

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLORADO

Criminal Case No. 25-cr-00054-CNS

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. LORI ANN KIMBALL,

Defendant.

**PLEA AGREEMENT AND STATEMENT OF FACTS
RELEVANT TO SENTENCING**

The United States of America, by and through Craig G. Fansler, Assistant United States Attorney for the United States Attorney's Office for the District of Colorado (the "government"), and the defendant, Lori Kimball ("Kimball" or the "defendant"), personally and by counsel, Summer Woods, submit the following Plea Agreement pursuant to D.C.COLO.LCrR 11.1. This agreement binds only the Criminal Division of the United States Attorney's Office for the District of Colorado and the defendant.

I. AGREEMENT

A. Defendant's Plea of Guilty:

The defendant agrees:

- (1) to plead guilty to Count 1 of the Superseding Indictment charging a violation of Title 18, United States Code, Section 1956(h), Conspiracy to Commit Money Laundering;

**COURT
EXHIBIT
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- (2) to waive certain appellate and collateral attack rights, as explained in detail below;
- (3) to be liable for restitution in the total amount of \$3,490,556.35,
- (4) not to contest forfeiture, as more fully described below.

B. The Government's Obligations:

This agreement is made pursuant to Fed.R.Crim.P.11(c)(1)(A) and (B). The government agrees not to bring other charges against the defendant based on information currently known to the United States Attorney's Office, District of Colorado and to move to dismiss counts 2-24 of the Superseding Indictment with prejudice. Should the plea of guilty be vacated on the motion of the defendant, the government may, in its sole discretion, move to reinstate any or all of the counts dismissed pursuant to this agreement and potentially file a superseding indictment.

Provided the defendant does not engage in prohibited conduct or otherwise implicate USSG §§ 3C1.1 and 3E1.1, cmt. n.4 between the guilty plea and sentencing in this case, the government agrees that the defendant should receive a two-level reduction for acceptance of responsibility pursuant to USSG § 3E1.1(a) and agrees to file a motion requesting that the defendant receive a one-level reduction for acceptance of responsibility pursuant to USSG § 3E1.1(b). The government agrees to recommend a term of imprisonment not greater than the low-end of the applicable guideline range calculated by the court at sentencing.

If the defendant engages in conduct which implicates USSG §§ 3C1.1 cmt. n. 4 between the guilty plea and sentencing in this case, in addition to any other

consequences, the government will be released from its obligations under the plea agreement, and the defendant will not thereby have any right to withdraw from the plea agreement.

C. Defendant's Waiver of Appeal:

The defendant is aware that 18 U.S.C. § 3742 affords the right to appeal the sentence, including the manner in which that sentence is determined. Understanding this, and in exchange for the concessions made by the government in this agreement, the defendant knowingly and voluntarily waives the right to appeal any matter in connection with this prosecution, conviction, or sentence (including the restitution order), unless it meets one of the following criteria:

- (1) the sentence exceeds the maximum sentence provided in the statutes of conviction, 18 U.S.C. § 1956;
- (2) the sentence exceeds the top end of the advisory guideline range from the Sentencing Guidelines that applies for the defendant's criminal history (as determined by the district court) at a total offense level of 17; or
- (3) the government appeals the sentence imposed.

If the first criterion applies, the defendant may appeal only the issue of how his sentence exceeds the statutory maximum sentence. But if one of the latter two criteria apply, the defendant may appeal on any ground that is properly available in an appeal that follows a guilty plea.

The defendant also knowingly and voluntarily waives the right to challenge this prosecution, conviction, or sentence (including the restitution order) in any collateral attack (including, but not limited to, a motion brought under 28 U.S.C. §

2255). This waiver provision does not prevent the defendant from seeking relief otherwise available in a collateral attack on any of the following grounds:

- (1) the defendant should receive the benefit of an explicitly retroactive change in the sentencing guidelines or sentencing statute;
- (2) the defendant was deprived of the effective assistance of counsel; or
- (3) the defendant was prejudiced by prosecutorial misconduct.

The defendant also waives the right to appeal any sentence imposed below or within the guideline range upon a revocation of supervised release in this case number, except where the defendant unsuccessfully objects to the grade of violation applied by the court during the district court revocation proceedings. In that event, this waiver does not apply and the defendant may appeal the sentence imposed upon a revocation of supervised release, even if that sentence falls below or within the guideline range calculated by the court.

