

CHALANA MCFARLAND - FIRST OFFENDER - 30 YEARS



Name: Chalana McFarland
#58892-019
DOB: 5/31/68
Race: Black
Marital Status: Married
Age: 50
Children: 1 daughter
Raised: Georgia
Charged: Georgia
Will release to: Atlanta, Georgia
Charges: Mortgage fraud (bank fraud/wire fraud/money laundering/obstruction of justice/perjury)
Sentence: 30 years
Served to date: 13 years
Started sentence on: 2/15/05
Priors: **First Time Offender**
Prison Conduct: Exemplary disciplinary record. One low level in-

fraction for "refusing to work" when I reported to my regular work detail instead of a voluntary lockdown detail at the USP while housed at camp at Coleman FL

Clemency Status: Pending at the U.S. Pardon Attorney's Office. Petition submitted by CP14 on 3/31/16 File#:C277600. Lyn Fant Esq.

Institution: FCI Coleman Camp

Accomplishments: The greatest thing I have ever accomplished is being the mother of my beautiful daughter, Nia.

According to Chalana:

Remorse is a ghost that haunts my life. It is hard to express the sorrow I feel about the choices I made that led to my incarceration. I am ashamed of my actions. It's more than just embarrassment or regret. Countless days I have laid in my bunk reliving my mistakes over and over. If I could go back in time, I would do so many things differently.

Learn More: <https://www.candoclemency.com/chalana-mcfarland/>

At first I laid the blame at the feet of all my co-conspirators. They duped me...they tricked me...they lied to me. Even though on many levels all of that is true, at the end of the day, I am responsible for the behavior that I chose to engage in. I, solely, am responsible for my incarceration. That fact was a bitter pill to swallow. At times, I wondered if I was worthy of redemption after all the pain and embarrassment I caused my family and the harm to my community.

That said, I was the closing attorney for a mortgage fraud ring. The judge chose to make an example of me by handing down what is still considered one of the harshest sentences for mortgage fraud in the country. (Ironically, the same judge a year later, sentenced two attorneys with similar conduct but greater monetary losses to 28 and 37 months respectively). Even in my own case, I was sentenced nearly 4 times that of any of my co-defendants. I came to understand that justice and fairness can be incongruent. As an aspiring attorney, wife, and mother of a 3-year-old, my life as I knew it came to an end.

Chalana has helped many of the women with legal assistance at FCI Coleman. Here are just a few testimonials from some of the women she is serving time with:

Chalana (Chay) McFarland has been a friend to inmates and a human resource in the Bureau of Prisons for 15 years. For me, her contributions were immediate because I lost my 50 year old son to a massive heart attack, 3 months after arriving in federal prison. Chay walked me through the furlough process and provided comfort during my grief. I will always be grateful for her guidance and empathy. Her compassion is known by many because Chay has spent her time helping mothers understand the importance of participating in the everyday life of their children and care givers at home. She is in constant contact with her daughter and her parents. Faith, experience and education propel her to help others avoid mistakes, live productively and thrive in the free world without regret or any threat of recidivism. She has been an example of how to serve my sentence, adapt and reconcile life in spite of my mistake. - Patricia G. Sullivan Reg No. 31512-171

With a brilliant mind and a kind heart to match, the day I met Chalana was the day I knew I would be okay. This place can make you feel alone, abandoned and forgotten. If it were not for Chay, my prison experience would have been drastically different. From deep heartfelt discussions about our children and families, to designing a business model and plans for post release, we have forged a lifelong connection that I am grateful for. Her sound advice, vast knowledge and willingness to share it with me, has been instrumental in helping me change my thinking and prepare for release. - Scarlett King Reg No. 70679-019.

If one was to ask me about Chay McFarland, I would sum it up with two words: very unselfish. When I first met Ms. McFarland back in 2012, she was the first to help me understand how to fight my case and never give up. When no one and I mean no one would help me, not even knowing my name, she took the time to show me how to use the law library and how to properly file my legal work. For that I am so grateful for her. I not only could talk to her about anything and I mean anything, she never turned me away. She was always very encouraging and giving. I know that many others would agree with me that Ms. Chay needs a second chance at life. There is no one more deserving of it. - Daisy Thomas Reg No. 48610-018

PETITION FOR **EXECUTIVE CLEMENCY**

On behalf of
Chalana McFarland



Respectfully Submitted to The President of The United States
President Donald J. Trump

Submitted by
CAN-DO Foundation
for Chalana McFarland #58892-019
Originally submitted by Lynn Fant Merritt, Esq.
Still pending from 2016
FCI Coleman
846 NE 54th Terrace
Sumterville, FL. 33521

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Chalana McFarland – 1st Offender – 30 years – CP14 PENDING

 candoclemency.com/chalana-mcfarland/

December 28, 2016

Please sign Chalana's Change.org petition

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DOB: 5/31/68

Race: Black

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Clemency Status: Pending at the U.S. Pardon Attorney's Office. Petition submitted by CP14 on 3/31/16

File#:C277600

Supporters: CANDO Foundation, family, friends, attorney – Lynn Fant

Institution: FCI Coleman Camp

Accomplishments: The greatest thing I have ever accomplished is being the mother of my beautiful daughter, Nia.

Additional accomplishments in prison: I began by tutoring Chinese and African detainees in English while in county jail. Once transferred to the FBOP, I participated in the PAWS4PRISONS program where I trained assistance dogs for disabled children and veterans. My dog, Lia was placed with a disabled Marine. I co-founded the IAM (Inmates Ascending Mentoring) Program and G.R.I.T.S. (Girls Raised in the South) a re-entry initiative for inmates from the Southeast. I have been a member of CHOICES, a group of inmates who travel monthly into the local Tallahassee community and speak with at-risk youth. I served as an inmate arbitrator, suicide companion, newsletter co-



editor, release preparation and re-entry facilitator, facilitator for the READING IS FUNDAMENTAL program, Lean Six Sigma, and completed vocational trainings as a Certified Dog Obedience Trainer, Business Education and Advanced Business Education. I am currently working on my Master's Degree in Church Administration through International Christian College & Seminary.

UPDATED 6/12/18: I have taken advantage of opportunities such as becoming a certified obedience dog trainer through the PAWS4PRISONS program, co-founding the IAM (Inmates Ascending Mentoring Program) and the LEAN Recreational Wellness Program, participating in the CHOICES public speaking youth intervention program through the Leon County, FL juvenile courts system, and working for UNICOR - Federal Prison Industries. Upon my release, I will return to care for my elderly parents in South Georgia who raised my daughter during my incarceration. I have gained experience in logistics, warehousing, recycling, customer service and telemarketing all from working at UNICOR. These skills will allow me to find gainful employment as opportunities for small business and manufacturing flourish under the Trump administration's initiatives.

Education: I graduated cum laude from Florida A&M University in 1991 with a B.S. in Journalism. I received a Doctor of Jurisprudence from John Marshall Law School in Atlanta GA in April 1996.

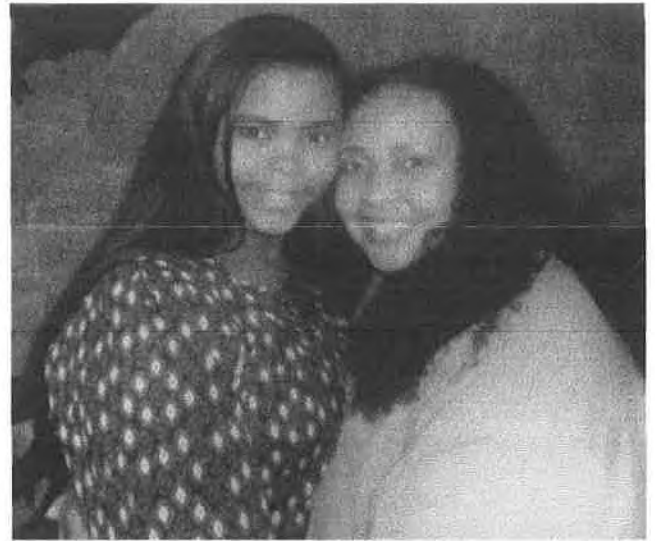
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That said, I was the closing attorney for a mortgage fraud ring. The judge chose to make an example of me by handing down what is still considered one of the harshest sentences for mortgage fraud in the country. (Ironically, the same judge a year later, sentence two attorneys with similar conduct but greater monetary



Chalana with daughter Nia Imani who was 2018 Senior Class President and recipient of the Presidential scholarship at Florida A&M University.

losses to 28 and 37 months respectively). Even in my own case, I was sentenced nearly 4 times that of any of my co-defendants. I came to understand that justice and fairness can be incongruent. As an aspiring attorney, wife, and mother of a 3-year-old, my life as I knew it came to an end.

A recurrent nightmare I have is that my greatest fear comes to pass and everyone in my family dies off or forgets about me. I have seen countless friends and family members fall by the wayside over the past 12 years. My parents are in their 70s and their health is failing. I have one daughter, who at the age of 16, will soon embark on her own life. If I lose my parents, will my daughter consider me a burden? Will I miss her graduations, wedding, and the birth of her children as I have all the other events in her life so far? She was three years old when I was sent to prison to begin serving a 30-year sentence as a first-time nonviolent offender. I committed mortgage fraud and I will be 62 years old when I am released from prison.

What kind of life would have when I am released as a senior citizen? I had hard choices to make about how I was going to survive incarceration. The first step was realizing that despite my fervent wishes, I cannot change the past. I decided to become the best person that I could be from that day forward. Prison strips you down to your true self. Every aspect of your individual identity is challenged. One must decide who one is and what one believes.

Over the last decade, I have gotten to know my true self and I like her. I have learned that family is the most important treasure you can ever have in your life and I am so thankful for mine. I also came to the realization that the world owes me nothing. I owe a debt to my daughter that can never be repaid because my choices left her motherless. I know she loves me and I pray that someday when she is old enough to grasp it all that she will forgive me.

When Pres. Obama's clemency initiative was announced, I began to hope that somehow God might grant me a second chance. I celebrated with each of the ladies I knew that received clemency. I saw lives be restored and I wondered if someday I would also be granted a reprieve. All I need is another chance. I know that I will be able to move forward and be an asset to my family and community.

I humbly ask for your support and continued prayers as I seek clemency.

A message from Chalana's daughter, Nia:

I am Nia Cosby, the 16-year-old daughter of Chalana McFarland. I am an Honor, Advanced Placement and an International Baccalaureate student at Valdosta High School in Valdosta, GA. I was elected Junior Class President and I am also in Future Business Leaders of America (FBLA), Leadership Lowndes, Delta Gems as well as several other clubs and organizations. I am also the founder of CHIPS (Children of Incarcerated Parents) because I am one of the thousands of children in this country who has an incarcerated parent. I am writing to express how important it is for me to have my mother at home with me.

To: Clemency Project 2014/OPA

From: Lynn Fant Merritt, Esq.

RE: Chalana C. McFarland; Reg. No. 58892-019

Revised Executive Summary

I, Lynn Fant Merritt, a volunteer attorney for Clemency Project 2014 was assigned to review applicant, Chalana C. McFarland, Reg. No. 58892-019. Based upon a review of Ms. McFarland's Presentence Investigation Report, Sentencing Transcript, and other documents available on PACER, I conclude that Ms. McFarland is an excellent candidate for clemency. Ms. McFarland, is a first offender and has served over 10 years of her 30 year sentence for Mortgage Fraud. Before her offense, she was a hard working young woman--an African-American, who grew up in South Georgia and realized her dream of becoming an attorney in 1996. She was "raised right" by hard-working, religious parents who are well respected in the community. Since her incarceration, Ms. McFarland's parents have cared for her child, a girl who was six when the incarceration began, and is now an honors freshman in high school. Ms. McFarland was originally released on bond, but after being convicted by a jury, Ms. McFarland was ordered into custody on February 15, 2005, thus, she has served over 10 years of her sentence and has done so without acquiring any significant disciplinary infractions.

Ms. McFarland is an excellent candidate for Sentence Commutation because she has demonstrated sincere remorse for her criminal conduct, taken advantage of every rehabilitation opportunity, is not a danger to anyone and has much to contribute to the community, as well as close ties there.

I. There is a good possibility Ms. McFarland's sentence would be lower if imposed today.

Ms. McFarland was charged in all counts of a one hundred seventy count indictment. She was charged with conspiracy to commit mortgage fraud in violation of 18 U.S.C. § 371, thirty counts of bank fraud in violation of 18 U.S.C. §§ 1344 and 2, sixty-one counts of wire fraud in violation of 18 U.S.C. §§ 1343 and 2, seventy-three counts of Money Laundering in violation of 18 U.S.C. §§ 1956(a)(1)(A)(i) and (B)(i) and 2, obstruction of justice in violation of 18 U.S.C.

§§ 1503 and 2, and four counts of perjury in violation of 18 U.S.C. § 1623.

Ms. McFarland, an attorney with less than three years' experience, closed mortgages in a typical Mortgage Fraud conspiracy starting in late 1999. The Money Laundering was incidental to the Mortgage Fraud. The fraud was a garden variety Mortgage Fraud— unqualified straw buyers were used to obtain loans, co-conspirator appraisers appraised properties high and the mortgage brokers knew that the buyers were not qualified for the subprime, no doc/low doc loans (also known as “liar’s loans”). Eventually, McFarland and/or her co-conspirators hid files (obstruction count) and Ms. McFarland committed perjury (4 perjury counts) in November of 2001, during a civil deposition convened during litigation resulting from Central Pacific Mortgage Company’s discovery of the fraud.

The table below shows the sentencing guideline calculation used in Ms. McFarland’s in August of 2005, using the 2001 Guidelines Manuel. The chart shows how Ms. McFarland’s guidelines would have been significantly lower under the Amendments to the Sentencing Guidelines fraud section, U.S.S.G. § 2B1.1, which went into effect as of November 1, 2015. The chart shows the guideline calculations on the Mortgage Fraud counts, as well as the closely related Money Laundering counts. The guidelines for the Money Laundering counts controlled the offense level because they were higher than the fraud guidelines. [U.S.S.G. § 3D1.3(a)]. However, the 2015 Amendments to the fraud guidelines also reduce the Money Laundering guidelines, so Ms. McFarland’s sentence would likely be lower if imposed today. The perjury counts are not included in the table because, under the operation of the multiple count rule contained in U.S.S.G. §3D1.4, the perjury counts do not add any points to Ms. McFarland’s offense level.

Below the chart, there are detailed explanations regarding the amendments to the fraud guideline, U.S.S.G. § 2B1.1, which would have an ameliorating effect on Ms. McFarland’s sentencing calculation if she were sentenced today.

Mortgage Fraud 2005 (2001 guidelines used)	Mortgage Fraud 2015	Money Laundering 2005	Money Laundering 2015
§ 2B1.1 - base offense level 6	§2B1.1 base offense level 7	§ 2B1.1 - base offense level = offense level from mortgage fraud guidelines 34	§2S1.1 base offense level =offense level from mortgage fraud guidelines 29
§ 2B1.1(b)(1)(K) loss > \$7 mil (\$10.8 mil) 20	§ 2B1.1(b)(1)(J) loss >\$3.5,<9.5 mil 18	§2S1.1(b)(2)(B) 18 U.S.C. §1956 2	§2S1.1(b)(2)(B) 18 U.S.C. 1956 2
§ 2B1.1(b)(2)(B) - 50 or > victims 4	§2B1.1(b)(2)(A)(i) 10+victims 2	§2S1.1(b)(3) sophisticated means 2	§2S1.1(b)(3) sophisticated means 2
§ 2B1.1(b)(8)(c) - sophisticated means 2	§2B1.1(b)(10) n/a as amended 0		
§ 2B1.1(b)(9)(c)(i) and (ii) false i.d. used 2	§2B1.1(b)(11) False i.d. used 2		
Offense level 34	Offense level 29	38	33
Chapter 3 Adjustments	Chapter 3 Adjustments	Chapter 3 Adjustments	Chapter 3 Adjustments
§3B1.1(a) leadership 4	§3B1.1(a) leadership 4	§3B1.1(a) leadership 4	§3B1.1(a) leadership 4
§3B1.3 abuse position trust 2	§3B1.3 abuse position trust 2	§3B1.3 abuse position trust 2	§3B1.3 abuse position trust 2
§3C1.1 obstruction 2	§3C1.1 obstruction 2	§3C1.1 obstruction 2	§3C1.1 obstruction 2
42	37	Life 46	324-405 41
		5K credit -4	5k credit -4
		360-life 42	210-262 37
		SENTENCED 30 YEARS	variance available

1. Favorable Fraud Guidelines Amendments Effective November 1, 2015.

Since Ms. McFarland's sentencing, the fraud guidelines have undergone substantial changes. In this past amendment cycle, effective November 1, 2015, there were significant changes to U.S.S.G. §2B1.1, which governs economic loss offenses. Ms. McFarland's relatively high offense level was the product of the loss amount and the assignment of points for sophisticated means, the number of victims, her role in the offense as the closing attorney and being assigned additional points for abuse of position of trust in light of her position as the closing attorney (and title agent). In light of the substantial changes to U.S.S.G. § 2B1.1, as well as the Supreme Court's post-Booker Sentencing Guidelines jurisprudence, there is a good possibility that her sentence would be lower if imposed today.

A. Loss Amounts Would Have Been Calculated As Lower and the Loss Table for Losses Below \$9.5 Million Has Been Reduced

Although the base offense level would have increased by one point under the amended §2B1.1, the loss calculation would have been lower due to the fact that the loss amount as reported by the lenders would be considered unreliable due to circumstances which have come to light since Ms. McFarland was sentenced in 2005. For instance, in 2008, the subprime loan market (which made up the loans in

Ms. McFarland's case) collapsed, shining a bright light on the fraudulent practices of the lenders overall. The lack of oversight in the loan screening process and the avarice of the banks in bundling the mortgages as investments led to the fraud which was rampant in the industry.

The Department of Justice has recently held subprime lenders accountable for shoddy loans with fraudulent errors such as misstating borrower's credentials and inflating home values. Banks were determined by the Justice Department not just to have turned a blind eye to fraud, but actually cases actively counseling mortgage lenders in how to craft bad loans and receive approval. For instance, in 2013, the Department of Justice entered a \$13 billion settlement with JPMorgan - the largest settlement with a single entity in American history - to resolve federal and state civil claims arising out of the packaging, marketing, sale and issuance of residential mortgage-backed securities (RMBS) by JPMorgan, Bear Stearns and Washington Mutual prior to Jan. 1, 2009. The settlement includes a statement of facts, in which JPMorgan acknowledged that it regularly represented to RMBS investors that the mortgage loans in various securities complied with underwriting guidelines. Contrary to those representations, as the statement of facts explains, on a number of different occasions, JPMorgan employees knew that the loans in question did not comply with those guidelines and were not otherwise appropriate for securitization, but they allowed the loans to be securitized - and those securities to be sold - without disclosing this information to investors. This conduct, along with similar conduct by other banks that bundled toxic loans into securities and misled investors who purchased those securities, contributed to the financial crisis. In a press release by the Department of Justice on November 19, 2013, then Attorney General Eric Holder said, "Without a doubt, the conduct uncovered in this investigation helped sow the seeds of the mortgage meltdown..." <http://www.justice.gov/opa/pr/justice-department-federal-and-state-partners-secure-record-13-billion-global-settlement>, last visited 11/24/15).

Consequently, if Ms. McFarland had been sentenced today, her conduct would have been considered in conjunction with the totality of circumstances which are now known to have existed at the time, and the lenders would be viewed as a major contributory factor in the Mortgage Fraud meltdown instead as innocent victims, which was the prevailing attitude in 2005. This factor alone renders the amount of loss submitted by the "victim" lenders as suspect.

