government agrees to recommend that the defendant receive a 2-level reduction for acceptance of responsibility pursuant to U.S.S.G. § 3E1.1(a). As defendant has timely notified the government of his intention to enter a plea of guilty, the government agrees to recommend that the defendant receive an additional 1-level reduction pursuant to U.S.S.G. § 3E1.1(b). Whether these reductions will be imposed shall be determined by the Court in its discretion. However, defendant understands and agrees that the government's recommendations are conditioned upon the following: (1) defendant testifies truthfully during the change of plea and sentencing hearings; (2) defendant cooperates fully with the United States Probation Office in the pre-sentence investigation; and (3) defendant engages in no conduct inconsistent with acceptance of responsibility before the time of sentencing. The parties agree that no other Chapter 3 adjustments apply.
- f. Criminal History Category. The parties believe that, at the time of sentencing, defendant will fall into Criminal History Category I. This does not constitute a stipulation, but a belief based on an assessment of the information currently known. Defendant's actual criminal history and related status will be determined by the Court based on the information presented in the Presentence Report and by the parties at the time of sentencing. Defendant understands that if the presentence investigation reveals any prior adult or juvenile sentence which should be included within his criminal history under the U.S. Sentencing Guidelines, defendant will be sentenced based on his true criminal history category, and he will not be permitted to withdraw from this Plea Agreement. U.S.S.G. § 4A1.1.
- g. Anticipated Guidelines Range. If the adjusted offense level is **28**, and the criminal history category is **I**, the Sentencing Guidelines range is **78 to 97 months of imprisonment**, in addition to any supervised release, fine, and restitution the Court may impose. If

the offense level is **26**, and the criminal history category is **I**, the Sentencing Guidelines range is **63 to 78 months of imprisonment**, in addition to any supervised release, fine, and restitution the Court may impose.

- h. Fine Range. If the adjusted offense level is 26 or 28, the fine range is \$25,000 to \$250,000. (U.S.S.G. § 5E1.2(c)(3)).
- i. Sentencing Recommendation, Departures, and Variances. The parties reserve the right to make a motion for departures and/or variances from the applicable Guidelines range and to oppose any such motion(s) made by the opposing party. The parties also reserve the right to argue for a sentence outside the applicable guideline range.

7. **Discretion of the Court.** The foregoing stipulations are binding on the parties, but do not bind the Court. The parties understand that the Sentencing Guidelines are advisory and their application is a matter that falls solely within the Court's discretion. The Court may make its own determination regarding the applicable Guidelines factors and the applicable criminal history category. The Court may also depart from the applicable Guidelines range. If the Court determines that the applicable guideline calculations or the defendant's criminal history category are different from that stated above, the parties may not withdraw from this agreement, and the defendant will be sentenced pursuant to the Court's determinations.

8. **Special Assessment.** The Guidelines require payment of a special assessment in the amount of \$100.00 for the felony count to which the defendant is convicted. U.S.S.G. § 5E1.3. Defendant agrees the \$100.00 special assessment is due and payable at the time of sentencing.

9. **Restitution and Disclosure of Assets.** Defendant understands and agrees that the Mandatory Victim Restitution Act, 18 U.S.C. § 3663A, applies and that the Court is required to order the defendant to make restitution to the victims of his crime. The parties agree that the amount of restitution is at least \$2,250,123.

10. Defendant will fully and completely disclose to the United States Attorney's Office the existence and location of any assets in which the defendant has any right, title, or interest, or over which the defendant exercises control directly or indirectly, including those assets held by a spouse, nominee or other third party, or any business controlled by the defendant. Defendant agrees to assist the United States in identifying, locating, returning, and transferring assets for use in payment of restitution and fines ordered by the Court. More specifically, two weeks after the change of plea, defendant agrees to provide to the United States, under penalty of perjury, a financial disclosure form listing all defendant's assets and financial interests valued at more than \$1,000 before the date of sentencing. Defendant agrees to provide updates with any material changes in circumstances, as described in 18 U.S.C. § 3664(k), which occur prior to sentencing, within seven days of the event giving rise to the changed circumstances. Defendant further agrees to execute any releases that may be necessary for the United States to obtain information concerning the defendant's assets and expressly authorizes the United States to obtain a credit report on the defendant to evaluate his ability to satisfy financial obligations imposed by the Court. If requested by the United States, defendant agrees to submit to one or more asset interviews or depositions under oath.