The defendant also waives the right to appeal the denial of any motion filed under 18 U.S.C. § 3582(c)(1)(A) where such denial rests in any part upon the court's determination that a sentence reduction is not warranted under the factors set forth in 18 U.S.C. § 3553(a). This waiver does not apply to an appeal of a denied § 3582(c)(1)(A)(i) motion where the district court, in denying the motion on § 3553(a) grounds, failed to consider the facts allegedly establishing extraordinary and compelling circumstances as part of its § 3553(a) analysis.

The United States agrees not to argue a procedural bar to a prosecutorial misconduct claim raised in a § 2255 petition based on the failure of the defendant to

raise that issue on direct appeal.

D. Forfeiture of Assets:

The defendant admits the forfeiture allegations. The defendant further agrees to forfeit to the United States immediately and voluntarily any and all assets and property, or portions thereof, subject to forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(C), 18 U.S.C. § 982(a)(1), and 28 U.S.C. § 2461(c), whether in the possession or control of the United States, the defendant, the defendant's nominees, or elsewhere. The assets to be forfeited include but are not limited to a money judgment in the amount of \$3,490,556.35 which will be credited with the net proceeds derived from judicially forfeited assets. The defendant agrees and consents to the forfeiture of these assets pursuant to any federal criminal, civil, and/or administrative forfeiture action.

The defendant understands that pursuant to 18 U.S.C. § 983, the seizing agency is required to send notice in non-judicial civil forfeiture matters. Having been advised of said rights regarding notice, the defendant hereby knowingly and voluntarily waives his rights to notice being sent within the time frames in 18 U.S.C. § 983 and to having the property returned to him/her if notice is not sent within the prescribed time frames. The defendant further agrees to the forfeiture of any substitute assets up to the value of any property described above pursuant to 21 U.S.C. § 853(p) and Federal Rules of Criminal Procedure 32.2(e).

Forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty this Court may impose

upon the defendant in addition to forfeiture.

The United States Attorney's Office for the District of Colorado will recommend to the Attorney General that any net proceeds derived from the sale of the judicially forfeited assets be remitted or restored to eligible victims of the offense, for which the defendant has pleaded guilty, pursuant to 18 U.S.C. § 981(e), 28 C.F.R. pt. 9, and any other applicable laws, if the legal requirements for recommendation are met. The defendant understands that the United States Attorney's Office only has authority to recommend such relief and that the final decision of whether to grant relief rests solely with the Department of Justice, which will make its decision in accordance with applicable law.

II. ELEMENTS OF THE OFFENSE

A. Count 1 (Money Laundering Conspiracy)

The parties agree that the elements of Count 1, a violation of 18 U.S.C. § 1956(h), Money Laundering Conspiracy, are as follows:

1. the defendant agreed with at least one other person to commit money laundering in violation of 18 U.S.C. § 1957;
2. the defendant knew the essential objectives of the conspiracy;
3. the defendant knowingly and voluntarily participated in the conspiracy; and
4. there was interdependence among the members of the conspiracy; that is, the members, in some way or manner, intended to act together for their shared mutual benefit within the scope of the conspiracy charged.

Tenth Circuit Pattern Jury Instructions for Conspiracy, § 2.19 (2021) (modified); *United States v. Keck*, 643 F.3d 789, 794 (10th Cir. 2011); *United States v. Fishman*, 645 F.3d 1175, 1187 (10th Cir. 2011).

The parties agree that the elements of the object of the conspiracy, Money Laundering (Spending), a violation of 18 U.S.C. § 1957, are as follows:

1. the defendant knowingly engaged or attempted to engage in a monetary transaction;
2. the defendant knew that the transaction involved criminally derived property;
3. the property had a value greater than \$10,000;
4. the property was, in fact, derived from a specified unlawful activity; and
5. the monetary transaction occurred in the United States.

Model Crim. Jury Instr. 9th Cir. 18.7 Money Laundering (18 U.S.C. § 1957) (2022).

III. STATUTORY MAXIMUM SENTENCE

The maximum sentence for a violation of Count 1 of the Superseding Indictment is: not more than 10 years of imprisonment, a fine of not more than the greater of \$250,000 or twice the gain or loss from the offense, or both; not more than 3 years of supervised release; a \$100 mandatory victim's fund assessment fee; plus restitution in an amount of \$3,490,556.35.

IV. COLLATERAL CONSEQUENCES

The conviction may cause the loss of civil rights, including, but not limited to, the rights to possess firearms, vote, hold elected office, and sit on a jury.