Another factor which would affect the loss calculation is the scandal which has been uncovered in the foreclosure market in the metro Atlanta market which came to light after Ms. McFarland was sentenced in 2005. From 2013 on, the Department of Justice began prosecuting defendants for bid-rigging the foreclosure

process in order to suppress and restrain competition and to conceal payoffs in order to obtain selected real estate offered at Metro Atlanta public foreclosure auctions at non-competitive prices. When real estate properties were sold at the foreclosure auctions, the proceeds were used to pay off the mortgage and other debt attached to the property. According to court documents, these conspirators paid and received money that otherwise would have gone to pay off the mortgage and other holders of debt secured by the properties. Some of the conspiracies went back to the relevant time period in which the properties involved in Ms. McFarland's case were being foreclosed thereby rendering the loss figures used to calculate Ms. McFarland's sentence wholly unreliable. In October of this year the F.B.I. issued a press release that noted there had been 9 real estate investors "held accountable" for bid-rigging in the Atlanta area for conduct which went back at least to 2004. <https://www.fbi.gov/atlanta/press-releases/2015/real-estate-investor-pleads-guilty-to-bid-rigging-and-fraud-conspiracies-at-georgia-public-foreclosure-auctions>; , <http://www.justice.gov/opa/pr/georgia-real-estate-investment-company-and-owner-plead-guilty-conspiracies-rig-bids-and> (both sites last visited on November 24, 2015).

The definition of intended loss was also amended effective November 1, 2015 to make it clear that intended loss amounts were to be examined in light of the defendant's subjective intent. Because the loss amounts which included the foreclosure sales amounts were unreliable, if Ms. McFarland were sentenced today, a strong case would be made for the reported foreclosure prices to be dismissed as unreliable in light of the bid-rigging scandals ongoing in Fulton and DeKalb Counties. Consequently, there is a good possibility that the loss would have been decided on the bases of the intended loss amount. This would have resulted in a significantly reduced loss amount. The testimony at trial from the Government's witnesses (Grantham, Quillen, and Patterson) established that the homes were intended to be investment properties and leased, or sold through lease/purchase arrangements, thus accruing no intended loss to the loan originator.

There is a reasonable case that Ms. McFarland's loss amounts were inflated by the lenders and the collateral artificially suppressed in light the bid-rigging of foreclosure auctions in the metro Atlanta area at the time her loss amounts were calculated. Considering the amended loss table which now makes it an 18 level increase, instead of 20 level for losses below \$9.5 million, had Ms. McFarland been sentenced today, her base offense level of 7 would have been increased by 18 levels instead of 20, resulting in a 1 point lower guideline calculation. See, U.S.S.G. § 2B1.1(b)(1)(J).

**B. Number of Victims Enhancement Under U.S.S.G. § 2B1.1(b)(2)(B)
Has Been Amended Since Ms. McFarland's Sentencing**

Effective November 1, 2015, U.S.S.G. § 2B1.1(b)(2)(B) was amended to require both a certain number of victims and that the economic harm suffered by the victims be substantial. Under the amendment, there is a good possibility that Ms. McFarland would only have received a 2 level increase instead of the 4 levels she was penalized in 2005. This is because under the new factors listed in the commentary to this section, none of the victims identified in the PSR had financial injuries arising to the level “substantial financial hardship” as defined in the section. See Application Note 4 to Commentary to U.S.S.G. § 2B1.1, defining substantial financial hardship. Thus, Ms. McFarland would have received a 2 level increase because there were more than 10 victims, but no further enhancement was called for because the economic injury suffered as a result of the offense conduct did not meet the new definition.

**C. Changes to Sophisticated Means Enhancement
U.S.S.G. § 2B1.1(b)(8)(c).**

The Sophisticated Means specific offense characteristic was also amended effective November 1, 2015. The amendment narrows the scope of this enhancement because it requires the defendant's conduct, and not just the means for the scheme as a whole to be sophisticated. This specific offense characteristic was amended in light of the Commission's conclusion that basing the enhancement on the defendant's own intentional conduct better reflected the defendant's culpability.

Further, since Ms. McFarland's sentencing in 2005, at least one Court in Ms. McFarland's Circuit has held in a manner which actually foreshadowed the amendment. The Court in *U.S. v. Hulse*, 989 F.Supp2nd 1224, 1226 (MD AL 2013), found that it is not enough that the means used in a scheme to be “complex or intricate” rather, the defendant's means must be especially so. The Court made it very clear, consistent with the new amendment, that the defendant's level of complexity or intricacy must set that particular scheme apart from ordinary schemes, and even ordinarily complex or intricate schemes. *Id.* Additionally, the Court found that since the defendants' offense level in that case, “already amply reflects their culpability based on the loss amount, the court finds that the circumstances here do not warrant an additional sophisticated-means

enhancement.” *U.S. v. Hulse*, 989 F. Supp. 2d 1224, 1227 (M.D. Ala. 2013).

In Ms. McFarland’s case, the shell companies were plainly listed on the HUD-1 forms, there were no offshore companies or multiple layers of ownership involved. The scheme involved was a basic “flip” scheme which involved false statements on the HUD forms which, if examined by the lender, lead directly to Ms. McFarland and her co-conspirators. Thus, if Ms. McFarland were sentenced today, there is a good possibility that she would not have received the enhancement for “sophisticated means.”

D. Money Laundering Guidelines Would Also Be Affected by 2015 Amendments to §2B1.1.

Under U.S.S.G. § 2S1.1, the base offense level is calculated by taking the offense level from the Mortgage Fraud counts. In 2005, this resulted in a base offense level of 34, to which the specific offense characteristics for Money Laundering were added to reach an offense level of 46, which carries a “life” range. Under the new amendments, the Mortgage Fraud counts guideline calculation would lead to a base offense level for the Money Laundering counts of 29, to which the specific offense characteristics under the Money Laundering guidelines would be added. Thus, the offense level for the Money Laundering counts would be 41 post amendment, instead of the level 46 calculated in 2005. It should be noted that Ms. McFarland received a 4 level downward departure for her cooperation (post-trial) from her guideline range of 46 to a level 42 (360-to life). A consistent downward departure from a post amendment offense level of 41 of 4 levels results in an offense level 37 (210-262). Consequently, there is a good possibility that if Ms. McFarland were sentenced today, she would be sentenced substantially less harshly.

2. Supreme Court Decisions Issued After Ms. McFarland’s Sentencing Underscore the Good Possibility that Ms. McFarland’s Sentence Would Be Reduced Via Variance From the Guideline Range If She Were Sentenced Today.

Ms. McFarland was sentenced on August 5, 2005, which was just short of four months after *United States v. Booker*, 125 S.Ct. 738 (2005), was decided. Since Ms. McFarland was sentenced, the Supreme Court has empowered judges to greater flexibility in imposing sentences. Judges are now directed by the Supreme Court under the cases which followed *Booker* to impose sentences that are not greater than necessary to satisfy the statutory purposes of sentencing, to consider

all of the characteristics of the offender and circumstances of the offense, to reject advisory guidelines that are not based on national sentencing data and empirical research, and to serve their function in the constructive evolution of responsible guidelines. See *Rita v. United States*, 127 S. Ct. 2456 (2007); *Gall v. United States*, 128 S. Ct. 586 (2007); *Kimbrough v. United States*, 128 S. Ct. 558 (2007). See also, *Spears v. United States*, 129 S. Ct. 840 (2009); *Nelson v. United States*, 129 S. Ct. 890 (2009).

As noted above, Ms. McFarland's sentencing was also well before the mortgage industry's own role in contributing to the staggering losses of the economic melt-down in the housing sector were revealed, and well before the bid-rigging foreclosure property scandal in metro Atlanta was discovered. Thus, even if the sentencing court were to use the same loss analysis it used originally, these circumstances would have provided a sound basis to downwardly vary from the guidelines to a reasonable sentence (substantially less than 30 years) that was sufficient, but not greater than necessary to achieve the goals of sentencing as outlined in 18 U.S.C. §3553.

Ms. McFarland's guideline range was also a product of multiple enhancements based on similar, if not identical conduct. For example, she received a sophisticated means enhancement, number of victims enhancement, leadership role and abuse of position of trust and high Money Laundering guidelines based on the same conduct. This type of piling on specific offense characteristics and enhancement is sometimes referred to as "factor creep." The addition of points to her offense level based on the fact that she was the closing attorney who used her escrow account to defraud the lender in a "flip" Mortgage Fraud scheme means her guidelines were pushed into orbit, based on the same factors used to calculate her base offense and loss calculation.

Since the United States Sentencing Commission has not corrected the problem of multiple overlapping enhancements, many courts have recognized that a departure or variance is warranted to avoid it. See, e.g., *United States v. Lauersen*, 362 F.3d 160, 164 (2d Cir. 2004) (subsequently vacated in light of *Booker*) (upholding departure to mitigate effect of "substantially overlapping enhancements" at the high end of the fraud sentencing table); *United States v. Parris*, 573 F. Supp. 2d 744, 745 (E.D.N.Y. 2008) (guidelines in security fraud cases "are patently absurd on their face" due to the "piling on of points" under § 2B1.1); *United States v. Adelson*, 441 F. Supp. 2d 506, 510 (S.D.N.Y. 2006) (guidelines in fraud cases have "so run amok that they are patently absurd on their face," and describing enhancement for "250 victims or more," along with others, as "represent[ing], instead, the kind of 'piling-on' of points for which the guidelines

have frequently been criticized”).

These specific offense characteristics based on similar if not identical conduct resulted in a guideline range of life, (reduced to 30 years because of cooperation), which is far too draconian for a first offender in a fraud case. This fact is demonstrated by the fact that since Ms. McFarland’s sentencing, judges across the board have, with guidance from the Supreme Court cases noted above, been downwardly varying from the ranges proscribed by U.S.S.G. §2B1.1. In fact, In fraud cases governed by § 2B1.1 in fiscal year 2014, judges sentenced below the range in 43% of all cases in which the prosecutor did not seek a substantial assistance or fast-track departure. See U.S. Sent’g Comm’n, *Sourcebook of Federal Sentencing Statistics* tbl.28 (2014) (2,993 out of 6,963 cases). This includes 594 cases in which the sentence was below the range on the government’s request.

Although the district court in Ms. McFarland’s case was focused on a guideline sentence to provide general deterrence for the legal community in becoming involved in Mortgage Fraud¹, the same sentencing judge later gave much more lenient sentences to attorneys involved in Mortgage Fraud cases, suggesting its attitude regarding the importance of general deterrence had softened. For example, just a year later, the same sentencing judge sentenced two attorneys, Andrew Wolf and Christopher Holcomb, to 28 months and 37 months respectively for their role as the closing attorneys in Mortgage Frauds involving higher loss amounts.[*USA v. Wolf*, 1:05-CR-0495(TWT) Docket #19, restitution order: \$22.1 million; *USA v. Holcomb*, 1:06-30(TWT) Docket # 22, restitution: \$15.6 million].

In any event, research has repeatedly debunked the notion that harsh sentences provide general deterrence. Typical of the findings on general deterrence are those of the Institute of Criminology at Cambridge University. See Andrew von Hirsch *et al.*, *Criminal Deterrence and Sentence Severity: An Analysis of Recent Research* (1999), summary available at <http://members.lycos.co.uk/lawnet/SENTENCE.PDF>. The report, commissioned by the British Home Office, examined penalties in the United States as well as several European countries. *Id.* at 1. It examined the effects of changes to both the certainty and severity of punishment. *Id.* While significant correlations were found between the certainty of punishment and crime rates, the “correlations between sentence severity and crime rates . . . were not sufficient to achieve statistical significance.” *Id.* at 2. The report concluded that “the studies reviewed do not provide a basis for inferring that increasing the severity of sentences is capable of

¹Docket #394, p. 174

enhancing deterrent effects.” *Id.*

There is further evidence that the sentencing court’s attitude towards Mortgage Fraud has softened since Ms. McFarland’s sentencing. About 2 years after Ms. McFarland was sentenced, the same district court judge who sentenced Ms. McFarland imposed a sentence of 25 years—which is 5 years less imprisonment than Ms. McFarland received-- on the lead defendant in an extensive Mortgage Fraud case in the Atlanta area, who was **not** a first offender, and who had greater loss amounts. [*USA v. Hill*, 1:05-CR-269-6(TWT) Docket #1267, restitution \$41.7 million²].

Since the post-*Booker* Supreme Court cases cited above, judges must take into account variations in sentences for other white collar fraud cases. This is because uniformity for its own sake is no longer the goal of the sentencing system. See *Kimbrough*, 128 S. Ct. at 574 (“some departures from uniformity were a necessary cost of the remedy we adopted.”). Judges must now consider the need to avoid unwarranted similarities among defendants who are not similarly situated, as well as unwarranted disparities among defendants who are similarly situated. See *Gall*, 128 S. Ct. at 600 (approving of the judge’s “consider[ation of] the need to avoid unwarranted similarities among other co-conspirators who were not similarly situated”) (emphasis in original). And the judge must consider “any unwarranted disparity created by the [guideline] itself.” *Kimbrough*, 128 S. Ct. at 574; see also *id.* at 575 (approving judge’s consideration of the fact that the guideline “itself created an unwarranted disparity within the meaning of § 3553(a)”).

For example, in *United States v. Parris*, 573 F. Supp. 2d 744 (E.D.N.Y. 2008), Judge Block in the Eastern District of New York took a collection of cases into account in fashioning an appropriate sentence for two securities fraud offenders. At the court’s request, each party submitted a sample group of cases to illustrate the sentences imposed in other securities fraud cases. *Id.* at 752. Based on these samples, the court concluded that “[t]hose [defendants] who were not cooperators and were responsible for enormous losses were sentenced to double-digit terms of imprisonment (in years); [while] those whose losses were less than \$100 million were generally sentenced to single-digit terms.” *Id.* at 753. The court relied on this national pattern in arriving at a sentence of 60 months for the two defendants who faced an advisory guideline range of 360 months to life, which

² Although the docket numbers do not reflect it, this case is related to closing attorneys Wolf and Halcomb, mentioned above in light of their 28 month and 37 months sentences.

was 16.7% of the bottom of the applicable guideline range. *Id.* at 745.

This principle is dramatically illustrated by Ms. McFarland's case. For instance, one of the most famous fraudsters of the modern era, Bernie Ebbers, who was responsible for over a billion dollars in loss stemming from the fraud he committed while CEO of Worldcom, was sentenced to 300 months imprisonment by a judge in the S.D. of New York, and yet Ms. McFarland received 60 months longer for her loss amounts as calculated in 2005 as \$10 million. [*USA v. Bernard J. Ebbers*, SDNY #1:02-CR-01144(BSJ-3), Docket #305]. This example is not an outlier.

The following sentences are astonishingly disparate from Ms. McFarland's sentence:

Brenda Brown, who was Ms. McFarland's co-defendant and who was the paralegal who participated in the entire fraud, and who taught Ms. McFarland how to conduct the fraudulent mortgage transactions received an 87 months sentence, along with restitution in the amount of \$11,089,686.23. Ms. Brown has served her sentence and was terminated from Supervised Release one year early. [1:04-224-2, Doc. #312,550];

Raquel Kohler received a 60 month sentence instead of the 324-405 months range calculated by her sentencing court her \$471 million in losses in a securities fraud case in the Southern District of Florida. [*USA v. Raquel Kohler*, SDFL #1:07-CR-20445 (PCH)-1, Docket # 84].

In 2008, Travis Correll in the Northern District of Georgia received 144 months³ for the 20 million in losses in his fraud case, which was a downward variance from the range of 188-235 months. [*USA v. Travis Correll*, NDGA #1:07-CR-0365-1(ODE), Docket #22].

In 2007 in the Northern District of Georgia, William Ledee received a 70 month sentence for the \$21.6 million in losses as a result of his fraud offense. [*USA v. William Ledee*, NDGA # 1:04-CR-0623, Docket # 154,179].

John Rigas, the founder of Adelphia, in the Southern District of New York, received a 12 year sentence for his fraud involving \$2.3 billion dollars. [*USA v. John Rigas*, SDNY # 1:02-CR-01236-1 (KMW), Docket # 430].

These cases are but a small sample of cases involving wildly disparate sentences compared to Ms. McFarland. All of these disparate sentences were imposed for frauds involving equal amounts of loss, in the case of Brenda Brown, and the other cases involved much higher fraud amounts than the loss involved in

³This sentence was later reduced pursuant to F.R.Cr.P. 35 to 108 months. Docket #36.

Ms. McFarland's case. In fact, during her 27 year career, counsel has never seen a higher sentence for a similar fraud amount, despite researching the matter in depth.

Clearly, Ms. McFarland's sentence of 30 years (360 months) on her first offense, which was imposed at the height of the Mortgage Fraud crisis, when many other defendants have received significantly less time for substantially more fraud should be reduced in the name of unwarranted disparity. This gross disparity between her case and others involving substantially greater loss amounts establishes a good possibility that if she were sentenced today, her sentence would be lower.

II. Ms. McFarland is a Nonviolent, Low-Level offender, Without Significant Ties to Large-Scale Criminal Organizations, Gangs or Cartels.

Ms. McFarland committed non-violent offenses. The instant conviction is her only offense. As such, she is a nonviolent, low-level offender with no ties to criminal organizations, gangs, or cartels.

III. Ms. McFarland has served more than ten years of her sentence.

Ms. McFarland has served more than ten years of her sentence. She was remanded after her conviction and has been continually incarcerated since that date. (credited with time by the BOP since January 31, 2006, or 10 years, 9 months, 9 days as of November 23, 2015).

IV. Ms. McFarland does not have any criminal history.

The instant offense was Ms. McFarland's only criminal conviction.

V. Ms. McFarland has demonstrated good conduct in prison.

Ms. McFarland's disciplinary record in prison has been exemplary. She has only had one disciplinary infraction in nearly 11 years, which involved reporting to her assigned work detail instead of a voluntary lockdown detail at the USP while house at compound at Coleman, FL. This occurred in 2007, was considered a low level infraction, and she has had no further incidents.

Ms. McFarland has been involved in many programs while being imprisoned. She has participated in the PAWS4PRISONS program where she trained an assistance dog, Lia, who was placed with a disabled Marine. She co-

founded the IAM inmate mentoring program and G.R.I.T.S. (Girls Raised in the South) a re-entry initiative for inmates from the Southeast. She has been a member of CHOICES, a group of inmates who travel monthly into the local Tallahassee community and speak with at-risk youth. She has also served as an inmate arbitrator, suicide companion, newsletter co-editor, release preparation and re-entry facilitator, and taught numerous Adult Continuing Education classes. Her conduct has been so exemplary her Unit Manager at FCI Tallahassee has submitted a letter for the Pardon Attorney in support of her Clemency Petition. There are several other letters from Bureau of Prisons employees attached to this Petition.

VI. Ms. McFarland has no history of violence prior to or during her current term of imprisonment

As addressed herein, Ms. McFarland was convicted of non-violent offenses and, at the time of her arrest, had no prior arrests or convictions. Furthermore she has no history of violence prior to or during her imprisonment.

VII. Additional information

Ms. McFarland is an excellent candidate for commutation of her sentence because of the strong community and family support she has retained throughout her incarceration. She has a teenaged daughter and two parents awaiting her return home to Valdosta, Georgia with open arms. She even has a job upon her release, working as an outside sales representative for TJM Painting. She has continued her education during her incarceration and is currently working on a Master's degree in Church Administration through the International Christian College and Seminary in DeBary, FL. Finally, despite the fact that she has been away from her community for so long, she has extraordinary community support. This is evidenced by the submission of many letters of from people in her community.

Petition for Commutation of Sentence

Please read the accompanying instructions carefully before completing the application. Type or print the answers in ink. Each question must be answered fully, truthfully and accurately. If the space for any answer is insufficient, you may complete the answer on a separate sheet of paper and attach it to the petition. You may attach any additional documentation that you believe is relevant to your petition. The submission of any material, false information is punishable by up to five years' imprisonment and a fine of not more than \$250,000. 18 U.S.C. §§ 1001 and 3571.

Relief sought: (check one)

- Reduction of Prison Sentence Only Reduction of Prison Sentence and Remission
 Remission of Fine and/or Restitution Only Other Clemency Project 2014 Petition

To The President of the United States:

The undersigned petitioner, a Federal prisoner, prays for commutation of sentence and in support thereof states as follows:

1. Full name: Chalana C. McFarland
First Middle Last
Reg. No. 58892-019 Social Security No. 127-46-1576

Confined in the Federal Institution at Tallahassee, FL

Date and place of birth: May 31, 1968, Los Angeles, CA

Are you a United States citizen? yes no
If you are not a U.S. citizen, indicate your country of citizenship

Have you ever applied for commutation of sentence before? yes no
If yes, state the date(s) on which you applied, and the date(s) when you were notified of the final decision on your petition(s).