11. **Revocation of Supervised Release.** Defendant understands that if he were to violate any condition of supervised release, defendant could be sentenced to an additional term of imprisonment up to the length of the original supervised release term, subject to the statutory maximums set forth in 18 U.S.C. § 3583(k).

Waiver of Rights

12. **Waiver of Right to be Charged by Indictment.** Defendant understands that he has a right to have the charges prosecuted by an indictment returned by a concurrence of twelve or more members of a grand jury consisting of not less than sixteen and not more than twenty-three members. By signing this Plea Agreement, defendant agrees to sign an indictment waiver and knowingly waives his right to be prosecuted by indictment and to assert at trial or on appeal any defects arising from the information, the information process, or the fact that he has been prosecuted by way of information.

13. **Waiver of Pretrial Motions.** Defendant understands and agrees that he has certain rights to file pre-trial motions in this case. As part of this Plea Agreement, and based upon the concessions of the United States within this Plea Agreement, defendant knowingly, willingly, and voluntarily gives up the right to file pre-trial motions in this case and agrees to withdraw and not pursue any motions previously filed.

14. **Waiver of Trial Right.** Defendant understands that he has the right

to persist in a plea of not guilty to the charges against him, and if he does, he would have the right to a public and speedy trial. Defendant understands that by pleading guilty he surrenders this right.

15. **Consent to VTC Proceedings.** The defendant understands his right to attend certain proceedings in court, including a plea hearing pursuant to Rule 11 of the Federal Rules of Criminal Procedure. However, notwithstanding these rights, the defendant has consulted with his counsel and hereby expressly consents to conducting a plea hearing by video/telephone conferencing (VTC). The defendant expressly waives his right to appeal the manner in which his plea hearing will be conducted under these VTC procedures.

16. **Waivers of Appeal and Collateral Attack.** Defendant understands that 18 U.S.C. § 3742 affords defendant the right to appeal the sentence imposed in this case. Acknowledging this right, and in exchange for the concessions made by the United States in this Plea Agreement, defendant hereby waives all rights conferred by 18 U.S.C. § 3742 to appeal defendant's sentence, including the amount of restitution, unless the Court imposes a sentence of imprisonment exceeding 78 months or imposes a restitution order in excess of \$2,250,123. The United States also waives its right to seek appellate review of any sentence of imprisonment imposed by the District Court on any ground set forth in 18 U.S.C. § 3742, so long as that sentence of imprisonment is 63 months or more. In addition, defendant expressly waives the right to petition under 28 U.S.C. § 2255. However, the waivers noted above shall not apply to a post-conviction collateral attack or direct appeal based on a claim of

ineffective assistance of counsel. Defendant has discussed these rights with the defendant's attorney. Defendant understands the rights being waived, and defendant waives these rights knowingly, intelligently, and voluntarily.

17. **Forfeiture.** Defendant agrees to forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) in conjunction with 28 U.S.C. § 2461(c), his right, title and interest in any property, real or personal, which constitutes or is derived from proceeds traceable to the mail fraud scheme charged in Count 1 of the Information.

18. Defendant agrees that the specific property subject to forfeiture includes but is not limited to, his right, title and interest in:

- a. the real property and premises located at 6296 Queensland Lane North in Maple Grove, Minnesota;
- b. the real property and all improvements thereon located at 5000 Alvarado Lane North in Plymouth, Minnesota;
- c. a 2019 Ford Expedition with vehicle identification number 1FMJK2AT4KEA09191;
- d. a 2020 Ford Explorer with vehicle identification number 1FMSK8FH4LGA39826; and
- e. defendant's interest in MoneyVerbs and MoneyVerbs, PBC, including all holdings thereof and any shares, stock certificates or other ownership interest in said company held by or on behalf of defendant.