V. STIPULATION OF FACTS

The factual basis for this plea is set forth below. Because the Court must, as part of its sentencing methodology, compute the advisory guideline range for the offense of conviction, consider relevant conduct, and consider the other factors set

forth in 18 U.S.C. § 3553, additional facts may be included below which are pertinent to those considerations and computations. To the extent the parties disagree about the facts set forth below, the stipulation of facts identifies which facts are known to be in dispute at the time of the execution of the plea agreement.

This stipulation of facts does not preclude either party from presenting non-contradictory additional facts which are relevant to the Court's guideline computation, to other 18 U.S.C. § 3553 factors, or to the Court's overall sentencing decision.

The parties stipulate that the following facts are true and correct.

A. Background on Pig Butchering Schemes

Pig butchering fraud schemes involve use of a fictitious identity to cold-contact a victim, such as via a social media or dating application, establishing a relationship and building trust with the victim by continuing to message over days, weeks, or months, and then concocting a narrative to induce the victim to send money in the form of wire transfers, checks, or virtual currency. The phrase "pig butchering" is translated from the Chinese "shāzhūpán" to refer to the process of fattening up a victim prior to slaughter. It is common in pig butchering schemes that, after trust is built, the victim may be asked to participate in criminal activity, including laundering proceeds from other victims to the fraudsters conducting the pig butchering scheme from overseas locations.

B. Early 2022: Kimball Meets "Joe Hart"

In early 2022, Kimball became involved in what she believed was an online

romantic relationship with “Joe Hart” after the death of her husband. The two initially met on a dating application but later moved communications to encrypted messaging applications including Telegram. Hart and Kimball communicated frequently, and Hart stated to Kimball that he was working and living on an offshore oil rig for an extended period but that they were in a serious, committed relationship. In late 2022, the person Kimball knew as Hart asked her for money. In October-December 2022, Kimball sent large amounts of her own money to Hart through a cryptocurrency account on crypto.com at Hart’s direction.

C. The Conspiracy and Kimball’s Role

From at least January 2023 and continuing through at least November 2024, Kimball conspired with the person she knew as Joe Hart to move proceeds of mail and wire fraud, primarily to Nigeria. Conspirators other than Kimball engaged in the pig butchering scheme to enlist and steal money from victims. Kimball asserts she did not have actual knowledge of the pig butchering scheme or where the funds were going and moved money to different accounts at Hart’s direction but that the government would be able to prove at trial that Ms. Kimball acted with deliberate ignorance and deliberately blinded herself to the fact that the funds she was receiving involved criminally derived property. The government is permitted to argue actual knowledge of these facts at sentencing. Hart continued to provide false explanations for the sources of the funds when Kimball asked questions.

Many of the victims were targets of romance scams. Conspirators misrepresented their true identities to develop online romantic relationships with

victims including C.B., C.F., D.P., D.W., J.L., K.B., L.P., M.U., M.V., N.S., R.B., and T.G. often initially contacting the victims via dating applications and then moving to private messaging via Telegram, WhatsApp, and other instant messaging applications.

Other victims were targets of investment scams, where they exchanged direct messages with influencers on social media sites such as TikTok and were told they could obtain large returns on cryptocurrency investments if they paid fees to conspirators and opened investment accounts. After making the large transfers, the conspirators provided false receipts or account statements to string along the victims and induce further investment. Victims in this category included P.C., P.H. and E.D.

It was part of the conspiracy that conspirators took advantage of victims who were in vulnerable circumstances, such as those who had recently lost a loved one. After gaining the trust of victims, conspirators provided false reasons to victims about why they needed money, such as to pay family funeral or medical costs, a frozen bank account, or the need to purchase equipment for a business.

D. Kimball's Money Laundering Activity Between December 2022 - November 2024

Beginning in approximately December 2022, Hart began asking Kimball to receive money from others and then transfer it through cryptocurrency accounts to digital wallets provided to Kimball by Hart.

Between December 2022 and November 2024, Kimball received cash, checks, and wires from more than 15 victims of the pig-butcher scheme to her address or

bank accounts in Colorado. The typical process consisted of five steps:

1. Victims of pig butchering schemes across the United States mailed cash or checks or wired money to Kimball.
2. If money was mailed as cash or a check, Kimball deposited the money in her bank accounts.
3. After the money was in Kimball's bank accounts, she transferred or attempted to transfer the money as directed by Hart, primarily by transferring to cryptocurrency accounts through online wire transfers from Colorado.
4. In her cryptocurrency accounts, Kimball purchased bitcoin.
5. Kimball transferred her bitcoin shares to digital wallets provided by Hart.