Offense(s) For Which Commutation Is Sought

2. I was convicted on a plea of not guilty in the United States District Court
(guilty, not guilty, nolo contendere)
for the Northern District of Georgia of the crime of:
(Northern, Western, etc.) (identify state)

Offense(s) For Which Commutation Is Sought

Conspiracy to commit mortgage fraud violating 18 USC 371, (30) counts of bank fraud/
(State specific offense(s); provide citation of statute(s) violated, if known)

18 USC 1344 & 2; (61) counts of wire fraud/18 USC 1343 & 2; (73) counts money laundering/

18 USC 1956(a)(1)(A)(i)&(B)(i), 1957 & 2; Obstruction of Justice/18 USC 1503 & 2; Perjury/

18 USC 1503 & 2; ID fraud/42 USC 408(a)(7)(B), 18 USC 1028(a)(7)

I was sentenced on August 24, 2005 to imprisonment for 30 years, to pay
(month/day) (year) (length of sentence)

a fine of \$ _____, restitution of \$ 11,588,465.54, and to
(do not include special assessment)

supervised release or special parole for 5 years, and/or to probation for

n/a. I was 35 years of age when the offense was committed.
(length of sentence)

3. I began service of the sentence of imprisonment on 2/15, 2005, and I am projected to
(month/day) (year)

be released from confinement on 4/4, 2031.
(month/day) (year)

Are you eligible for parole? yes no

If yes, indicate the date when you became eligible for release, and state whether your application for parole was granted or denied

Have you paid in full any fine or restitution imposed on you? yes no

If the fine or restitution has not been paid in full, state the remaining balance.

\$11,414,632.28

4. Did you appeal your conviction or sentence to the United States Court of Appeals? yes no

Is your appeal concluded? yes no

If yes, indicate whether your conviction or sentence was affirmed or reversed, the date of the decision, and the citation(s) to any published court opinions. Provide copies of any unpublished court decisions concerning such appeals, if they are available to you.

November 23, 2007, conviction & sentence affirmed

Did you seek review by the Supreme Court? yes no

Is your appeal concluded? yes no

If yes, indicate whether your petition was granted or denied and the date of the decision.

Petition denied October 6, 2008

Question 5:

From 1999-2001, I acted as closing attorney for a mortgage fraud ring which operated in the Atlanta, GA area. I accept full responsibility for the actions of myself and my staff. It was never my intention to commit fraud or participate in criminal activities when I began the real estate portion of my practice but a lack of intent when I began, made me no less culpable in the end.

I began practicing law as a solo practitioner in 1996 concentrating on state criminal law, personal injury and family law matters. I was having a hard time making ends meet when I was approached by Brenda Brown regarding adding a real estate section to my practice.

Brown and I had been paralegals together at the Small Business Administration while I worked my way through law school. I did not know anything about real estate short of what I learned in property class so I hired Ms. Brown to "tutor" me on the nuances of residential real estate closings. I did not have enough experience to have my own title agency so Brown arranged for me to work under the agency of another attorney for a 50/50 fee split. Brown brought in investors, brokers and real estate agents who immediately scheduled closings. I was unaware at that time that I have been encompassed into an on-going fraud ring.

I will regret for the rest of my life the day I uttered the words "just sign it for me" and I dashed between courtrooms on a particularly hectic day. At my first closing, the "investor" handed me an envelope containing \$2000 as she left out of the office. When I tried to refuse, she laughed saying "I just made nearly \$60,000 in 15 minutes, will you let me share the love? Go and buy yourself a decent watch." The business rolled in and the money flowed. One of the brokers even paid to move me into a bigger office and an investor "donated" the furniture. I became enamored with the easy cash and keep on going, even after I figured out I was acting illegally.

I routinely accepted gift, trips, dinners and jewelry as tokens of appreciation from realtors and brokers. I knew in my heart that it was wrong but accepted nonetheless. Enthralled by power and prestige, I began to turn a blind eye to many things as long as my trust account balanced out at the end of the day. I should have reported it immediately when I became suspicious of possible fraudulent activity. Even when deposed regarding a flip loan which the subject of a lawsuit, I attempted to be evasive and less than truthful when answering questions. My answers resulted in a perjury conviction.

I opted to go to trial after being told by my attorney that I was facing up to 240-320 months even with a plea. While awaiting sentencing in the Atlanta City Detention Center, I was asked to participate in a plot to kill U.S. Attorney Gayle McKenzie. I immediately alerted the authorities and received a 5K.1 downward departure which took my sentence from Life to 360 months. I realize the harm my actions caused and I deeply regret having given into greed, instead of pursuing the path my parents taught me was right.

Question 7

It is hard to perform a self-inventory and shine a spotlight for the world to look upon your failures, shortcomings and bad choices. Yet the facts are incontrovertible when it comes to the truth that my actions both by commission and omission caused personal and economic harm to my community and individuals. I accept ownership of my failures and am remorseful for my actions. When asking for a second chance, it would be easier if I had excuses to lean upon such as coming from a broken home, being uneducated, abused or addicted to drugs but none of that is applicable. I was raised by two of the most wonderful parents on the planet who worked hard to instill good moral values in me. They took me to church and sent me to parochial school. I married a good educated man with whom I had a beautiful daughter. We lived in suburban Atlanta, and for all intents and purposes had the storybook life of black urban professionals.

My entire life has been based on goal attainment. I sought to be on honor rolls, dean's list, club president and pageant winner. As I became an adult, my successes were measured by material acquisitions: luxury homes, exotic cars, designer clothes. I became so caught up in the "rat race" seeking to achieve more, and it cost me everything I had been given. During my incarceration, I discovered one of my favorite books, *THE ALCHEMIST* by Paulo Coelho. In the book, the main character searches the world over to discover a treasure that had been under his feet at home the entire time. My barometer upon which I measured my success was skewed. It was humbling to realize that in seeking what I thought was success I had caused my own downfall. I failed to value the most important things in life: faith, family and freedom.

My incarceration has been a journey fraught with tears, distress, anger, and anguish, but ultimately, I have found a purpose in the pain. It took years for me to stop being in denial, blaming my co-defendants, and to forgive myself for the mistakes that I made. It is an insurmountable task to begin each day thinking "I've got 27 more years to go." Instead, you learn to focus on making the most of each day, each hour and on really bad days each minute at a time. Each day brings with it an opportunity to do better. Redemption is a perilous road to travel but it begins with a single step.

I began at the county jail by tutoring Chinese detainees in English. Once I was transferred to Coleman Camp, I taught Re-Entry classes and served as the Secretary for the groundbreaking inmate NAACP Chapter #5111. I assisted and participated in Camp HOPE a week long camp for incarcerated mothers and their children. I worked with Angel Tree which provides toys to children of inmates at Christmas time. I have taught over 20 Adult Continuing Education Classes one of which was Paralegal Studies. Several years later, I received a letter from a former student who upon leaving prison received her Associate's Degree in Paralegal Studies from her local community college. She was working in a law office and pursuing her Bachelor's of Science in criminal justice at Mercer University. Her letter celebrated her accomplishments and thanked me for planting the seed that grew into her new life. While at Hazelton Secure Female Facility in West Virginia, I also signed up for the PAWS4PRISONS assistance dog training program. We trained assistance dogs for disabled children and veterans. Aside from being a mother, it was the most fulfilling task I have ever done. All of the awards and accolades I have received over

Question 7

the years paled in comparison to the joy, pride and worth I felt on the day I learned that my dog was matched with a Marine serving at Camp Lejeune, N.C suffering from PTSD.

Yet, the redemption road had its downturns and pitfalls as well. When my daughter was in third grade, she was chastised by a parent volunteer at her school who said "You had better straighten up or you're going to end up a criminal like your mother." It didn't matter that her mother had been a National Merit Scholar who received a full scholarship to college or who worked three jobs while attending law school. At the end of the day, I was simply a criminal. My daughter ended our phone call that day by saying "Mommy, I love you no matter what anyone says about you," and my heart broke. Despite my efforts to do better, I still continued to hurt the ones I loved most.

Since I was unable to mother my own child, I found myself mentoring many young women in prison where many affectionately call me "Mama Chay". I helped cofound the IAM (Inmates Ascending Mentoring Program) which paired newly committed women with positive inmate mentors to teach them how to do their time productively. I became a member of CHOICES, where I travelled monthly into the local community to speak with at risk juveniles between the ages of 8-18. I served on the Walk for A Cure -Breast Cancer committee where inmates raised nearly \$5,000 to donate to the American Cancer Society. I facilitated the Dress for Success Re-Entry Workshop, taught Career Etiquette and tutored students performing on a 3rd grade through G.E.D. level. I became a valuable resource to my community because I realized that my actions affect others. I choose to be a positive influence. The secret to thriving in prison is to learn to care about things outside of yourself. When you adopt a holistic approach to life, the eyes through which you view life changes. Suddenly you are able to see the vibrant color of the community as opposed the monochromatic blacks and whites of self-centeredness.

In the words of poet Maya Angelou, "I can be changed by what happened to me but yet I refuse to be reduced by it." I, at last feel worthy of redemption and I am finally able to get beyond the guilt that once led me to two suicide attempts. What occurred before could never happen again because I am not the same woman I was before. I am a woman acknowledging my past mistakes, owning them and ascribing daily to create a better future. God saved me and I no longer have to live with the shame and embarrassment of failure. I am not perfect by any means, but each day I am righting my wrongs by making a positive difference in this world. I ask for mercy and that my clemency petition be granted. Upon my release, I intend to continue to work with women and youth who have been impacted by the justice system. I have found my calling and that is an amazing feeling to discover what God has planned for your life.

Certification and Personal Oath

I hereby certify that all answers to the above questions and all statement contained herein are true and correct to the best of my knowledge, information, and belief. I understand that any intentional misstatements of material facts contained in this application form may cause adverse action on my petition for executive clemency and may subject me to criminal prosecution.

Respectfully submitted this 30 day of March, 2016.
(month) (year)

Chalana C. Mesterland
Signature of Petitioner

IV

SUPPORT LETTER OFFERING EMPLOYMENT BOP CHARACTER REFERENCES

TJM Painting LLC
Commercial - Residential
PO Box 10003
Valdosta, GA. 31604
229 630-5546
weloan3@att.net
www.tjmpaintings.com

Chalana McFarland
Reg No. 58892-019
Tallahassee Federal Correctional Institute
501 Capital Circle, N.E.
Tallahassee, FI 32301

July 14, 2015

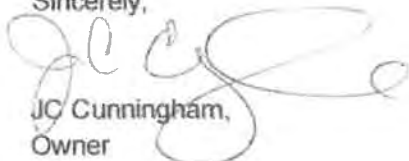
Dear Chalana,

We at TJM Painting LLC, are more than pleased and glad to offer you the opportunity to work with us as an Outside Sales Representative, upon your return to Valdosta.

I believe that your educational and professional background, as well as your strong desire to build a new life for you and your family, would be a "Win" for all of us.

Please stay in contact with us, and we look forward to meeting with you upon your release.

Sincerely,



JC Cunningham,
Owner

TJM Painting LLC
Serving GA. and North FL.

120



United States Department of Justice
Federal Bureau of Prisons
United States Penitentiary - Hazelton
Post Office Box 450
Sky View Drive
Bruceton Mills, West Virginia 26525
(304) 379-5000

August 21, 2009

To Whom It May Concern:

Inmate Chalana McFarland, Register #58892-019, has been incarcerated at the Secure Female Facility Hazelton since January 7 2008. During her time here, she has worked hard to enhance her skills and contribute to our facility. Some of her accomplishments include:

- Serving as senior support and a primary trainer in the Paws4Prisons Program, which trains dogs as service dogs for disabled children;
- Volunteering to serve as a Peer Mediator, which allows inmates to informally resolve problems and concerns;
- Developing curriculum and serving as an instructor or facilitator for:
 - Small Business Entrepreneurship
 - Advance Business Concepts
 - Paralegal I
 - Conflict Resolution
 - Public Speaking
 - Inmate Orientation Program
- Initiating a re-entry support group for inmates raised in the South;
- Participating on our inmate Leadership Advisory Committee;
- Writing articles for the institution newsletter;
- Working as a Suicide Companion;
- Singing in the institution choir;
- Completing numerous wellness and music classes through our Recreation Department; and
- Completing True Colors, a program designed to enhance interpersonal communication and relationships.

Ms. McFarland is committed to making significant improvements in her life. She takes advantage of opportunities to grow and is working hard to ensure success when she is released. If you or your staff have any questions or concerns, please do not hesitate to contact me at (304) 379-5500.

Sincerely,

Susan Folk

Susan Folk, Administrator
Secure Female Facility



U.S. Department of Justice

Federal Bureau of Prisons

Federal Correctional Institution

501 CAPITAL CIRCLE NE
TALLAHASSEE, FLORIDA 32301
850-878-2173

October 10, 2014

ATTN: CLEMENCY ATTORNEY

RE: MCFARLAND, Chalana
Register Number: 57395-083

To Whom It May Concern:

This letter is being written in the interest of Chalana McFarland. Ms. McFarland has been incarcerated at the Federal Correctional Institution, Tallahassee, Florida since January 26, 2010, for Conspiracy to Commit Bank/Mail Fraud and Money Laundering. She is currently serving a 360 month sentence with a projected release date of April 4, 2031, via Good Conduct Time Release. She has been living in the Preferred Housing Unit since February 22, 2012. This unit is reserved for those inmates who are programming well, no incident reports within the last year, and who have made efforts to improve themselves while in prison.

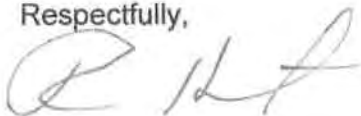
I have known Ms. McFarland for approximately 4 and a half years while at Tallahassee and have observed the following: Ms. McFarland is a conscientious and disciplined person who appears to do the right thing; she effectively communicates with both staff and inmates; she is consistent, dependable, and committed in carrying out her day to day activities in the unit and at her job as an orderly in the Recreation Department; extremely cooperative when sanitation tasks have to be completed in the unit; she has established short and long term goals during her incarceration and upon her release from prison; she displays a high degree of emotional maturity; and appears to cope effectively with pressures and tensions.

She was also a part of the CHOICES program in which selected inmates speak to troubled youths in the community. This has been a very effective program for the youths and the inmates. Ms. McFarland has contributed greatly to the success of the CHOICES program.

It is my opinion, Ms. McFarland has accepted responsibility and the consequences associated with her instant offense.

She has continued to strengthen and refine her life and thinking pattern since her incarceration. I trust this information will be helpful to you and if I can be of further assistance, please do not hesitate to contact me.

Respectfully,

A handwritten signature in cursive script, appearing to read 'R Horton', written in black ink.

**Ron Horton
Unit Manager**



**U.S. Department of Justice
Federal Bureau of Prisons
Federal Correctional Institution**

501 Capital Circle, NE
Tallahassee, Florida 32301-3572

December 7,, 2011

RE: Chalana Mc Farland Reg. No. 58892-019

To whom it may concern:

As a member of the education staff at FCI Tallahassee, I observed Ms. Mc Farland in numerous capacities during the two years she has been here. She has served as:

- Inmate tutor for
- ABE(Adult Basic Education)
- Re-Entry Volunteer
- Inmate Coordinator for various events
- Co -founder of the IAM Mentoring Program

I have found Ms. McFarland to be hard-working, diligent and a role model to other inmates. She maintains a positive attitude and strong work ethics. Ms. McFarland has used her incarceration time to better herself and ensure that she will be a productive member of society upon her release.

Thank you,
Alonzo Harvin, Education Specialist

A Harvin



U.S. Department of Justice

Federal Bureau of Prisons

Federal Correctional Institution

*501 Capital Circle, N.E.
Tallahassee, Florida 32301*

December 21, 2011

To whom it may concern:

Re: Chalana McFarland

Ms. McFarland has worked as a Program Clerk in the Recreation Department for two years. During that time, I have found her to be hard working innovative and to possess a high level of integrity and trustworthiness.

Ms. McFarland has served effectively as the coordinator for several Wellness Programs such as the Biggest Loser and L.E.A.N. as well as coordinated cultural events for Black history and Hispanic Heritage. I fully believe Ms. McFarland is committed to making the most out of her penal experience. She has been a model inmate and seeks to affect her environment in a very positive manner.

Ms. McFarland has worked in my department for the last two years and she has done an outstanding job. Ms. McFarland is very creative and she has a positive energy that influences many of her co-workers. Ms. McFarland is very dependable and is as hard working as anybody I know. Ms. McFarland has been an outstanding inmate during the time she worked for me and I have not encountered any problems or issues with Ms. McFarland during her time working for the Recreation Department.

Sincerely,

A handwritten signature in cursive script that reads "Mark Liles".

Mark Liles

V

SUPPORT LETTERS FROM FAMILY AND FRIENDS

July 18, 2015

Danielle McFarland

7770 Union Road

Hahira, GA 31632

(229)444-2287

Subject: Character letter for Chalana C. McFarland

I am Danielle McFarland-Neloms, 39 year old physician practicing in Valdosta, GA. Chalana is my first cousin and I have known her all my life. Our fathers are brothers and we were all raised in Valdosta.

Chalana is currently at Tallahassee FCI serving 30 year sentence for charges of mortgage fraud, money laundering, obstruction of justice and perjury. Chalana's only child, Nia Cosby, was only 5 ½ years old when she was sentenced. Nia will be entering the 10th grade this year at Valdosta High School. This is what has affected Chalana the most. She has essentially missed out on very formidable years with Nia. I have watched Nia blossom from a little girl into a beautiful young lady. Chalana regrets the mistakes she has made in the past and has become a more spiritually grounded person during her time served. She prays daily for strength but she still struggles with pain and sadness for the time lost with her daughter. She also is concerned about the health and wellbeing of aging parents who are caring for Nia. They have done a wonderful job with Nia but as a mother of two I know how important it is for a child's self-worth to have direct parental involvement. There is nothing like a mother's love. Without the physical presence of a parent children often have feelings of abandonment and lack of trust. These issues can negatively affect the relationships they develop as adults. Our entire family is praying for her to be released soon, especially for Nia's sake.

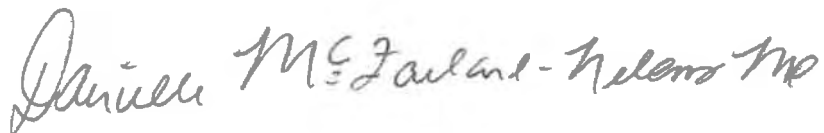
When I was in grade school I always admired Chalana. She was beautiful, talented, driven and so intelligent. I remember going to her college graduation from FAMU and thinking to myself that I wanted to accomplish a lot of the same things as my big cousin. When I finished my residency training in obstetrics and gynecology in 2006, I moved back to our home town to practice medicine. I would have never thought during that same year that our lives would go in such different directions. As I mentioned she has become a more spiritual person and often times reflects on how such a dark situation has opened her mind & heart to the important things in life – faith, family and friends. All of which she has here in Valdosta awaiting her release. She is remorseful and wants to make positive impact on society.

Chalana has a lot to offer our local community. With the number of young minorities being incarcerated and the perceived "lack of opportunity" to make better choices, Chalana could be instrumental in educating our local youth. Her life experiences could change the lives of others.

I hope that when she returns that we collectively can develop community programs to make positive changes here in Valdosta.

I so hope and pray that fairness, justice and forgiveness will allow Chalana the privilege to be reconnected with her family. Nia longs to be with her mother again. I hope that you find this information helpful and please feel free to contact me if I can be of any further assistance.

Respectfully submitted

A handwritten signature in cursive script that reads "Danielle McFarland-Neloms MD". The signature is written in dark ink and is positioned above the printed name.