(Collectively, "the Property.")

Defendant admits that his right, title and interest in the Property is subject to forfeiture because it constitutes or is traceable to the mail fraud scheme alleged in Count 1 of the Information. Defendant agrees to fully cooperate with the United States' efforts to seize and forfeit the Property and agrees to take all steps required

to transfer title and ownership of his interest in the Property to the United States. Defendant further agrees that he will not assist any third parties with regard to any claims or petitions that third parties might file in subsequent administrative or judicial forfeiture proceedings for the Property.

19. Defendant also consents to entry of a money judgment forfeiture in the amount of \$2,250,123, and agrees that the amount of proceeds he obtained, directly or indirectly, as a result of the mail fraud scheme equals or exceeds this amount. Defendant shall receive a credit against this money judgment forfeiture for the net forfeited value of all assets that are forfeited from him in connection with this matter. The United States reserves its right to forfeit substitute assets and additional directly forfeitable property.

20. Defendant understands that forfeiture of the property shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon him in addition to the forfeiture judgment. In this case, however, the United States Attorney's Office for the District of Minnesota ("USAO-MN") agrees to take the appropriate steps to recommend to the Money Laundering and Asset Recovery Section of the Department of Justice ("MLARS") that the net proceed derived from any forfeited assets be applied to the Defendant's restitution judgment pursuant to 19 U.S.C. § 981(e), 28 C.F.R. Pt. 9, and other applicable law. Defendant acknowledges that the USAO-MN only has authority to recommend such relief in accordance with applicable regulations, and that the final decision of whether to grant relief rests with the Chief of MLARS, who will make a

decision in accordance with applicable law, and that the USAO-MN's recommendation does not guarantee that such request will be approved.

21. Defendant agrees to waive all constitutional, statutory, and equitable challenges in any manner, including but not limited to direct appeal or a motion brought under Title 28, United States Code, Section 2255, to any forfeiture carried out in accordance with this agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment. The waiver in this paragraph does not apply to a claim of involuntariness or ineffective assistance of counsel. Defendant further agrees not to challenge or seek review of the forfeiture of any property identified in this agreement subject to forfeiture, and defendant agrees he will not assist any third party with regard to such challenge or review.

22. **FOIA Requests.** Defendant waives all rights to obtain, directly or through others, information about the investigation and prosecution of this case under the Freedom of Information Act and the Privacy Act of 1974, 5 U.S.C. §§ 552, 552A.

Conclusion

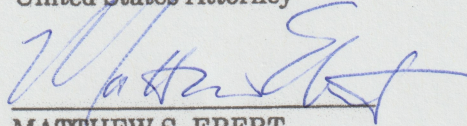
23. This is the entire agreement and understanding between the United States and defendant.

24. Defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Plea Agreement, to cause defendant to plead guilty.

25. Defendant acknowledges that he has read this Plea Agreement and carefully reviewed each provision with his attorney. Defendant further acknowledges that he understands and voluntarily accepts every term and condition of this Plea Agreement.

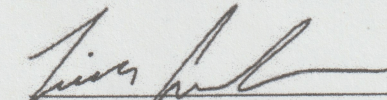
Date: 2/16/2021

ERICA H. MACDONALD
United States Attorney



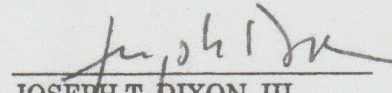
BY: MATTHEW S. EBERT
Assistant United States Attorney

Date: 2/15/2021



ISAIAH LESLIE GOODMAN
Defendant

Date: 2/15/21



JOSEPH T. DIXON, III
Counsel for Defendant