Between January 2023 and November 2024, Kimball transferred over \$3,490,556.35 of fraud proceeds she received from victims of the pig-butchering schemes to her cryptocurrency accounts at several different cryptocurrency exchanges. She used this money to purchase bitcoin and then transferred the bitcoin shares to digital wallets provided by Hart, which were digital wallets of Nigerian nationals. She continued to make additional transfers of fraud proceeds through at least November 2024.

E. Kimball's Knowledge of the Conspiracy

Beginning in December 2022, Kimball received multiple warnings that Hart was orchestrating a scam and that Kimball was engaging in illegal or suspicious

activity at his direction, including from police officers, employees of banks and cryptocurrency exchange platforms, and victims who sent her money. As examples:

- Soon after Kimball met Hart, friends of Kimball warned her that Hart was lying to her or was not a real person, and that Kimball should cease communicating with him. Kimball ignored these warnings and concealed from friends her subsequent role conducting financial transfers for Hart.
- On December 26, 2022 and January 3, 2023, a Castle Rock Police Department officer met with Kimball after victim D.P. wired Kimball \$85,000 on December 19, 2022. During the January 3, 2023 meeting, Kimball was advised that she was engaging in criminal activity for Hart and could face criminal consequences for any assistance or role she might play in moving money for him in the future. After the police warning, Kimball laundered over \$3,490,556.35 of victim money through cryptocurrency accounts.
- In approximately September 2023, victim J.L.—after realizing that she was a victim—sent a letter to Kimball warning Kimball that Kimball was participating in a romance scam. Despite receiving and replying to the letter, Kimball laundered \$2,458,739 to Nigeria after receiving this warning.
- After freezing Kimball's account, on December 11, 2023, crypto.com warned her about suspicious transactions involving \$452,000 of money from victims including B.M. and M.W. and told Kimball she could not conduct additional transactions unless she could provide an adequate explanation of the purpose of these transactions. Kimball provided false information that she was engaged in bitcoin mining and that the money came from investors. After providing false information to crypto.com, Kimball laundered at least an additional \$1,350,400 of victim money through cryptocurrency accounts.
- On December 27, 2023, Thread Bank froze Kimball's account and informed Kimball she had to provide additional information about the purpose of incoming wires from victims B.M. and L.P. and outgoing wires to a cryptocurrency exchange platform. Kimball provided false information that B.M. and L.P. were investors in a startup business and that Kimball intended to use B.M. and L.P.'s money for, among other purposes, design of a website for a new life insurance venture. After providing false information to Thread Bank, Kimball laundered at least an additional \$1,350,400 of victim money through cryptocurrency

accounts.

- On September 23, 2024, FirstTier Bank informed Kimball that, “[d]ue to the large unexplained flow of funds in your account,” her account did not meet “the standards imposed by law” and it would terminate her account. After this warning, Kimball laundered at least an additional \$244,000 of victim money through cryptocurrency accounts.

Kimball agrees that she was repeatedly warned that she was participating in illegal activity and that she knew or was deliberately ignorant that the money came from some form of unlawful activity.

Despite being warned she was participating in illegal monetary transactions and the repeated closure of her bank and cryptocurrency accounts, however, Kimball made false statements to third parties, such as the false statements to crypto.com and Thread Bank discussed above. Because banks and cryptocurrency platforms routinely closed her accounts due to the suspicious nature of her transactions, during her involvement in the conspiracy Kimball utilized at least 23 bank accounts and 7 cryptocurrency exchange accounts.

F. Personal Expenses from Mail and Wire Fraud Proceeds

Although Kimball sent the majority of victim fraud proceeds to accounts controlled by others at the direction of Hart and did not receive a salary or fees for her services, on at least one occasion, she used some of the proceeds to make home mortgage payments. On other occasions, she made small purchases or gave small amounts of money to family members out of the money sent to her by victims.

G. Value of Laundered Funds

Kimball agrees that the value of laundered funds for which she will be held

responsible for purposes of the calculation of the sentencing guidelines includes all the funds she transferred to her cryptocurrency accounts and eventually to digital wallets belonging to Nigerian nationals after she was admonished by the Castle Rock Police Department, for a total of \$3,490,556.35. Kimball further agrees that her restitution obligation is \$3,490,556.35.

The parties agree that the value of the funds she laundered far exceeds her personal gain from engaging in the monetary transactions and that her knowledge of the scope of the underlying mail and wire fraud scheme was limited in comparison to the individuals directly engaged in enlisting and gaining the trust of victims. *See* USSG § 3B1.2 app. note 3(A).