Danielle McFarland-Neloms MD

July 20, 2015

Temika N. McFarland

932 Spring Creek Way

Douglasville, GA 30134

(678) 923-9619

Re: Character Letter for Chalana C. McFarland

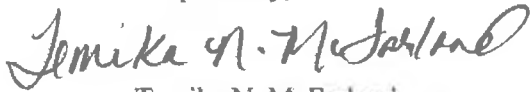
This letter is in regard to my cousin, Chalana C. McFarland, who is currently serving a 30-year sentence in a Tallahassee federal prison for mortgage fraud, money laundering, obstruction of justice and perjury. Chalana and I are first cousins; I have known her all my life. We both grew up in Valdosta, GA. It is my hope that this letter will show that although Chalana is serving time, she has impacted so many people in a very positive way. She has been an inspiration to many, myself included. I know that if she is released, she can tell her story and help others, inspiring them to make better decisions and most importantly be influential in her own daughter's life who is now a sophomore in high school and was only 5 years old when Chalana was sentenced.

I am currently a high school math teacher in Douglasville, GA and have been for the last 8 years. As far back as I can remember Chalana was always the big cousin I looked up to and admired for her intelligence and many accomplishments. I remember when she was in high school (I was in elementary) and all of the great things she accomplished then. Chalana was always smart, intelligent, classy and not to mention beautiful. As I got older and was around her more often I realized how big her heart was and how incredibly beautiful she was on the inside. She was always willing to encourage me and let me know anything I ever wanted to do was possible. When I was in college at Georgia Tech and my big sister was away at medical school, Chalana was like my big sister away from home. She often invited me to her home to have dinner or just simply be my family away from my home in Valdosta. She was so generous with her time and love, we bonded as adults, and I felt truly lucky to have her in my life. I also witnessed during this time what an incredible mother she was. Her daughter, Nia, was the absolute joy of her life and I knew nothing made her happier than to be a mother to this precious little girl. Besides being a mother and wife, Chalana was a source of inspiration to many, including my older sister, Danielle, who is a physician in Valdosta, Ga. We both looked up to her and wanted to accomplish great things as she did.

None of us in our life do everything right, we have all made mistakes. Chalana's mistakes have cost her precious time away from her daughter and her aging parents who are taking care of Nia. Her family misses her immensely. I just know that she can accomplish so much more by telling her story and helping others in the community where she was raised. She is such a gifted soul. I know she can touch many lives and continue to inspire when she is released. She can do so

much more outside of prison. Her life can be an example to others, and she can resume her life as a mother. I know this is what she wants more than anything; to be with her daughter and see her grow into a young adult. She can help guide her through those critical years of college and they can rekindle that unbreakable bond that a daughter shares with her mother. I can go on and on about how much I love and respect my cousin with everything she's been through. I also want to also be a voice for Nia who misses her mother greatly. I truly hope that her having a daughter and family who loves her, misses her and knows that she can do great things at this point in her life, will be considered as a part of her release. She is so important to so many and her life still has a great purpose. It is my hope that those who read this letter and have a part in the decision to release her consider what a wonderful person she is to me and everyone that loves her. Please feel free to contact me should you have questions. Thank you in advance for your consideration.

Respectfully,

A handwritten signature in black ink that reads "Temika N. McFarland". The signature is written in a cursive, flowing style.

Temika N. McFarland

January 9, 2015

President Barack Obama
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Re: Chalana C. McFarland [Register Number: 58892-019] Clemency Application

Dear Mr. President,

I am writing to support the clemency application of Chalana McFarland. Chalana has served ten years of her prison sentence, and she is currently scheduled to be released from prison in April of 2031. In my opinion, Chalana's sentence of 30 years in prison is extreme and disproportionate to the sentences that have been given to those with similar convictions and who were first-time offenders.

As a friend of Chalana's for over 30 years, I support granting clemency to Chalana because I believe that she has learned from the mistakes of her crimes and I strongly believe that she would be a productive, law-abiding citizen if granted clemency. During Chalana's sentencing, I spoke before the judge about the many positive and caring aspects of Chalana's character that I have witnessed throughout our friendship. Also, I stated then and continue to believe that Chalana could contribute to our society in a number of helping professions if allowed to return to society.

Another reason for my support of Chalana's clemency application is on behalf of her daughter Nia. Nia is currently 14 years old and a ninth grade student. I believe that Nia would benefit greatly from having her mother released after serving ten years in prison in order to play an active role in her life as she completes a challenging high school curriculum, actively participates in extra-curricular activities, and prepares to apply for college in the next few years. Chalana and Nia are very close, and she does not have the active support of her father. Rather, Nia is being raised by Chalana's parents, Charles and LaRita McFarland, in our hometown of Valdosta, GA.

There will be a positive impact on society if Chalana is released from prison at this time. In your review of clemency applications for the early release of non-violent, first time offenders, I hope that you will consider individuals such as Chalana who are ready to return to society and impact it in a positive way. During her time in prison, Chalana has helped others as a teacher and advisor, and she is able to utilize those skills in society to help those who are in need. Chalana was sentenced to 30 years in prison for mortgage fraud, and I do not in any way minimize the severity of her crimes or the impact on victims. However, I believe that Chalana can actually serve as both as a positive example of rehabilitation as well as deter others from committing crimes, perhaps as a speaker to high-risk youth, if granted clemency.

Thank you for your consideration of Chalana's clemency request.

Sincerely,



Kathryn Epps
3150 Towerview Drive
Atlanta, GA

**Patricia Rayford
1200 Lake Park Road
Valdosta, GA 31601
229.244.2513
August 1, 2014**

Dear President Obama:

This letter is written on behalf of Chalana McFarland. I have known Chalana over 30 years. She is the product of two wonderful and supportive parents.

I served as Chalana's high school counselor for four years. She was an obedient and trustworthy student. Because of her outstanding scholastic achievement and character at school and in the community, Chalana was selected to be a member of the school's PAMS (Personality Appearance, Manners, and Scholarship) club. A true description of Chalana.

This young lady has many persons in this community who love her and wish her well. We were very proud of Chalana upon receiving her law degree and equally as proud when she began her law practice.

I believe in my heart that Chalana regrets what happened. I feel that she has learned a lot from this situation and it will make her a stronger and better person in society. Sometimes words and deeds do not accurately reflect the kind of persons we are. Certainly, this is the case of Chalana McFarland.

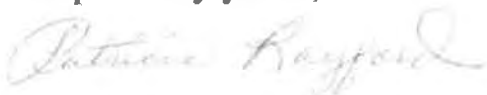
Chalana will be a valuable asset to the community. She possesses the knowledge and skills to make lasting contributions. She can and will share her life experiences with others, thus influencing other young people to stay on the right side of the law. I believe

Chalana can and will rise above this adversity, keep the faith and move on.

It is my sincere hope that Chalana will be granted an early release from prison. I feel strongly that given the opportunity, Chalana will make every effort to be a productive citizen and will raise her daughter to do so as well.

Thanks in advance for your highest consideration regarding this request.

Respectfully yours,

A handwritten signature in cursive script that reads "Patricia Rayford".

Patricia Rayford, Retired, Director of Guidance
Valdosta High School, Valdosta GA

July 22nd, 2014

To Whom It May Concern:

Today I am writing to speak on behalf of my cousin Chalana McFarland (58892-019). Chalana will soon be eligible for early release. I first met my cousin Chalana at a family reunion in Atlanta, Georgia nearly twenty years ago. Throughout this time, I have always thought of Chalana as a caring and loving person whom I admired and looked up to. Chalana, to me, was a role model because of her academic achievements and her career pursuits. When I first met Chalana I distinctly recalled how welcoming and warm of a person she was towards me, my sister, and my mom. She was indeed one of the most welcoming, good natured family members that I met at that family reunion. Chalana cares not only about family but people in general. I specifically recall her asking about various teachers at my high school and whether or not they were still teaching, as me and my sister were attending the same high school she had previously attended. Chalana was genuinely interested in knowing about the well-being of her former teachers.

That is the kind of person I believe Chalana to be. A considerate and caring individual. It truly saddens me to think of such a kind hearted person being in prison. The reality is that, unfortunately, there are people who, indeed, deserve to be in prison. In my honest opinion, however, Chalana is not one of those people. I do not believe that Chalana is a cold-hearted or malicious person in any manner, whatsoever. I truly hope you will seriously consider releasing Chalana from prison early so that she may move forward with her life and be present in the life of her daughter who needs her, loves her, and misses her.

Respectfully,

Amanda Harper

August 13, 2014

To: McFarland, Chalana (58892019)

From: Anita C. Williams
1803 Scout Ct
Marietta, GA 30064

Subject: Character Letter

I am writing this Character Letter in reference to Chalana McFarland as an individual who I have known over 12 years. I came to know and love Chalana because of the kindness that she had always shown my mother. She always was available to help others that need her assistance never expecting anything in return

I sincerely hope that President Obama uses his Clemency Powers to release non-violent, first time offenders that have served over ten years.

We all make mistakes and I truly feel that Chalana has learned her lesson and has paid her debt to Society.

Please, please grant her early release of Non-Violent, First Time Offender.

Sincerely,


Anita C. Williams

August 10, 2014

To: McFarland, Chalana (58892019)

From: Bessie M. Spencer
2579 Candler Way, S.W.
Marietta, GA 30064

Subject: Character Letter

I am writing this Character Letter in reference to Chalana McFarland as an individual who I have known over twenty years. I claim her as my daughter. She has such a caring, loving personality and always available to help others that need her assistance.

I pray daily that President Obama uses his Clemency Powers to release non-violent, first time offenders that have served over ten years.

Her release will definitely impact her community and most of all it would be a great impact for her daughter who desperately needs her mother. Her daughter was just a toddler when she went to prison.

Chalana made a mistake however she has served over ten years for her mistake.

Please, please grant her early release of Non-Violent, First Time Offender.

Sincerely,


Bessie M. Spencer

June 30, 2014

Georgia Lowe
2440 Barge Rd SW #301
Atlanta, GA 30331

To whom this may concern:

My name is Georgia Lowe and I am a senior citizen in Atlanta, GA. I am writing to ask for your help in a matter that really concerns me and my family. A close friend of the family by the name of Chalana McFarland is serving time in the Florida Federal Correction Institution and although I understand she did something that was not right at the time, I feel she has learned from her mistakes and has been rehabilitated. I am asking that you please release her and allow her to become a citizen of the United States of America. I have known Ms. McFarland since she was a young lady, she is the granddaughter of my sister. I know we all make mistakes, but I feel she has learned her lesson and should return home to our family.

President Barack Obama stated he would grant clemency to non-violent inmates that have served ~~more~~ ~~than~~ 10 years in prison and we are trusting that the Florida Federal Correctional Facility would honor this also.

Thank you for taking out the time to read this letter that I have prepared for you. May God continue to bless you and your family.

Sincerely,

A handwritten signature in cursive script that reads "Georgia Lowe". The signature is written in dark ink and is positioned above the printed name.

Ms. Georgia Lowe

From: Barbara M. McFarland

Re: Chalana McFarland, clemency application

I have known Chalana all of her life; she is my cousin. I feel that she has served enough time for mortgage related charges. Chalana has a child that her parents are raising and her parents are getting older. Her daughter need to be with her. Once she is released maybe she could get a job as a tutor/teacher to help others. She has always made good grades when she was in high school and college.

Thanking you in advance for your consideration in this matter.

**Barbara M. McFarland
2414 JoAnna Drive
Valdosta, GA 31601**

Barbara M. McFarland

August 6, 2014

Johnnie & Peggy Davis
4016 Liberty Estate Road
Macon, GA 31216

Dear Sir:

This a reference letter for Chalana McFrand (58892019) who has been in Federal prison for a number of years. We have known Chalana all of her life and have found her to be a good and honest person. She went to school and college without any problems. Chalana had a law practice and was doing well.

Please take in consideration that she will be a great person in the community. She also has a child who needs her very much. We feel that the one mistake and time served has given her growth and how to be more responsible choosing friends and people she will work with. It has been hard on her daughter and all of us who love her dearly.

We hope Chalana will be able to reunite with family soon and began a fresh start. We believe she has been a model inmate and deserve another chance in society.

Sincerely



Johnnie and Peggy Davis

July 19th, 2014

To Whom It May Concern:

My name is Douglas Carter and I am writing on behalf of my cousin, Chalana McFarland (58892-019). Chalana will soon be eligible for early release and I sincerely hope that Chalana will be granted this opportunity. The Chalana I know is not a threat or danger to the community. It pains me to think that such a warm and loving person, such as my cousin Chalana, has been incarcerated for as long as she has. The Chalana I have always known has never been a dangerous or violent person and never truly desired to hurt anyone or cause problems for anyone else. Chalana is a caring and compassionate person.

I am also concerned about the absence of Chalana from her daughter's life. A mother is so important to a child's life especially during these crucial years. Others have tried their very best to be there for Chalana's child, however, it is still not the same as Chalana's presence. My sister was a single parent to two daughters. As a result, I know personally the challenges of raising children when one of the parents is absent. The child suffers and the burden on the supporting family is greater. Children need and deserve as much love and support as possible. I hope Chalana's daughter will have this opportunity. I know that Chalana loves her daughter and wants to be there for her, to provide all the love and support her child needs. She has already missed out on so many years in the life of her daughter and I know this saddens Chalana deeply. Please allow Chalana to come back home and be the loving person that she truly is.

Sincerely,

Douglas Carter

July 15th, 2014

To Whom It May Concern:

My name is Vivian Harper and I am a relative of Chalana McFarland (58892-019). I am writing this letter to plead on Chalana's behalf. I have known Chalana through her mom, when she and her sister attended school at Valdosta High School in Valdosta, Georgia. I have always heard nothing but positive things about Chalana from her mother LaRita. Often I have heard LaRita speak so highly of Chalana, as her daughter. Chalana's mother was also proud of Chalana's achievements and the ambition Chalana displayed in wanting to become a lawyer.

I am also pleading on Chalana's behalf because of Chalana's beautiful, young daughter who needs Chalana in her life. Although LaRita has helped raise Chalana's daughter, LaRita's health was not very good at one point because of LaRita's battle with cancer. Additionally, a young girl needs a mother in her life, especially during these important years of a child's growth and development.

I truly feel that Chalana did not want to cause anyone, family or stranger, to suffer or hurt. I do not believe Chalana is the type of person who would ever want to bring harm to any human being. So, I am pleading on her behalf that you will allow her this early release. I believe that once Chalana is released, Chalana will only impact her community in a positive manner by being a supportive and caring mother to her daughter whom she loves so dearly. I can truly say that, in my personal experiences, I have never heard anyone, family or stranger, say anything negative or bad about Chalana. Consequently, I hope that Chalana will finally be given the opportunity to be reunited with her family who love and miss her so very much.

Sincerely,

Vivian Harper

July 24th, 2014

To Whom It May Concern:

My name is Raymond Carter and I am writing to you on behalf of my cousin Chalana McFarland (58892-019). My cousin, Chalana, will soon be eligible for early release. I have spent a lot of time around her mother and father, Charles and LaRita. Due to this fact, I know firsthand how much Chalana's absence has affected her immediate family, and many others as well. I know just how missed and how loved Chalana is by her parents as well as her daughter. For as long as I can remember, Chalana and her sister have always been a major source of pride for Charles and LaRita. Chalana has always been a light in their lives. The fact that Chalana is so beloved by her parents has always been abundantly clear to me. Chalana's absence has been deeply felt by the family.

Thus, it has been a difficult transition for the family. LaRita, Chalana's mother, has admirably tried her best to fill in the role of mother to Chalana's daughter. It has been trying times, however, given the fact that the health of LaRita, Chalana's mother, was poor at times. Faith in God, love and support of friends and family, and the hope that Chalana would one day be able to return home are what have allowed the family to get through all these years of Chalana's incarceration. As we all know, however, no one can ever truly take the place of one's mother, in the life of a child.

I have never known of, or heard of, Chalana being a violent or uncaring person. Chalana has always been a good hearted loving person. Please do not continue to let a good person continue to stay in prison around truly violent people, and separate from her daughter. Chalana hopes to be able to return home to her daughter and to be a positive in the community, not a negative. I truly believe an early release would only be a good thing, for her family and for the community.

Respectfully,

Raymond Carter

Greetings ,

To whom it may concern i am writing on behalf of our cousin Miss Chalana McFarland. We have known her ever since birth and growing up as a child she was always polite, because that is how her parents raised her.

This is a letter from my family and I my name is Mary L. Johnson, my husband's name is Lonnie Johnson, and my daughters name is Selina. We are glad to write on the behalf of our cousin Chalana. We live at 5169 Rockyford Road.

We as a family feel that President Obama should release Chalana to her home to be apart of her lovely daughters life. Although she has been raised from two loving and affectionate grandparents who have done a wonderful job. Every child needs their mother to also love and shelter them.

Chalana has a lot to offer this community. We are hoping and praying that she will be soon released to come home to her daughter and nurture her and feel her mother's arms around her.

With deep appreciation,
The Johnson Family

8-16-14

Choices that will help here make
and become a more productive

young woman in today's society.

I remember, and hope you
will give her a second chance

To whom it concerns,

I have known Chapman McArthur
since she was around 2 years old.

She is my 2nd cousin
I feel she should be release to

come home to her family, her
her own daughter and parents.

She has and always been a
good mother. She is intelligently
smart bright young woman who
needs to be with daughter.

Her release will be a comfort

to her family as she now. forward
to overcome the wrong doing that

incarcerated her I believe she is
much wiser than make the right

Thank you



Ms. Julia Lester
P.O. Box 8791
Fort Worth, TX 76124

403 Knob Hill
Valdosta, Georgia 31602
August 10, 2014

Re: Clemency for Charlana McFarland (Reg. No. 58892-019)

To the Clemency and Parole Board:

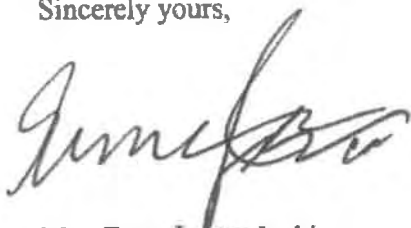
I have known Ms. McFarland since she was a young child as she participated in various school, church, and community activities. Her parents have been friends of mine since the 1960s. They are hardworking, kindhearted, and they stress family love, respect and values. I believe that they instilled these traits into their daughter regardless of one wrong decision.

I was glad to hear about the Clemency Act for early release of non-violent, first time offenders who have served at least ten years of their sentence. I feel President Obama should grant **Charlana McFarland** early release because I sincerely believe she has learned from her mistakes and she deserves a second chance to prove to society that she can and is a woman of character. I believe she can be a leader in our community by sharing her mistakes and experience with others to steer them in a positive direction. She can definitely be instrumental in sharing with this younger generation the consequences of wrong and negative decisions in life. She will be able to use her life to encourage them to make right and honorable choices to keep them out of the judicial system.

Finally, Charlana is a mother of a young, teenage daughter who will greatly benefit from having an opportunity to build a relationship with her mother before she graduates from high school. She is at a critical age and having a mother's guidance is detrimental to any young lady as she begins to make choices in her teen life and even her life after high school. She has missed many vital years in her daughter's life and rebuilding and connecting with her child will be beneficial to both mother and daughter.

Please consider the welfare of this mother and daughter's relationship and the impact it can have on the future endeavors of this child and how important it is to each of them. I am making a plea to give this mother the benefit of the doubt and release her to come home to the loving arms of her child and the rest of her family. With this early release, the mother and daughter will begin to pick up the pieces of their lives and move toward a positive and progressive future.

Sincerely yours,



Mrs. Erma Lester Jenkins



Summary Reentry Plan - Progress Report

SEQUENCE: 00144441

Dept. of Justice / Federal Bureau of Prisons
Plan is for inmate: MCFARLAND, CHALANA C 58892-019

Report Date: 11-22-2019



Facility: COL COLEMAN LOW FCI Custody Level: OUT
 Name: MCFARLAND, CHALANA C Security Level: MINIMUM
 Register No.: 58892-019 Proj. Rel Date: 04-04-2031
 Quarters: F15-442L Release Method: GCT REL
 Age: 51 DNA Status: TAL02452 / 12-30-2010
 Date of Birth: 05-31-1968

Offenses and Sentences Imposed

Charge	Terms In Effect
18:1344,1341,1343;42:408(A)(7)(B)1028(A)(7),1001,1956(A)(1)(A)(I)(B)(I)1957,1503 CONSP/TO COMMITT BANK,MAIL AND WIRE FRAUD.	360 MONTHS

Date Sentence Computation Began: 08-24-2005

Sentencing District: GEORGIA, NORTHERN

Days FSGT / WSGT / DGCT	Days GCT or EGT / SGT	Time Served	+ Jail Credit - InOp Time
0 / 0 / 0	756	Years: 14 Months: 9 Days: 8	+ 191 JC - 0 InOp

Detainers

Detaining Agency	Remarks
NO DETAINER	

Program Plans

Inmate McFarland arrived at SCP Coleman on November 2, 2018, as a hurricane evacuation transfer. During her initial Program Review, she was encouraged to enroll in the Job Fair series, 7 Habits Reentry, the Positive thinking Book Club, Women Who Love Too Much, Driver's License Class, Money Smart, Personal Finance or Financial Survival. She was also instructed to enroll in a VT, Apprenticeship program and/or work in UNICOR to obtain employment skills for release, and enroll Alternatives in Visions of Peace. She was encouraged to save money in her prerelease inmate account and have her birth certificate, Social Security Card and Driver's License sent in to Unit Team. She was encouraged to satisfy her court-imposed financial obligations through participation in the Inmate Financial Responsibility Program and maintain clear conduct.

Current Work Assignments

Fac	Assignment	Description	Start
COL	C UNICORW1	CAMP UNICOR W1	10-01-2019

Work Assignment Summary

Inmate McFarland has gained employable work skills through her employment in the Bureau of Prisons. She currently works in the Unicolor where she earns outstanding work evaluations.

Current Education Information

Fac	Assignment	Description	Start
COL	ESL HAS	ENGLISH PROFICIENT	01-25-2006
COL	GED HAS	COMPLETED GED OR HS DIPLOMA	06-23-2006

Education Courses

SubFac	Action	Description	Start	Stop
COM SCP	C	CAMP RE- ENTRY PLANNING	08-19-2019	08-19-2019
COM SCP	C	SPANISH THRESHOLD PARTICIPANT	05-28-2019	05-29-2019
COM SCP	C	GODLY LEAD CHAPEL PROGRAM (6)	02-28-2019	04-26-2019
COM SCP	C	CAMP RE- ENTRY PLANNING	12-17-2018	12-17-2018
MNA SCP	C	RPP1-AIDS * DISEASE PREVENTION	11-29-2017	11-29-2017
MNA SCP	C	REENTRY SKILL: DIS TAXES	11-21-2016	11-21-2016
MNA SCP	C	ACE CONSUMER SKILLS CLASS FPC	11-22-2016	11-22-2016
MNA SCP	C	CAREER COUNSELING CLASS	11-01-2016	11-01-2016
TAL F	C	WOMEN IN 21ST CENTURY	08-01-2016	09-02-2016
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	05-23-2016	07-23-2016
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	02-01-2016	04-04-2016



Summary Reentry Plan - Progress Report

Dept. of Justice / Federal Bureau of Prisons
Plan is for inmate: MCFARLAND, CHALANA C 58892-019

SEQUENCE: 00144441
Report Date: 11-22-2019

SubFacI	Action	Description	Start	Stop
TAL F	C	BEGINNER'S AEROBICS	02-18-2016	03-09-2016
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	10-05-2015	12-07-2015
TAL F	C	JOB RESOURCE FAIR	11-06-2015	11-06-2015
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	06-17-2015	08-19-2015
TAL F	C	LEAN SIX SIGMA	06-25-2015	06-26-2015
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	02-02-2015	04-13-2015
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	09-03-2014	11-05-2014
TAL F	C	RPP#6 MANAGING STRESS	07-16-2014	08-08-2014
TAL F	C	ADJUSTING TO PRISON	07-03-2014	08-08-2014
TAL F	C	BUS EDVT ADVANCED COMPUTER	07-02-2013	04-09-2014
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TAL F	W	CALL CTR VT M-W-T-F 0730-1030	06-03-2010	06-11-2010
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HAZ F	C	(PG) SFF MUSIC THEORY CLASS	04-26-2008	05-17-2008
HAZ F	C	(PG) BIGGEST LOSER WELLNESS	03-05-2008	03-26-2008
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HAZ F	W	(PG)PUPPY/BASIC BOOTCAMP BLOCK	04-08-2008	05-23-2008
HAZ F	C	(PG)SFF VOLLEYBALL OFFICIAL	03-03-2008	07-05-2008
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COM SCP	C	ELECTRONIC LAW LIB TRAINING	03-07-2006	03-07-2006

Education Information Summary

Inmate McFarland completed her education prior to her incarceration. She was completed numerous programs while incarcerated. She will also be enrolled in re-entry programming. She will complete the Release Preparation Program prior to her release.

Discipline Reports

Hearing Date	Prohibited Acts
11-07-2007	306 : REFUSING WORK/PGM ASSIGNMENT

Discipline Summary

Inmate McFarland incurred one incident report during her incarceration. It was in October 2007 for Refusing and Work or Program Assignment. She has maintained clear conduct since. Her interaction with staff and inmates is appropriate and no management concerns are noted at this time.

ARS Assignments

FacI	Assignment	Reason	Start	Stop
COL SCP	A-DES	TRANSFER RECEIVED	10-01-2019	CURRENT
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MNA SCP	A-DES	FURLOUGH RETURN	01-24-2018	10-11-2018
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Summary Reentry Plan - Progress Report

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Assignment	Description	Start
CARE1-MH	CARE1-MENTAL HEALTH	06-18-2010
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NO POLLUT	ASSIGN TO POLLUTION FREE AREA	04-03-2012
OTHER	OTHER MEDICAL RESTRICTION	11-03-2016
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Assignment	Description	Start
RSW DECL	RESOLVE WORKSHOP DECLINE	02-16-2018

Current Drug Assignments

Assignment	Description	Start
ED NONE	DRUG EDUCATION NONE	12-31-2013

Physical and Mental Health Summary

Inmate McFarland is on regular duty medical status with medical restrictions. Psychology staff have not expressed mental health concerns at this time.

FRP Details

Most Recent Payment Plan

FRP Assignment: **PART** FINANC RESP-PARTICIPATES Start: **01-09-2019**

Inmate Decision: **AGREED** 50% Frequency: **MONTHLY**

Payments past 6 months: **\$658.14** Obligation Balance: **\$11,410,579.88**

Financial Obligations

No.	Type	Amount	Balance	Payable	Status		
1	ASSMT	\$17,000.00	\$15,774.67	IMMEDIATE	EXPIRED		
** NO ADJUSTMENTS MADE IN LAST 6 MONTHS **							
2	REST FV	\$11,417,352.44	\$11,410,579.88	IMMEDIATE	AGREED		
		Adjustments:	Date Added	Fac	Adjust Type	Reason	Amount
			11-13-2019	COL	PAYMENT	INSIDE PMT	\$175.17
			09-11-2019	COM	PAYMENT	INSIDE PMT	\$163.12
			08-13-2019	COM	PAYMENT	INSIDE PMT	\$150.25
			07-10-2019	COM	PAYMENT	INSIDE PMT	\$77.72
			06-11-2019	COM	PAYMENT	INSIDE PMT	\$91.88

Financial Responsibility Summary



Summary Reentry Plan - Progress Report

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At the time of sentencing, inmate McFarland was ordered to pay a \$17,000.00 assessment fee and \$11,417,352.44 restitution. She has agreed to make payments towards these obligations through participation in the Inmate Financial Responsibility Program. Any outstanding balances that remain at the time of her release will be paid at the direction of the United States Probation office.

Release Planning

Inmate McFarland plans to return to her sentencing district. At this time, she has not provided a release address. She is scheduled to complete RPP courses prior to release. These courses included Interview Skills, USPO Reporting Requirements, Release and Gratuity, and Life Skills. She has been encouraged to complete driver license class, and the job fair series prior to RRC placement. She will be recommended for halfway house to assist with her release. She has also been encouraged to save money for release.

General Comments

This progress report was generated at the request of inmate McFarland.

U.S. Department of Justice

UNICOR

Federal Prison Industries, Inc.

MEMORANDUM

F.C.C. Coleman, FL
(904) 330-3000

DATE: July 18, 2019

REPLY TO THE ATTN OF:

B. Harrod, Warehouse Supervisor

V. Pedrosa, Warehouse Foreman



TO:

Mr. M. Prevatte, SOI

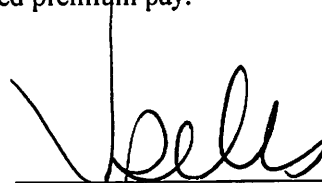
Ms. F. Dominicci-Arroyo, Operational Accountant

SUBJECT: Premium Grade Authorization

Inmate Chalanà McFarland (58892-019) has demonstrated strong leadership skills and knowledge of the Warehouse's operation while being assigned various tasks and roles. She has exhibited a strong work ethic while working as first as a Material Handler and currently as Administrative Clerk. She contributes and assists with a positive and proactive attitude in multiple roles as needed throughout the Warehouse. She is able to work with minimal supervision and complete complex tasks.

As Administrative Clerk, McFarland prepares 96s, purchase orders, maintains rosters, prepares outcounts, maintains supply inventories, maintains the SDS books and safety documentation, serves as the document control clerk and conducts all new hire orientation training. Additionally, she leads the UNICOR ISO Audit Team where she is responsible for the training of all auditors for both Distro and the Warehouse and prepares the monthly ISO Audit reports for the Warehouse. Recently upon request, she was approved to assist FCI Marianna UNICOR Recycle Group in the completion of its R2/ISO certification reports.

She has held positions in UNICOR at Tallahassee and Marianna before coming to Coleman. She has a wealth of knowledge which she readily utilizes for the benefit of UNICOR and provides an excellent example of mature and professional leadership. I am therefore requesting that she be awarded premium pay.



V. Pedrosa, UNICOR WH Foreman

Certification of Training

This Certificate Awarded to

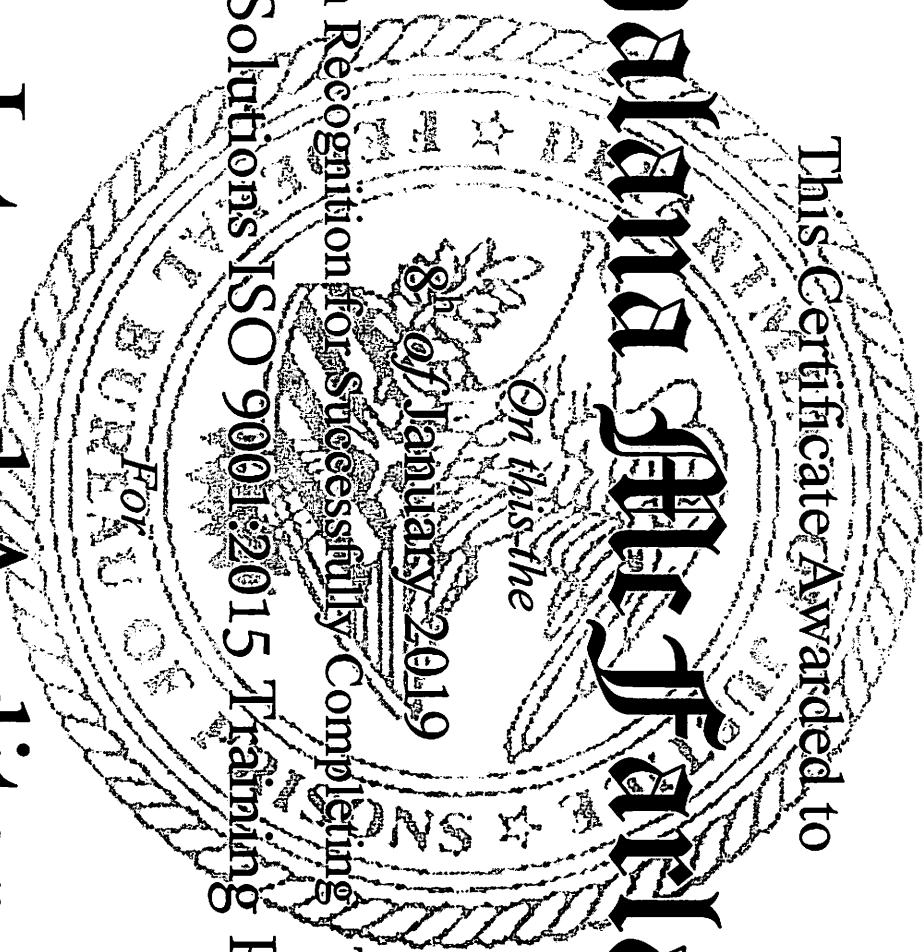
Charana M. Farland

On this the

8th of January 2019

In Recognition for Successfully Completing The

AQS Solutions ISO 9001:2015 Training Program



Internal Auditor

C. Ovando *Quality Assurance Specialist*

U.S Department of Justice
UNICOR
Federal Prison Industries
FCC Coleman Camp

November 18, 2019

Federal Correctional Complex – Camp
Unit Team

**Re: Work Performance – Chalana C. McFarland Reg No: (58892-019)
Administrative Clerk**

Dear Unit Team:

Please be advised that – **Chalana C. McFarland Reg No: (58892-019)** has been employed by the UNICOR Warehouse since November 14, 2018. As an employee of UNICOR since 2005, McFarland has been exposed to a variety of job responsibilities. She currently holds the position of UNICOR Warehouse Administrative Clerk.

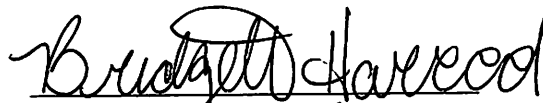
As Administrative Clerk, her responsibilities include:

- ❖ Creating and maintaining all inmate personnel files.
- ❖ Preparing Vacation Requests and submits them for approval.
- ❖ Maintaining Monthly Vacation Schedules for all inmates and posting them in warehouse.
- ❖ Maintaining Documentation Manual for Warehouse and works in the capacity of Document Clerk. Using Excel and SAP programs.
- ❖ Ensuring that both warehouses maintain ISO document standards.
- ❖ Preparing and submitting grade changes, detail changes, and new hire/termination changes.
- ❖ Preparing Safety Inspection Report, Monthly Safety Talk documentation, Quarterly Fire Drill Report and forwards to Safety.
- ❖ Preparing and compiling information for Forklift Driver License testing by Safety.
- ❖ Maintaining accurate inmate rosters and Daily Sign Out/Call Out sheets for each detail.
- ❖ Maintaining all work instructions for Warehouse.
- ❖ Preparing all special reports as requested by staff.
- ❖ Compiling, copying, sorting and filing records of office activities, business transactions and other activities.
- ❖ Computing, recording and proofreading data or other information, such as records or reports.
- ❖ Operating office machines, such as photocopier, telecopies, and personal computer.
- ❖ Ordering materials, supplies, and services, and completes records and reports.
- ❖ Stuffing envelopes and addressing, stamping, sorting, and distributing mail, packages, and other materials.
- ❖ Composing and typing letters and other correspondence, using typewriter or computer.
- ❖ Completing work schedules and arranging appointments for staff and inmates.

McFarland has an excellent working knowledge of Excel and Microsoft Word. Her attention to detail coupled with her quality awareness has contributed to UNICOR's ability to satisfy ISO 9001 quality management standards.

McFarland always conducts herself professionally with staff and fellow employees. She is punctual to work and stays later if the job needs dictate. She consistently displays the ability to assume more responsibility and has proven herself to be an asset to UNICOR. She is a quick learner, with very good work ethics and interpersonal skills. As a result, she has received Premium pay, excellent performance ratings and been given increasingly complex assignments.

Sincerely,

A handwritten signature in black ink that reads "Bridgette Harrod". The signature is written in a cursive style with a large, looped initial "B".

Bridgette Harrod
Warehouse Supervisor



Summary Reentry Plan - Progress Report

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Facility: COL COLEMAN LOW FCI Custody Level: OUT
 Name: MCFARLAND, CHALANA C Security Level: MINIMUM
 Register No.: 58892-019 Proj. Rel Date: 04-04-2031
 Quarters: F15-442L Release Method: GCT REL
 Age: 51 DNA Status: TAL02452 / 12-30-2010
 Date of Birth: 05-31-1968

Offenses and Sentences Imposed

Charge	Terms In Effect
18:1344,1341,1343;42:408(A)(7)(B)1028(A)(7),1001,1956(A)(1)(A)(I)(B)(I)1957,1503 CONSP/TO COMMITT BANK,MAIL AND WIRE FRAUD.	360 MONTHS

Date Sentence Computation Began: 08-24-2005

Sentencing District: GEORGIA, NORTHERN

Days FSGT / WSGT / DGCT	Days GCT or EGT / SGT	Time Served	+ Jail Credit - InOp Time
0 / 0 / 0	756	Years: 14 Months: 9 Days: 8	+ 191 JC - 0 InOp

Detainers

Detaining Agency	Remarks
NO DETAINER	

Program Plans

Inmate McFarland arrived at SCP Coleman on November 2, 2018, as a hurricane evacuation transfer. During her initial Program Review, she was encouraged to enroll in the Job Fair series, 7 Habits Reentry, the Positive thinking Book Club, Women Who Love Too Much, Driver's License Class, Money Smart, Personal Finance or Financial Survival. She was also instructed to enroll in a VT, Apprenticeship program and/or work in UNICOR to obtain employment skills for release, and enroll Alternatives in Visions of Peace. She was encouraged to save money in her prerelease inmate account and have her birth certificate, Social Security Card and Driver's License sent in to Unit Team. She was encouraged to satisfy her court-imposed financial obligations through participation in the Inmate Financial Responsibility Program and maintain clear conduct.

Current Work Assignments

Fac	Assignment	Description	Start
COL	C UNICORW1	CAMP UNICOR W1	10-01-2019

Work Assignment Summary

Inmate McFarland has gained employable work skills through her employment in the Bureau of Prisons. She currently works in the Unicor where she earns outstanding work evaluations.

Current Education Information

Fac	Assignment	Description	Start
COL	ESL HAS	ENGLISH PROFICIENT	01-25-2006
COL	GED HAS	COMPLETED GED OR HS DIPLOMA	06-23-2006

Education Courses

SubFac	Action	Description	Start	Stop
COM SCP	C	CAMP RE- ENTRY PLANNING	08-19-2019	08-19-2019
COM SCP	C	SPANISH THRESHOLD PARTICIPANT	05-28-2019	05-29-2019
COM SCP	C	GODLY LEAD CHAPEL PROGRAM (6)	02-28-2019	04-26-2019
COM SCP	C	CAMP RE- ENTRY PLANNING	12-17-2018	12-17-2018
MNA SCP	C	RPP1-AIDS * DISEASE PREVENTION	11-29-2017	11-29-2017
MNA SCP	C	REENTRY SKILL: DIS TAXES	11-21-2016	11-21-2016
MNA SCP	C	ACE CONSUMER SKILLS CLASS FPC	11-22-2016	11-22-2016
MNA SCP	C	CAREER COUNSELING CLASS	11-01-2016	11-01-2016
TAL F	C	WOMEN IN 21ST CENTURY	08-01-2016	09-02-2016
TAL F	C	LEATHER CLS M,W,TH,F 1800-2030	05-23-2016	07-23-2016
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General Comments

This progress report was generated at the request of inmate McFarland.

U.S. Department of Justice

UNICOR

Federal Prison Industries, Inc.