VI. ADVISORY GUIDELINES AND 3553 ADVISEMENT

The parties understand that the imposition of a sentence in this matter is governed by 18 U.S.C. § 3553. In determining the particular sentence to be imposed, the Court is required to consider seven factors. One of those factors is the sentencing range computed by the Court under advisory guidelines issued by the United States Sentencing Commission. In order to aid the Court in this regard, the parties set forth below their estimate of the advisory guideline range called for by the United States Sentencing Guidelines. To the extent that the parties disagree about the guideline computations, the recitation below identifies the matters which are in dispute.

The guideline calculation below is the good-faith estimate of the parties, but it is only an estimate. The parties understand that the government also has an independent obligation to assist the Court in making an accurate determination of

the correct guideline range. To that end, the government may argue that facts identified in the presentence report, or otherwise identified during the sentencing process, affect the estimate below.

A. Count 1 (Conspiracy to Commit Money Laundering)

- A. The base guideline is § 2S1.1. Because the defendant did not commit the underlying offenses of mail and wire fraud, the parties agree that the base offense is 8 plus the number of offense levels from the table in § 2B1.1 corresponding to the value of laundered funds. § 2S1.1(a)(2).
- B. There is a 16-level increase because the value of laundered funds was between \$1,500,000 and \$3,500,000. § 2B1.1(b)(1)(I).
- C. A 1-level enhancement applies because the object of the conspiracy was to commit § 1957 offenses. § 2S1.1(b)(2).
- D. The parties agree to recommend a 3-level decrease based on the defendant's role falling between a minor and minimal participant, based on lesser culpability than other participants and the defendant's lack of any role in planning and organizing the underlying mail and wire fraud. § 3B1.2. To the extent the Court does not grant a 3-level decrease, the United States will not oppose a one-level variance upon the defendant's anticipated motion for a variance based on the defendant's role and status as a vulnerable victim at the beginning of her involvement in the conspiracy.
- E. A 2-level decrease will apply based on the defendant's lack of any criminal history. § 4C1.1(b)(1)(H).
- F. The total adjusted offense level is 20.
- G. The parties agree that the defendant should receive a 3-level decrease for acceptance of responsibility pursuant to § 3E1.1. The resulting estimated total offense level is 17.
- H. The parties understand that the defendant's criminal history computation is tentative. The criminal history category is determined by the Court based on the defendant's prior convictions. Based on information currently available to the

parties, it is estimated that the defendant's criminal history category would be I.


- I. The career offender/criminal livelihood/armed career criminal adjustments would not apply.
- J. The advisory guideline range resulting from these calculations is 24-30 months. However, in order to be as accurate as possible, with the criminal history category undetermined at this time, the offense level(s) estimated above could conceivably result in a range from 24 months (bottom of Category I) to 63 months (top of Category VI). The guideline range would not exceed, in any case, the statutory maximum applicable to the count of conviction.
- K. Pursuant to guideline § 5E1.2, assuming the estimated offense level above, the fine range for this offense would be \$10,000 to \$95,000, plus applicable interest and penalties.
- L. Pursuant to guideline § 5D1.2, if the Court imposes a term of supervised release, that term is at least 1 year, but not more than 3 years.
- M. Pursuant to guideline §5E1.1(a)(1), the Court shall enter a restitution order for the full amount of the victims' losses, which the parties agree will be an amount of \$3,490,556.35.

The parties understand that the Court is free, upon consideration and proper application of all 18 U.S.C. § 3553 factors, to impose that reasonable sentence which it deems appropriate in the exercise of its discretion and that such sentence may be less than that called for by the advisory guidelines (in length or form), within the advisory guideline range, or above the advisory guideline range up to and including imprisonment for the statutory maximum term, regardless of any computation or position of any party on any 18 U.S.C. § 3553 factor.


VII. ENTIRE AGREEMENT

The agreement disclosed to the Court is the entire agreement. There are no other promises, agreements or “side agreements,” terms, conditions, understandings, or assurances, express or implied. In entering this agreement, neither the government nor the defendant has relied, or is relying, on any other terms, promises, conditions or assurances.

9/17/25
Date


LORI ANN KIMBALL
Defendant

9/17/25
Date


SUMMER WOODS
Attorney for Defendant Lori Ann Kimball

9/17/25
Date


CRAIG FANSLER
Assistant U.S. Attorney