MEMORANDUM

F.C.C. Coleman, FL
(904) 330-3000

DATE: July 18, 2019

REPLY TO THE ATTN OF:

B. Harrod, Warehouse Supervisor

V. Pedrosa, Warehouse Foreman



TO:

Mr. M. Prevatte, SOI

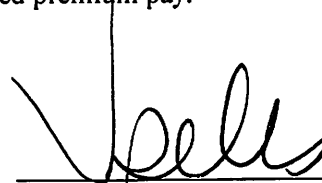
Ms. F. Dominicci-Arroyo, Operational Accountant

SUBJECT: Premium Grade Authorization

Inmate Chalanà McFarland (58892-019) has demonstrated strong leadership skills and knowledge of the Warehouse's operation while being assigned various tasks and roles. She has exhibited a strong work ethic while working as first as a Material Handler and currently as Administrative Clerk. She contributes and assists with a positive and proactive attitude in multiple roles as needed throughout the Warehouse. She is able to work with minimal supervision and complete complex tasks.

As Administrative Clerk, McFarland prepares 96s, purchase orders, maintains rosters, prepares outcounts, maintains supply inventories, maintains the SDS books and safety documentation, serves as the document control clerk and conducts all new hire orientation training. Additionally, she leads the UNICOR ISO Audit Team where she is responsible for the training of all auditors for both Distro and the Warehouse and prepares the monthly ISO Audit reports for the Warehouse. Recently upon request, she was approved to assist FCI Marianna UNICOR Recycle Group in the completion of its R2/ISO certification reports.

She has held positions in UNICOR at Tallahassee and Marianna before coming to Coleman. She has a wealth of knowledge which she readily utilizes for the benefit of UNICOR and provides an excellent example of mature and professional leadership. I am therefore requesting that she be awarded premium pay.



V. Pedrosa, UNICOR WH Foreman

Certification of Training

This Certificate Awarded to

Charana Mr Farid

On this the

8th of January 2019

In Recognition for Successfully Completing The

AQS Solutions ISO 9001:2015 Training Program

For
Internal Auditor

C. Ovando Quality Assurance Specialist

U.S Department of Justice
UNICOR
Federal Prison Industries
FCC Coleman Camp

November 18, 2019

Federal Correctional Complex – Camp
Unit Team

**Re: Work Performance – Chalana C. McFarland Reg No: (58892-019)
Administrative Clerk**

Dear Unit Team:

Please be advised that – **Chalana C. McFarland Reg No: (58892-019)** has been employed by the UNICOR Warehouse since November 14, 2018. As an employee of UNICOR since 2005, McFarland has been exposed to a variety of job responsibilities. She currently holds the position of UNICOR Warehouse Administrative Clerk.

As Administrative Clerk, her responsibilities include:

- ❖ Creating and maintaining all inmate personnel files.
- ❖ Preparing Vacation Requests and submits them for approval.
- ❖ Maintaining Monthly Vacation Schedules for all inmates and posting them in warehouse.
- ❖ Maintaining Documentation Manual for Warehouse and works in the capacity of Document Clerk. Using Excel and SAP programs.
- ❖ Ensuring that both warehouses maintain ISO document standards.
- ❖ Preparing and submitting grade changes, detail changes, and new hire/termination changes.
- ❖ Preparing Safety Inspection Report, Monthly Safety Talk documentation, Quarterly Fire Drill Report and forwards to Safety.
- ❖ Preparing and compiling information for Forklift Driver License testing by Safety.
- ❖ Maintaining accurate inmate rosters and Daily Sign Out/Call Out sheets for each detail.
- ❖ Maintaining all work instructions for Warehouse.
- ❖ Preparing all special reports as requested by staff.
- ❖ Compiling, copying, sorting and filing records of office activities, business transactions and other activities.
- ❖ Computing, recording and proofreading data or other information, such as records or reports.
- ❖ Operating office machines, such as photocopier, telecopies, and personal computer.
- ❖ Ordering materials, supplies, and services, and completes records and reports.
- ❖ Stuffing envelopes and addressing, stamping, sorting, and distributing mail, packages, and other materials.
- ❖ Composing and typing letters and other correspondence, using typewriter or computer.
- ❖ Completing work schedules and arranging appointments for staff and inmates.

McFarland has an excellent working knowledge of Excel and Microsoft Word. Her attention to detail coupled with her quality awareness has contributed to UNICOR's ability to satisfy ISO 9001 quality management standards.

McFarland always conducts herself professionally with staff and fellow employees. She is punctual to work and stays later if the job needs dictate. She consistently displays the ability to assume more responsibility and has proven herself to be an asset to UNICOR. She is a quick learner, with very good work ethics and interpersonal skills. As a result, she has received Premium pay, excellent performance ratings and been given increasingly complex assignments.

Sincerely,

A handwritten signature in cursive script that reads "Bridgette Harrod". The signature is written in black ink and is positioned above the printed name and title.

Bridgette Harrod
Warehouse Supervisor

activity that involved five or more participants and was otherwise extensive. The defendant directed the actions of James Patterson, Brenda Brown, Lisa Bellamy, Melvin Quillen, Brandon Wilhite, and others. She was a manager and controlled the disbursement of funds to coconspirators. She recruited family members Clifton and Linda Smith, and Rubin and Grace Alexander, as well as friends Karyn Grantham and Lavon Meador to purchase properties or act as straw buyers. The enterprise itself should be considered "otherwise extensive" based on the degree and sophistication of the fraud scheme and the overall number of persons involved.

+4

Objection: The defendant objects to the four level increase pursuant to §3B1.1(a) on the following grounds:

a) If the defendant is considered to have abused a position of trust and is assessed a two-level increase, then she has already been punished for her role in the offense: that of an attorney who closed the loans. Adjusting the defendant's offense level by increasing it 2 or 4 more levels for being a leader would amount to a double counting under the Guidelines for conduct already punished.

b) Furthermore, Testimony at trial clearly established that this conspiracy was conducted and carried out in equal parts by mortgage company employees, real estate appraiser, and mortgage brokers. While testimony was presented that the defendant received approximately \$4,000 per "flip" transaction, there was not any persuasive evidence presented that established the defendant was a leader or manager. In fact, much of the evidence established that mortgage fraud is prevalent in Atlanta and that numerous appraisers and mortgage brokers actively seek out and lure attorneys into performing illegal closings. Co-defendants in this case actually conducted fraudulent mortgage closings through other attorneys prior to meeting the defendant and after the defendant's office was closed. Consequently, considering the defendant in this case to be a leader or manager would be inconsistent with the evidence presented at trial.

Response: The probation officer's position is maintained that the defendant's role has been accurately assessed. U.S.S.G. §3B1.3. **Abuse of Position of Trust or Use of Special Skill** states, ".....If this adjustment is based upon an abuse of a position of trust, it may be employed in addition to an adjustment under §3B1.1." The *Commentary Background* under this section states, "*This adjustment applies to persons who abuse their positions of trust or their special skill to facilitate significantly the commission or concealment of a crime.....Such persons generally are viewed as more culpable.*" The appraisers and mortgage brokers "lure" closing attorneys into their scheme since the attorneys hold a position of trust and are vital to the success of the fraud organization.

Application Note 4 of §3B1.1 includes the following factors that the court should consider in distinguishing a leadership and organizational role from one of mere management or supervision:

1. "*the exercise of decision making authority*" The defendant decided that she would receive \$4,000 per flip transaction that she closed; how funds were received and disbursed by the law firm; and, took the proceeds from other coconspirator's "deals" as she deemed necessary.

2. "*the nature of participation in the commission of the offense*" The defendant's role in the offense was a directive one as described above.

3. "*the recruitment of accomplices*" The defendant was responsible for recruiting Clifton and Linda Smith, Rubin and Grace Alexander, Karyn Grantham and Lavon Meador to purchase properties or act as straw buyers.

4. "*the claimed right to a larger share of the fruits of the crime*" A conservative estimate of the defendant's profits from her involvement in this scheme totals \$582,622.00. This amount includes \$4,000 for each fraudulent loan she closed plus the amount of profits in her bank accounts for the properties she controlled. In comparison, co-defendant Brenda Brown's profits are conservatively estimated at \$455,000.00.

5. "*the degree of participation in planning or organizing the offense*" Again, the defendant controlled the flow of funds through her escrow account and directed the method of payments from coconspirators.

6. "*the nature and scope of the illegal activity*" Losses to lenders exceeding \$10 million for more than 100 properties were obtained fraudulently by the defendant and her coconspirators.

7. "*the degree of control and authority exercised over others*" The defendant directed the actions of James Patterson, Brenda Brown, Lisa Bellamy, Melvin Quillen, Brandon Wilhite, and others.

Additionally, while codefendants did commit fraud in coordination with other closing attorneys, the defendant is only being viewed in relation to her involvement in the instant offense. She is not being held accountable for all mortgage fraud that has occurred in the Atlanta, Georgia area.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

142. **Adjustment for Obstruction of Justice:** Pursuant to U.S.S.G. §3C1.1, two levels are added. U.S.S.G. §3C1.1 *Application Note 8* states, "*If the defendant is convicted both of an obstruction offense (e.g., 18 U.S.C. §3146 (Penalty for failure to appear); 18 U.S.C. §1621 (Perjury generally)) and an underlying offense (the offense with respect to which the obstructive conduct occurred), the count for the obstruction*

offense will be grouped with the count for the underlying offense under subsection (c) of §3D1.2 (Groups of Closely Related Counts). The offense level for that group of closely related counts will be the offense level for the underlying offense increased by the 2-level adjustment specified by this section, or the offense level for the obstruction offense, whichever is greater."

+2

Objection: The defendant objects to the application of a 2-level increase for obstruction of justice and maintains that she did not obstruct justice or commit perjury.

Response: The probation officer's position is maintained that the defendant did obstruct justice as described in paragraphs 97 through 100 of the presentence report, and as described by codefendants during trial testimony. Additionally, it is the probation officer's position that the defendant committed perjury as described in paragraph 108 through 115 of the presentence report.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

143. **Adjustment for Abuse of Position of Trust:** Pursuant to U.S.S.G. §3B1.3, two levels are added. The defendant was a closing attorney whose role as such is to represent the lender's interest. Each lender provides specific instructions for a closing attorney, acting as the lender's agent, to follow at closing and typically include: verification of photo identification to ensure that the borrower is who they say they are, verification of down payment funds, and verification of the accuracy of the information detailed on the HUD-1 Settlement Statement. Following a closing, the attorney's duties include recording in the county land records all documents such as the warranty and security deeds, returning to the lender the completed loan package, and disbursing all of the funds in accordance with the HUD-1 Settlement Statement, including payoff of all current liens on the property. The closing attorney also holds the responsibility of ensuring a clear title of the property to the lender and the title insurance company.

The defendant caused false and misleading information to be submitted to her clients, the lenders, both before and after the loan closings. Prior to closing she caused misleading title commitments to be submitted to the lender, showing title invested in the straw borrower, when, in fact, the title was still invested in the true seller. She submitted HUD-1 Settlement Statements reflecting all receipts and disbursements were paid as indicated, when, in fact, required borrower down payments were not collected by the defendant, and actual disbursements were made to coconspirators or their shell companies instead of paying off a seller's mortgage, as indicated. The defendant failed to verify either the accuracy of the information on the borrowers' loan applications or the identities of the parties who appeared for closings. Therefore, the defendant abused her position of trust as a closing attorney in a

manner that significantly facilitated the commission or concealment of the offense.

+2

Objection: The defendant objects to the two-level increase for an adjustment for abuse of position of trust on the grounds that specifics in this case do not meet the case law definition of "abuse of trust."

Response: The probation officer's position is maintained that this enhancement has been accurately assessed in this case for the reasons stated above.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

144. **Adjusted Offense Level (Subtotal):**

42

Count 1: Conspiracy to Commit Money Laundering

Counts 93-165: Money Laundering

145. **Base Offense Level:** The United States Sentencing Commission Guideline for violation of 18 U.S.C. §1956 and 1957 is found in U.S.S.G. §2S1.1 and calls for a base offense level of 34. As the defendant committed the underlying offense, and the offense level for that offense can be determined (34), U.S.S.G. §2S1.1(a)(1) directs the use of the Chapter 2 offense level for the underlying offense from which the laundered funds are derived, as the base offense level for this guideline.

34

Objection: The defendant objects to the Money Laundering base offense level computed on the grounds that the underlying offense level is miscalculated due to an over-representation of amount of loss in the underlying offense, or Relevant Conduct pursuant to U.S.S.G. §1B1.3

Response: The probation officer's position is maintained that the amount of relevant conduct has been accurately reflected in this case.

This remains an unresolved guideline issue.

146. **Specific Offense Characteristic:** Pursuant to U.S.S.G. §2S1.1(b)(2)(B), two levels are added because the defendant was convicted under 18 U.S.C. 1956.

+2

Objection: The defendant maintains that the imposition of an additional 2-level increase because the defendant was convicted under 18 U.S.C. §1956 constitutes a double counting under the Guidelines, essentially punishing the defendant twice for the same conduct already considered in the conspiracy to commit fraud calculation. This would be especially true if the defendant is assessed any additional levels on the

conspiracy to commit fraud for either sophisticated means, unauthorized transfer or use of any means of identification, or abuse of trust. All such increases would amount to punishment for activities of concealment. The principal idea of punishment pursuant to the money laundering section of the Sentencing Guidelines also is directed at the concealment of illegally derived funds. The defendant recognizes the §2S1.1, Note 2. Application of Subsection (a)(1)(C), Application of Chapter Three Adjustments; however, the two separate punishable activities in this case are so intricately entwined as to necessitate a recognition from the Court that they are essentially the same for purposes of enhanced punishment.

Response: It is the probation officer's position that the substantive fraud offenses constituting the conspiracy count and the money laundering count have been accurately computed using the application instructions provided by the Guidelines. Money laundering transactions and the underlying criminal activity are separated for the purpose of determining an appropriate punishment for each of these offenses. Furthermore, conduct that is used for one enhancement is not excluded from use in a separate enhancement, if that conduct applies to each enhancement. It is not double counting when the offense conduct applies to more than one application and/or enhancement. (See, United States v. Allen, 129 F.3d 1159 (10th Cir. 1997); United States v. Young, 266 F.3d 468 (6th Cir. 2001); United States v. Johnson, 971 F.2d 562 (10th Cir. 1992).

This remains an unresolved guideline issue.

147. **Specific Offense Characteristic:** Pursuant to U.S.S.G. §2S1.1(b)(3), two levels are added because the offense involved sophisticated laundering. The conduct pertaining to the execution and concealment of the money laundering offense was complex and intricate. It involved the use of fictitious entities, shell companies, and two or more levels (*i.e.*, layering) of transactions or transfers involving the criminally derived funds that were intended to appear legitimate (*Application Note 5*). The settlement checks drawn on the defendant's escrow account were used to pay all scheme participants and to pay other expenses incurred in arranging the fraudulent mortgage loans. In order for this to be accomplished, the checks were: (1) cashed at financial institutions; (2) converted to cashier's checks; and/or (3) deposited into bank accounts, often in corporate names, controlled by coconspirators, and from which the funds were thereafter converted to checks, cash and cashier's checks. In order to make the closing appear legitimate to the lender, the defendant, after receiving the funding check, used the shell company or fictitious entity bank accounts of coconspirators to purchase cashier's checks which were then deposited back into the defendant's escrow account to create the appearance of a borrower's down payment. The shell companies/fictitious entities used in this case included BGB Construction, The Cromartie Group, Dunwoody Financial Services, Household Management Company, Expert Home Repair, WRM Financial Services, and others.

+2

Objection: The defendant asserts the same argument articulated above to the imposition of a 2-level increase for an alleged sophisticated laundering: it constitutes double counting. This particular scheme should not be considered sophisticated in the context of Money Laundering, or alternatively, that such "sophistication" is already punished and or considered in the context of the underlying fraud conspiracy. Furthermore, if the Court fails to follow the rationale expressed above, the money laundering scheme should not be considered "sophisticated" in the context of other Money Laundering schemes.

Response: The probation officer's position is maintained that the adjustment for sophisticated laundering has been appropriately assessed, and does not constitute double counting for the reasons set forth above in the response to the objection to paragraph 146 above. Furthermore, the money laundering offense in this case is considered sophisticated for the reasons already stated.

This remains an unresolved guideline issue.

148. **Victim-Related Adjustments:** None.

0

149. **Adjustments for Role in the Offense:** Pursuant to U.S.S.G. § 3B1.1(a), the offense is increased four levels. The money laundering offense was extensive in scope and intricately planned. The defendant's role was controlling, since all of the funding checks in this case were funded through the defendant's escrow account. As testified to at trial, the defendant exercised her power on at least three occasions when she "took" the deals that others originally controlled (one each of Tyner's, Cromartie's and Quillen's). The defendant directed the actions of Brenda Brown, Lisa Bellamy, James Patterson and Lavon Meador in the laundering of funds.

+4

Objection: The defendant objects to any increase for leadership role or manager role on the grounds that she was not a leader or manager in this money laundering scheme as defined or contemplated by U.S.S.G. §3B1.1. Evidence at trial clearly established, as mentioned earlier, that mortgage fraud is prevalent in Atlanta and that numerous appraisers and mortgage brokers actively seek out and lure attorneys into performing illegal closings. Codefendants in this case actually conducted fraudulent mortgage closings through other attorneys after the defendant's office was closed. Furthermore, considering the defendant in this case to be a leader or manager would be inconsistent with the evidence presented at trial.

Response: The probation officer's position is maintained that the four-level enhancement for role has been appropriately assessed in this case for the reasons set forth in paragraph 149, and in the response to the objection to paragraph 141.

This remains an unresolved guideline issue.

150. **Adjustment for Obstruction of Justice:** Pursuant to U.S.S.G. §3C1.1, two levels are added. U.S.S.G. §3C1.1 *Application Note 8* states, "If the defendant is convicted both of an obstruction offense (e.g., 18 U.S.C. §3146 (Penalty for failure to appear); 18 U.S.C. §1621 (Perjury generally)) and an underlying offense (the offense with respect to which the obstructive conduct occurred), the count for the obstruction offense will be grouped with the count for the underlying offense under subsection (c) of §3D1.2 (Groups of Closely Related Counts). The offense level for that group of closely related counts will be the offense level for the underlying offense increased by the 2-level adjustment specified by this section, or the offense level for the obstruction offense, whichever is greater."

+2

Objection: The defendant objects to the application of a 2-level increase for obstruction of justice and maintains that she did not obstruct justice or commit perjury.

Response: The probation officer's position is maintained that the defendant did obstruct justice as described in paragraphs 97 through 100 of the presentence report, and as described by codefendants during trial testimony. Additionally, it is the probation officer's position that the defendant committed perjury as described in paragraph 108 through 115 of the presentence report.

This remains an unresolved guideline issue.

151. **Adjustment for Abuse of Position of Trust:** Pursuant to U.S.S.G. §3B1.3, two levels are added. The defendant abused her position of trust as a closing attorney in a manner that significantly facilitated the commission or concealment of the offense. She submitted HUD-1 Settlement Statements to her clients, the lenders, reflecting all receipts and disbursements were paid as indicated, when, in fact, required borrower down payments were not collected by the defendant, and actual disbursements were made to coconspirators or their shell companies instead of only paying off a seller's mortgage, as indicated.

+2

152. **Adjusted Offense Level (Subtotal):**

46

Count 167-170 - Perjury

153. **Base Offense Level:** The United States Sentencing Commission Guideline for violation of 18 U.S.C. §1623 is found in U.S.S.G. §2J13. And calls for a base offense level of 12.

12

154. **Specific Offense Characteristic:** None.

0

155. **Victim-Related Adjustments:** None.

0

156. **Adjustments for Role in the Offense:** None.

0

157.	Adjustment for Obstruction of Justice: None.		<u>0</u>
158.	Adjusted Offense Level (Subtotal):		<u>12</u>
	<u>Multiple-Count Adjustment</u> (See § 3D1.4)		<u>Units</u>
159.	Adjusted Offense Level for Counts 1-166	<u>46</u>	<u>1</u>
160.	Adjusted Offense Level for Counts 167-170	<u>12</u>	<u>0</u>
161.	Total Number of Units		<u>1</u>
162.	Greater Adjusted Offense Level	<u>46</u>	
163.	Increase in Offense Level	<u>0</u>	
164.	Combined Adjusted Offense Level:		<u>46</u>

Pursuant to U.S.S.G. §3D1.4(c), any Group that is 9 or more levels less serious than the Group with the highest level is disregarded and will not increase the applicable offense level. However, the uncounted Group may provide a reason for sentencing at the higher end of the sentencing range for the applicable offense level.

165.	Adjustment for Acceptance of Responsibility: The defendant put the government to its burden of proof at trial by denying the essential factual elements of her guilt. Therefore, pursuant to U.S.S.G. §3E1.1, an adjustment for acceptance of responsibility is not warranted in this case.		<u>0</u>
166.	Total Offense Level:		<u>46</u>

Impact of Plea Agreement

167. There is no plea agreement in this case.

PART B. DEFENDANT'S CRIMINAL HISTORY

Juvenile Adjudications

168. None.

Adult Criminal Convictions

169. None.

Criminal History Computation

170. The total of the criminal history points is 0. According to the sentencing table at U.S.S.G. Chapter 5, Part A, 0 criminal history points establish a criminal history category of I.

Chapter Four Enhancements

171. None.

Offense Behavior Not Part of Relevant Conduct

172. None.

Other Criminal Conduct

173. The defendant has one conviction for Speeding from 1988.

Pending Charges

174. None.

Other Arrests

175. None.

PART C. OFFENDER CHARACTERISTICS

Personal and Family Data

176. The following information was obtained during an interview with the defendant in the presence of her attorney. The defendant's personal information was verified by her parents.
177. The defendant was born on May 31, 1968, in Los Angeles, California, to the union of Charles and Larita (Perry) McFarland. Her father, age 59, is a retired master train engineer. Her mother, age 59, is a retired Lowndes County Court clerk. Her parents reside in Valdosta, Georgia. The defendant has one sister, Maia McFarland, age 33, who resides in Atlanta, Georgia, and is employed with SunTrust Bank.
178. The defendant's family moved from California to Valdosta, Georgia, when she was two years old. The defendant's family lived in Birmingham, Alabama, when the defendant was seven years old until she was thirteen years old. Her family moved back to Valdosta, Georgia, where she lived until she went to college at Florida A & M University at the age of 18. Following her graduation from A & M, the defendant moved to the Atlanta, Georgia area, where she lived until 2002, when she moved to Florida.

179. The defendant married Kevin Cosby on November 28, 1998. The couple has been separated since October of 2001, when the defendant relocated to Florida. The defendant reported that she has no contact with her husband and has no contact information for him. The couple has one daughter, Nia Cosby, age 4, who lives with the defendant's parents in Valdosta, Georgia. The defendant reported that Kevin Cosby has not seen his daughter since July of 2004, and does not provide for her. The defendant's daughter has lived with either Kevin Cosby, or the defendant's parents, since approximately October of 2001.

Physical Condition

180. The defendant is 5'9" tall and weighs 193 pounds. Her eyes and hair are brown. She has a scar on her right shin from a childhood accident.
181. The defendant reported that she has suffered with asthma since she was a child and uses an inhaler as needed. She reported that she has a non-cancerous pancreatic cyst which causes her occasional severe pain. She reported that she was seen at the South Georgia Medical Center in Valdosta, Georgia, after passing out at her parents' home in Valdosta. She reported that the doctors she has seen decided not to remove the cyst. Additional information was requested from the hospital, but not received.
182. The defendant also reported that in 2001 she suffered with a malignant cyst for which she received one treatment of radiation. The defendant stated she could not recall where she received the radiation treatment. The defendant's parents advised that the defendant was treated for some potential type of cancer. They were unsure of where the defendant was treated or by whom. The defendant's mother advised that she has cancer which is currently in remission.
183. According to medical records submitted by University Hospital and Medical Center, Tamarac, Florida, a physical examination conducted on the defendant following her suicide attempt on August 9, 2004, indicated the defendant was anemic at that time.

Mental and Emotional Health

184. On July 2, 2004, a psychiatric evaluation was completed by Dr. Berta M. Guerra at Spectrum Programs, Inc. in Ft. Lauderdale, Florida, after being referred during her period of pretrial supervision in the Southern District of Florida. The defendant reported that she had suffered with depression since giving birth to her daughter in May 2000. She also advised that she had attempted suicide in January of 2004 with an overdose of all the pills that were in her medicine cabinet. Dr. Guerra diagnosed the defendant with Major Depressive Disorder and Panic Disorder.
185. On August 9, 2004, the defendant attempted suicide with an overdose of Vistaril and Trazodone. During her evaluation at the University Pavilion Hospital in Tamarac, Florida, the defendant advised the interviewing doctor that she had a prior suicide attempt in April of 2003. She reported significant family psychiatric history in that her mother suffers with depression, and she has a paternal aunt who has Bipolar Affective Disorder.

186. The defendant's parents advised they recalled that the defendant had attempted suicide on at least two occasions, and believed the method was by ingesting something. Her parents stated they did not know when these attempts occurred, nor where she was treated.
187. The defendant's most recent prescriptions were Paxil CR 37.5 mg and Seroquel 50 mg. Although she was instructed to attend weekly sessions following her suicide attempt, she averaged one or two sessions per month.

Substance Abuse

188. The defendant reported that she has used marijuana twice monthly since age 19. She denied needing treatment. She had no positive urinalysis results for any illegal drug use during her period of pretrial supervision. The defendant denies any other illegal drug use and reported alcohol use socially.

Education and Vocational Skills

189. The defendant graduated from Valdosta High School in Valdosta, Georgia, on June 3, 1986, and completed the college preparatory curriculum. She was ranked 30th in a class of 390. She was involved in various extra curricular activities and received numerous awards, including Who's Who Among American High School Students and National Society of Distinguished American High School Students. This information was obtained by reviewing the defendant's high school transcript which was provided by the school.
190. Following high school graduation, the defendant continued her education at Florida A & M University in Tallahassee, Florida. She graduated with a Bachelor of Science degree in Journalism on April 26, 1991. This information was verified with the Registrar of Florida A & M.
191. In January 1993 the defendant entered The John Marshall Law School in Atlanta. She graduated on April 30, 1996. There was no derogatory information in her academic file, and she was on the Dean's List in 1995. This information was obtained from the Registrar at the law school.
192. On March 13, 2002, the defendant was disbarred by the Georgia State Bar for her failure to adequately respond to the State Bar's Notice of Investigation.

Employment Record

193. The defendant stated that, upon advice of counsel, she has not been gainfully employed since her arrest in May of 2004.
194. From April of 2004 through May 11, 2004, the defendant was a sales and marketing consultant for Statewide Title in Hollywood, Florida. The defendant was paid on commission. This employment was verified with owner Bart Strock.

195. The defendant was employed with Preferred Land Title in Coral Springs, Florida, from December 2003 through May 11, 2004, as a Regional Sales and Marketing Director earning an average commission of \$2,000 monthly. The probation officer has left several messages in an attempt to verify this employment; however, no response has been received.
196. The defendant was employed with The Law Office of Grace Baugh in Fort Lauderdale, Florida, from September 2002 through October 2003 in a Sales and Marketing position earning an annual salary of \$47,000. This employment was verified during the course of investigating further alleged criminal activity committed by the defendant (see paragraph 125).
197. The defendant reported she was employed from May 2001 through May 2002 with First Pacific as in-house counsel earning \$5,200 monthly. This employment was verified during the course of investigating further alleged criminal activity committed by the defendant (see paragraph 121).
198. In January 1997 the defendant started taking her first clients as an attorney. From approximately 1995 through 2001 the defendant was a self-employed attorney. Prior to becoming an attorney, the defendant worked for the Small Business Administration as a paralegal. This employment was verified by the Social Security Administration.
199. The Social Security Administration provided the following employment earnings for the defendant:

2003	<i>[Unavailable]</i>	\$ 1,923.08
1997-2002	<i>None</i>	
1996	<i>Self-employment</i>	\$ 5,205.00
	<i>Crab House Inc.</i>	\$ 111.48
	<i>Interactive Learning Systems, Inc.</i>	\$ 915.20
	<i>Al Baskin Co.</i>	\$ 102.60
1995	<i>Legal Staffing Inc.</i>	\$ 2,605.00
	<i>U.S. Dept. of Agriculture</i>	\$ 4,078.31
	<i>Lawstaff Inc.</i>	\$ 1,791.00
1994	<i>U.S. Dept. of Agriculture</i>	\$39,278.53

Financial Condition: Ability to Pay

200. The following information was obtained during an interview with the defendant and by reviewing financial documents.
201. Credit reports for the defendant's true Social Security Number 127-46-1576, and the stolen Social Security Number 488-11-5942, which the defendant used, have been merged. Under her true number, the defendant has filed for Chapter 13 bankruptcy on three occasions, and each case has since been dismissed. The defendant has twelve accounts in collection status with balances totaling \$52,440.00, including three student loans. She has two accounts that have been "charged off" with balances totaling \$2,793.00. She has one student loan account

with delinquent payments with a balance of \$16,657.00. She has one real estate mortgage loan for \$107,000 in foreclosure.

202. Under the stolen Social Security Number, the defendant has five accounts in collection status with balances totaling \$3,968.00. She has two accounts that have been "charged off" with balances totaling \$7,519.00. She has one account with delinquent payments with a balance of \$18,851.00.
203. The defendant reported that she previously voluntarily surrendered her 1997 Mercedes E420 to the bank. The defendant did not report ownership of the property located at 6680 Emerald Pointe Circle, in College Park, Georgia. Public records indicate that this property is still owned by the defendant and her mother, Larita McFarland. The defendant reported that she co-owns the property located at 5401 NW 67th Avenue in Lauderhill, Florida. Public records reveal that on May 30, 2003, a loan in the amount of \$389,500 was funded through Countrywide Home Loans Inc. in the names LouLou Darbouze and Chalana Cosby. A neighbor estimated that the fair market value of the property is \$425,000.
204. The defendant's parents advised that the only assets belonging to the defendant that they are knowledgeable of is a house in Florida that the defendant lived in with a roommate, and a Mercedes Benz which, as far as they know, is currently in a repair shop in Atlanta.
205. The defendant reported that, in addition to the liabilities listed above, she owes family and friends \$11,000. The defendant reported no other assets or liabilities.
206. The defendant is currently incarcerated and has no monthly income. Based on the information above, and the amount of restitution due in this case, it does not appear that the defendant is capable of paying a fine within the guideline range. The defendant is an able-bodied person, and community service is a viable option.

PART D. SENTENCING OPTIONS

DEFENDANT: Chalana McFarland

OFFENSE: Count 1: Conspiracy to Commit Bank Fraud; Mail Fraud; Wire Fraud; Fraudulent Use Social Security Numbers; Fraudulent Transfer of Identification; Fraud Against the Department of Housing and Urban Development; Money Laundering; Engagement in Monetary Transactions in Property Derived from Specified Unlawful Activity; and, Obstruction of Justice [18 U.S.C. §§1344, 1341, 1343; 42 U.S.C. §408(a)(7)(B); 18 U.S.C. §§1028(a)(7), 1001, 1956(a)(1)(A)(i) and (B)(i), 1957, and 1503. All in violation of 18 U.S.C. §371] a Class D felony

Counts 2-31: Bank Fraud [18 U.S.C. §§1344 and 2] a Class B felony

Counts 32- 92: Wire Fraud [18 U.S.C. §§1343 & 2] a Class C felony

Counts 93-165: Money Laundering [18 U.S.C. §§2 and 1956(a)(1)(A)(i) and (B)(i)] a Class C felony

Count 166: Obstruction of Justice [18 U.S.C. §§1503 and 2] a Class C felony

Counts 167-170: Perjury [18 U.S.C. §1623] a Class D felony

PLEA:

On February 15, 2005, the defendant was found Guilty by jury trial as to Counts One through One Hundred and Seventy of Superseding Criminal Indictment 1:04-CR-224-1.

Sentencing Options:

Statutory Penalty:	<u>Count 1:</u>	5 years/\$250,000 fine
	<u>Counts 2-31:</u>	30 years/\$1,000,000 fine
	<u>Counts 32-92:</u>	20 years/\$250,000 fine
	<u>Counts 93-165:</u>	20 years/\$500,000 fine or twice the value of the funds
	<u>Count 166:</u>	10 years/\$250,000 fine
	<u>Counts 167-170:</u>	5 years/\$250,000 fine

Total Offense Level: 46

Criminal History Category: I

Custody Guideline Range: Life *(Each count limited to the statutory maximum as listed above, but may be served consecutively to achieve the guideline range)*

Fine Guideline Range: \$250,000-\$21,091,988.96

Restitution: \$11,541,392.40

Special Assessment: \$17,000

Cost of Confinement/Supv.: \$23,205.59/\$3,452.72 annually

Probation Option: No

Supervised Release:	<u>Counts 1, 32-170:</u>	2 to 3 years
	<u>Counts 2-31:</u>	3 to 5 years

Immigration Status: United States citizen

Factors That May Warrant Departure:

The probation officer has no information concerning the offense or the offender which would warrant a departure from the prescribed sentencing guidelines.

Objection: The defendant objects to the lack of any recommendation for a downward departure pursuant to U.S.S.G. §5K2.0. This case appears to be the type of extraordinary case mentioned in the Commentary of that section, "that because of a combination of such characteristics or

circumstances, differs significantly from the 'heartland' cases covered by the Guidelines in a way that is important to the statutory purposes of sentencing, even though none of the characteristics or circumstances individually distinguishes the case."

This remains an unresolved departure issue.

Unresolved Guideline Issues:

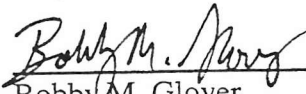
<u>Objector</u>	<u>Issue/Guideline</u>	<u>Paragraph(s)</u>
Defendant	Loss amount/§2B1.1(b)(1)(K)	136
Defendant	No. of victims/§2B1.1(b)(2)(B)	137
Defendant	Role/§3B1.1(a)	141
Defendant	Obstruction/§3C1.1	142
Defendant	Abuse of Trust/§3B1.3	143
Defendant	Money laundering guideline/§2S1.1	145
Defendant	Specific Offense Characteristic, double-counting/§2S1.1(b)(2)(B)	146
Defendant	Sophisticated laundering/§2S1.1(b)(3)	147
Defendant	Role/§3B1.1(a)	149
Defendant	Obstruction/§3C1.1	150
Defendant	Downward departure/§5K2.0	Factors That May Warrant Departure

Respectfully submitted,



Dana G. Johnson
U. S. Probation Officer

I have reviewed the attached presentence report and agree with its finding of fact, conclusions of law and sentencing recommendations; and state, to the best of my knowledge, the findings of fact, conclusions of law and sentencing recommendations of this report are not inconsistent with any other presentence report in this case.



Bobby M. Glover
Supervising U. S. Probation Officer

8/3/05

Date

ADDENDUM TO THE PRESENTENCE REPORT

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA
UNITED STATES V. Chalana C. McFarland, DOCKET NO. 1:04-CR-224

The Probation Officer certifies that the presentence report, including any revision thereof, has been disclosed to the defendant, the defendant's attorney, and the counsel for the Government, and that the content of the addendum has been communicated to counsel.

OBJECTIONS

By the Government

The Government has not submitted any objections to the presentence investigation report.

By the Defendant

Paragraph 136: The Defendant objected to the amount of loss for which she is being held accountable in this case. This objection is addressed following paragraph 136.

This remains an unresolved guideline issue.

Paragraph 137: The Defendant objected to the number of victims for which she is being held accountable pursuant to §2B1.1(b)(2)(B). This objection is addressed following paragraph 137.

This remains an unresolved guideline issue.

Paragraph 141: The Defendant objected to an enhancement for role pursuant to §3B1.1(a). This objection is addressed following paragraph 141.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

Paragraph 142: The Defendant objected to an enhancement for obstruction pursuant to §3C1.1. This objection is addressed following paragraph 142.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

Paragraph 143: The Defendant objected to an enhancement for Abuse of Trust pursuant to §3B1.3. This objection is addressed following paragraph 143.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

Paragraph 145: The Defendant objected to the Money Laundering offense level as calculated using the loss amount for which the defendant is being held accountable. This objection is addressed following paragraph 145.

This remains an unresolved guideline issue.

Paragraph 146: The Defendant objected to the two-level enhancement for being convicted under §1956. This objection is addressed following paragraph 146.

This remains an unresolved guideline issue.

Paragraph 147: The Defendant objected to the two-level enhancement for sophisticated laundering. This objection is addressed following paragraph 147.

This remains an unresolved guideline issue.

Paragraph 149: The Defendant objected to an enhancement for role. This objection is addressed following paragraph 149.

This remains an unresolved guideline issue.

Paragraph 150: The Defendant objected to an enhancement for obstruction. This objection is addressed following paragraph 150.

This remains an unresolved guideline issue.

Downward Departure: The Defendant asserts there are factors in this case which warrant a downward departure. The Defendant's objections are set forth in their entirety in the "Factors That May Warrant Departure" section of the presentence report.


This remains an unresolved departure issue.

Amendments

The facesheet was amended to reflect sentencing information on codefendants. This change has no effect on the guidelines.

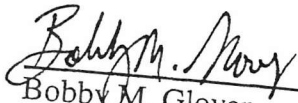
Paragraphs 131 and 132 and the Sentencing Options Page were amended to reflect a change in loss amount and restitution based on additional and clarified information provided by the Government. The loss amount was increased slightly (from \$10,753,024.27 to \$10,819,521.73), as well as the restitution amount (from \$11,508,579.16 to \$11,541,392.40). These amendments have no effect on the guideline calculations.

Respectfully submitted,



Dana G. Johnson
U. S. Probation Officer

Approved:



Bobby M. Glover
Supervising U. S. Probation Officer

8/3/05

Date

activity that involved five or more participants and was otherwise extensive. The defendant directed the actions of James Patterson, Brenda Brown, Lisa Bellamy, Melvin Quillen, Brandon Wilhite, and others. She was a manager and controlled the disbursement of funds to coconspirators. She recruited family members Clifton and Linda Smith, and Rubin and Grace Alexander, as well as friends Karyn Grantham and Lavon Meador to purchase properties or act as straw buyers. The enterprise itself should be considered "otherwise extensive" based on the degree and sophistication of the fraud scheme and the overall number of persons involved.

+4

Objection: The defendant objects to the four level increase pursuant to §3B1.1(a) on the following grounds:

a) If the defendant is considered to have abused a position of trust and is assessed a two-level increase, then she has already been punished for her role in the offense: that of an attorney who closed the loans. Adjusting the defendant's offense level by increasing it 2 or 4 more levels for being a leader would amount to a double counting under the Guidelines for conduct already punished.

b) Furthermore, Testimony at trial clearly established that this conspiracy was conducted and carried out in equal parts by mortgage company employees, real estate appraiser, and mortgage brokers. While testimony was presented that the defendant received approximately \$4,000 per "flip" transaction, there was not any persuasive evidence presented that established the defendant was a leader or manager. In fact, much of the evidence established that mortgage fraud is prevalent in Atlanta and that numerous appraisers and mortgage brokers actively seek out and lure attorneys into performing illegal closings. Co-defendants in this case actually conducted fraudulent mortgage closings through other attorneys prior to meeting the defendant and after the defendant's office was closed. Consequently, considering the defendant in this case to be a leader or manager would be inconsistent with the evidence presented at trial.

Response: The probation officer's position is maintained that the defendant's role has been accurately assessed. U.S.S.G. §3B1.3. **Abuse of Position of Trust or Use of Special Skill** states, ".....If this adjustment is based upon an abuse of a position of trust, it may be employed in addition to an adjustment under §3B1.1." The *Commentary Background* under this section states, "*This adjustment applies to persons who abuse their positions of trust or their special skill to facilitate significantly the commission or concealment of a crime.....Such persons generally are viewed as more culpable.*" The appraisers and mortgage brokers "lure" closing attorneys into their scheme since the attorneys hold a position of trust and are vital to the success of the fraud organization.

Application Note 4 of §3B1.1 includes the following factors that the court should consider in distinguishing a leadership and organizational role from one of mere management or supervision:

1. "*the exercise of decision making authority*" The defendant decided that she would receive \$4,000 per flip transaction that she closed; how funds were received and disbursed by the law firm; and, took the proceeds from other coconspirator's "deals" as she deemed necessary.

2. "*the nature of participation in the commission of the offense*" The defendant's role in the offense was a directive one as described above.

3. "*the recruitment of accomplices*" The defendant was responsible for recruiting Clifton and Linda Smith, Rubin and Grace Alexander, Karyn Grantham and Lavon Meador to purchase properties or act as straw buyers.

4. "*the claimed right to a larger share of the fruits of the crime*" A conservative estimate of the defendant's profits from her involvement in this scheme totals \$582,622.00. This amount includes \$4,000 for each fraudulent loan she closed plus the amount of profits in her bank accounts for the properties she controlled. In comparison, co-defendant Brenda Brown's profits are conservatively estimated at \$455,000.00.

5. "*the degree of participation in planning or organizing the offense*" Again, the defendant controlled the flow of funds through her escrow account and directed the method of payments from coconspirators.

6. "*the nature and scope of the illegal activity*" Losses to lenders exceeding \$10 million for more than 100 properties were obtained fraudulently by the defendant and her coconspirators.

7. "*the degree of control and authority exercised over others*" The defendant directed the actions of James Patterson, Brenda Brown, Lisa Bellamy, Melvin Quillen, Brandon Wilhite, and others.

Additionally, while codefendants did commit fraud in coordination with other closing attorneys, the defendant is only being viewed in relation to her involvement in the instant offense. She is not being held accountable for all mortgage fraud that has occurred in the Atlanta, Georgia area.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

142. **Adjustment for Obstruction of Justice:** Pursuant to U.S.S.G. §3C1.1, two levels are added. U.S.S.G. §3C1.1 *Application Note 8* states, "*If the defendant is convicted both of an obstruction offense (e.g., 18 U.S.C. §3146 (Penalty for failure to appear); 18 U.S.C. §1621 (Perjury generally)) and an underlying offense (the offense with respect to which the obstructive conduct occurred), the count for the obstruction*

offense will be grouped with the count for the underlying offense under subsection (c) of §3D1.2 (Groups of Closely Related Counts). The offense level for that group of closely related counts will be the offense level for the underlying offense increased by the 2-level adjustment specified by this section, or the offense level for the obstruction offense, whichever is greater."

+2

Objection: The defendant objects to the application of a 2-level increase for obstruction of justice and maintains that she did not obstruct justice or commit perjury.

Response: The probation officer's position is maintained that the defendant did obstruct justice as described in paragraphs 97 through 100 of the presentence report, and as described by codefendants during trial testimony. Additionally, it is the probation officer's position that the defendant committed perjury as described in paragraph 108 through 115 of the presentence report.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

143. **Adjustment for Abuse of Position of Trust:** Pursuant to U.S.S.G. §3B1.3, two levels are added. The defendant was a closing attorney whose role as such is to represent the lender's interest. Each lender provides specific instructions for a closing attorney, acting as the lender's agent, to follow at closing and typically include: verification of photo identification to ensure that the borrower is who they say they are, verification of down payment funds, and verification of the accuracy of the information detailed on the HUD-1 Settlement Statement. Following a closing, the attorney's duties include recording in the county land records all documents such as the warranty and security deeds, returning to the lender the completed loan package, and disbursing all of the funds in accordance with the HUD-1 Settlement Statement, including payoff of all current liens on the property. The closing attorney also holds the responsibility of ensuring a clear title of the property to the lender and the title insurance company.

The defendant caused false and misleading information to be submitted to her clients, the lenders, both before and after the loan closings. Prior to closing she caused misleading title commitments to be submitted to the lender, showing title invested in the straw borrower, when, in fact, the title was still invested in the true seller. She submitted HUD-1 Settlement Statements reflecting all receipts and disbursements were paid as indicated, when, in fact, required borrower down payments were not collected by the defendant, and actual disbursements were made to coconspirators or their shell companies instead of paying off a seller's mortgage, as indicated. The defendant failed to verify either the accuracy of the information on the borrowers' loan applications or the identities of the parties who appeared for closings. Therefore, the defendant abused her position of trust as a closing attorney in a

manner that significantly facilitated the commission or concealment of the offense.

+2

Objection: The defendant objects to the two-level increase for an adjustment for abuse of position of trust on the grounds that specifics in this case do not meet the case law definition of "abuse of trust."

Response: The probation officer's position is maintained that this enhancement has been accurately assessed in this case for the reasons stated above.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

144. **Adjusted Offense Level (Subtotal):**

42

Count 1: Conspiracy to Commit Money Laundering

Counts 93-165: Money Laundering

145. **Base Offense Level:** The United States Sentencing Commission Guideline for violation of 18 U.S.C. §1956 and 1957 is found in U.S.S.G. §2S1.1 and calls for a base offense level of 34. As the defendant committed the underlying offense, and the offense level for that offense can be determined (34), U.S.S.G. §2S1.1(a)(1) directs the use of the Chapter 2 offense level for the underlying offense from which the laundered funds are derived, as the base offense level for this guideline.

34

Objection: The defendant objects to the Money Laundering base offense level computed on the grounds that the underlying offense level is miscalculated due to an over-representation of amount of loss in the underlying offense, or Relevant Conduct pursuant to U.S.S.G. §1B1.3

Response: The probation officer's position is maintained that the amount of relevant conduct has been accurately reflected in this case.

This remains an unresolved guideline issue.

146. **Specific Offense Characteristic:** Pursuant to U.S.S.G. §2S1.1(b)(2)(B), two levels are added because the defendant was convicted under 18 U.S.C. 1956.

+2

Objection: The defendant maintains that the imposition of an additional 2-level increase because the defendant was convicted under 18 U.S.C. §1956 constitutes a double counting under the Guidelines, essentially punishing the defendant twice for the same conduct already considered in the conspiracy to commit fraud calculation. This would be especially true if the defendant is assessed any additional levels on the

conspiracy to commit fraud for either sophisticated means, unauthorized transfer or use of any means of identification, or abuse of trust. All such increases would amount to punishment for activities of concealment. The principal idea of punishment pursuant to the money laundering section of the Sentencing Guidelines also is directed at the concealment of illegally derived funds. The defendant recognizes the §2S1.1, Note 2. Application of Subsection (a)(1)(C), Application of Chapter Three Adjustments; however, the two separate punishable activities in this case are so intricately entwined as to necessitate a recognition from the Court that they are essentially the same for purposes of enhanced punishment.

Response: It is the probation officer's position that the substantive fraud offenses constituting the conspiracy count and the money laundering count have been accurately computed using the application instructions provided by the Guidelines. Money laundering transactions and the underlying criminal activity are separated for the purpose of determining an appropriate punishment for each of these offenses. Furthermore, conduct that is used for one enhancement is not excluded from use in a separate enhancement, if that conduct applies to each enhancement. It is not double counting when the offense conduct applies to more than one application and/or enhancement. (See, United States v. Allen, 129 F.3d 1159 (10th Cir. 1997); United States v. Young, 266 F.3d 468 (6th Cir. 2001); United States v. Johnson, 971 F.2d 562 (10th Cir. 1992).

This remains an unresolved guideline issue.

147. **Specific Offense Characteristic:** Pursuant to U.S.S.G. §2S1.1(b)(3), two levels are added because the offense involved sophisticated laundering. The conduct pertaining to the execution and concealment of the money laundering offense was complex and intricate. It involved the use of fictitious entities, shell companies, and two or more levels (*i.e.*, layering) of transactions or transfers involving the criminally derived funds that were intended to appear legitimate (*Application Note 5*). The settlement checks drawn on the defendant's escrow account were used to pay all scheme participants and to pay other expenses incurred in arranging the fraudulent mortgage loans. In order for this to be accomplished, the checks were: (1) cashed at financial institutions; (2) converted to cashier's checks; and/or (3) deposited into bank accounts, often in corporate names, controlled by coconspirators, and from which the funds were thereafter converted to checks, cash and cashier's checks. In order to make the closing appear legitimate to the lender, the defendant, after receiving the funding check, used the shell company or fictitious entity bank accounts of coconspirators to purchase cashier's checks which were then deposited back into the defendant's escrow account to create the appearance of a borrower's down payment. The shell companies/fictitious entities used in this case included BGB Construction, The Cromartie Group, Dunwoody Financial Services, Household Management Company, Expert Home Repair, WRM Financial Services, and others.

+2

Objection: The defendant asserts the same argument articulated above to the imposition of a 2-level increase for an alleged sophisticated laundering: it constitutes double counting. This particular scheme should not be considered sophisticated in the context of Money Laundering, or alternatively, that such "sophistication" is already punished and or considered in the context of the underlying fraud conspiracy. Furthermore, if the Court fails to follow the rationale expressed above, the money laundering scheme should not be considered "sophisticated" in the context of other Money Laundering schemes.

Response: The probation officer's position is maintained that the adjustment for sophisticated laundering has been appropriately assessed, and does not constitute double counting for the reasons set forth above in the response to the objection to paragraph 146 above. Furthermore, the money laundering offense in this case is considered sophisticated for the reasons already stated.

This remains an unresolved guideline issue.

148. **Victim-Related Adjustments:** None.

0

149. **Adjustments for Role in the Offense:** Pursuant to U.S.S.G. § 3B1.1(a), the offense is increased four levels. The money laundering offense was extensive in scope and intricately planned. The defendant's role was controlling, since all of the funding checks in this case were funded through the defendant's escrow account. As testified to at trial, the defendant exercised her power on at least three occasions when she "took" the deals that others originally controlled (one each of Tyner's, Cromartie's and Quillen's). The defendant directed the actions of Brenda Brown, Lisa Bellamy, James Patterson and Lavon Meador in the laundering of funds.

+4

Objection: The defendant objects to any increase for leadership role or manager role on the grounds that she was not a leader or manager in this money laundering scheme as defined or contemplated by U.S.S.G. §3B1.1. Evidence at trial clearly established, as mentioned earlier, that mortgage fraud is prevalent in Atlanta and that numerous appraisers and mortgage brokers actively seek out and lure attorneys into performing illegal closings. Codefendants in this case actually conducted fraudulent mortgage closings through other attorneys after the defendant's office was closed. Furthermore, considering the defendant in this case to be a leader or manager would be inconsistent with the evidence presented at trial.

Response: The probation officer's position is maintained that the four-level enhancement for role has been appropriately assessed in this case for the reasons set forth in paragraph 149, and in the response to the objection to paragraph 141.

This remains an unresolved guideline issue.

150. **Adjustment for Obstruction of Justice:** Pursuant to U.S.S.G. §3C1.1, two levels are added. U.S.S.G. §3C1.1 *Application Note 8* states, "If the defendant is convicted both of an obstruction offense (e.g., 18 U.S.C. §3146 (Penalty for failure to appear); 18 U.S.C. §1621 (Perjury generally)) and an underlying offense (the offense with respect to which the obstructive conduct occurred), the count for the obstruction offense will be grouped with the count for the underlying offense under subsection (c) of §3D1.2 (Groups of Closely Related Counts). The offense level for that group of closely related counts will be the offense level for the underlying offense increased by the 2-level adjustment specified by this section, or the offense level for the obstruction offense, whichever is greater."

+2

Objection: The defendant objects to the application of a 2-level increase for obstruction of justice and maintains that she did not obstruct justice or commit perjury.

Response: The probation officer's position is maintained that the defendant did obstruct justice as described in paragraphs 97 through 100 of the presentence report, and as described by codefendants during trial testimony. Additionally, it is the probation officer's position that the defendant committed perjury as described in paragraph 108 through 115 of the presentence report.

This remains an unresolved guideline issue.

151. **Adjustment for Abuse of Position of Trust:** Pursuant to U.S.S.G. §3B1.3, two levels are added. The defendant abused her position of trust as a closing attorney in a manner that significantly facilitated the commission or concealment of the offense. She submitted HUD-1 Settlement Statements to her clients, the lenders, reflecting all receipts and disbursements were paid as indicated, when, in fact, required borrower down payments were not collected by the defendant, and actual disbursements were made to coconspirators or their shell companies instead of only paying off a seller's mortgage, as indicated.

+2

152. **Adjusted Offense Level (Subtotal):**

46

Count 167-170 - Perjury

153. **Base Offense Level:** The United States Sentencing Commission Guideline for violation of 18 U.S.C. §1623 is found in U.S.S.G. §2J13. And calls for a base offense level of 12.

12

154. **Specific Offense Characteristic:** None.

0

155. **Victim-Related Adjustments:** None.

0

156. **Adjustments for Role in the Offense:** None.

0

157.	Adjustment for Obstruction of Justice: None.		<u>0</u>
158.	Adjusted Offense Level (Subtotal):		<u>12</u>
	<u>Multiple-Count Adjustment</u> (See § 3D1.4)		<u>Units</u>
159.	Adjusted Offense Level for Counts 1-166	<u>46</u>	<u>1</u>
160.	Adjusted Offense Level for Counts 167-170	<u>12</u>	<u>0</u>
161.	Total Number of Units		<u>1</u>
162.	Greater Adjusted Offense Level	<u>46</u>	
163.	Increase in Offense Level	<u>0</u>	
164.	Combined Adjusted Offense Level:		<u>46</u>

Pursuant to U.S.S.G. §3D1.4(c), any Group that is 9 or more levels less serious than the Group with the highest level is disregarded and will not increase the applicable offense level. However, the uncounted Group may provide a reason for sentencing at the higher end of the sentencing range for the applicable offense level.

165.	Adjustment for Acceptance of Responsibility: The defendant put the government to its burden of proof at trial by denying the essential factual elements of her guilt. Therefore, pursuant to U.S.S.G. §3E1.1, an adjustment for acceptance of responsibility is not warranted in this case.		<u>0</u>
166.	Total Offense Level:		<u>46</u>

Impact of Plea Agreement

167. There is no plea agreement in this case.

PART B. DEFENDANT'S CRIMINAL HISTORY

Juvenile Adjudications

168. None.

Adult Criminal Convictions

169. None.

Criminal History Computation

170. The total of the criminal history points is 0. According to the sentencing table at U.S.S.G. Chapter 5, Part A, 0 criminal history points establish a criminal history category of I.

Chapter Four Enhancements

171. None.

Offense Behavior Not Part of Relevant Conduct

172. None.

Other Criminal Conduct

173. The defendant has one conviction for Speeding from 1988.

Pending Charges

174. None.

Other Arrests

175. None.

PART C. OFFENDER CHARACTERISTICS

Personal and Family Data

176. The following information was obtained during an interview with the defendant in the presence of her attorney. The defendant's personal information was verified by her parents.
177. The defendant was born on May 31, 1968, in Los Angeles, California, to the union of Charles and Larita (Perry) McFarland. Her father, age 59, is a retired master train engineer. Her mother, age 59, is a retired Lowndes County Court clerk. Her parents reside in Valdosta, Georgia. The defendant has one sister, Maia McFarland, age 33, who resides in Atlanta, Georgia, and is employed with SunTrust Bank.
178. The defendant's family moved from California to Valdosta, Georgia, when she was two years old. The defendant's family lived in Birmingham, Alabama, when the defendant was seven years old until she was thirteen years old. Her family moved back to Valdosta, Georgia, where she lived until she went to college at Florida A & M University at the age of 18. Following her graduation from A & M, the defendant moved to the Atlanta, Georgia area, where she lived until 2002, when she moved to Florida.

179. The defendant married Kevin Cosby on November 28, 1998. The couple has been separated since October of 2001, when the defendant relocated to Florida. The defendant reported that she has no contact with her husband and has no contact information for him. The couple has one daughter, Nia Cosby, age 4, who lives with the defendant's parents in Valdosta, Georgia. The defendant reported that Kevin Cosby has not seen his daughter since July of 2004, and does not provide for her. The defendant's daughter has lived with either Kevin Cosby, or the defendant's parents, since approximately October of 2001.

Physical Condition

180. The defendant is 5'9" tall and weighs 193 pounds. Her eyes and hair are brown. She has a scar on her right shin from a childhood accident.
181. The defendant reported that she has suffered with asthma since she was a child and uses an inhaler as needed. She reported that she has a non-cancerous pancreatic cyst which causes her occasional severe pain. She reported that she was seen at the South Georgia Medical Center in Valdosta, Georgia, after passing out at her parents' home in Valdosta. She reported that the doctors she has seen decided not to remove the cyst. Additional information was requested from the hospital, but not received.
182. The defendant also reported that in 2001 she suffered with a malignant cyst for which she received one treatment of radiation. The defendant stated she could not recall where she received the radiation treatment. The defendant's parents advised that the defendant was treated for some potential type of cancer. They were unsure of where the defendant was treated or by whom. The defendant's mother advised that she has cancer which is currently in remission.
183. According to medical records submitted by University Hospital and Medical Center, Tamarac, Florida, a physical examination conducted on the defendant following her suicide attempt on August 9, 2004, indicated the defendant was anemic at that time.

Mental and Emotional Health

184. On July 2, 2004, a psychiatric evaluation was completed by Dr. Berta M. Guerra at Spectrum Programs, Inc. in Ft. Lauderdale, Florida, after being referred during her period of pretrial supervision in the Southern District of Florida. The defendant reported that she had suffered with depression since giving birth to her daughter in May 2000. She also advised that she had attempted suicide in January of 2004 with an overdose of all the pills that were in her medicine cabinet. Dr. Guerra diagnosed the defendant with Major Depressive Disorder and Panic Disorder.
185. On August 9, 2004, the defendant attempted suicide with an overdose of Vistaril and Trazodone. During her evaluation at the University Pavilion Hospital in Tamarac, Florida, the defendant advised the interviewing doctor that she had a prior suicide attempt in April of 2003. She reported significant family psychiatric history in that her mother suffers with depression, and she has a paternal aunt who has Bipolar Affective Disorder.

186. The defendant's parents advised they recalled that the defendant had attempted suicide on at least two occasions, and believed the method was by ingesting something. Her parents stated they did not know when these attempts occurred, nor where she was treated.
187. The defendant's most recent prescriptions were Paxil CR 37.5 mg and Seroquel 50 mg. Although she was instructed to attend weekly sessions following her suicide attempt, she averaged one or two sessions per month.

Substance Abuse

188. The defendant reported that she has used marijuana twice monthly since age 19. She denied needing treatment. She had no positive urinalysis results for any illegal drug use during her period of pretrial supervision. The defendant denies any other illegal drug use and reported alcohol use socially.

Education and Vocational Skills

189. The defendant graduated from Valdosta High School in Valdosta, Georgia, on June 3, 1986, and completed the college preparatory curriculum. She was ranked 30th in a class of 390. She was involved in various extra curricular activities and received numerous awards, including Who's Who Among American High School Students and National Society of Distinguished American High School Students. This information was obtained by reviewing the defendant's high school transcript which was provided by the school.
190. Following high school graduation, the defendant continued her education at Florida A & M University in Tallahassee, Florida. She graduated with a Bachelor of Science degree in Journalism on April 26, 1991. This information was verified with the Registrar of Florida A & M.
191. In January 1993 the defendant entered The John Marshall Law School in Atlanta. She graduated on April 30, 1996. There was no derogatory information in her academic file, and she was on the Dean's List in 1995. This information was obtained from the Registrar at the law school.
192. On March 13, 2002, the defendant was disbarred by the Georgia State Bar for her failure to adequately respond to the State Bar's Notice of Investigation.

Employment Record

193. The defendant stated that, upon advice of counsel, she has not been gainfully employed since her arrest in May of 2004.
194. From April of 2004 through May 11, 2004, the defendant was a sales and marketing consultant for Statewide Title in Hollywood, Florida. The defendant was paid on commission. This employment was verified with owner Bart Strock.

195. The defendant was employed with Preferred Land Title in Coral Springs, Florida, from December 2003 through May 11, 2004, as a Regional Sales and Marketing Director earning an average commission of \$2,000 monthly. The probation officer has left several messages in an attempt to verify this employment; however, no response has been received.
196. The defendant was employed with The Law Office of Grace Baugh in Fort Lauderdale, Florida, from September 2002 through October 2003 in a Sales and Marketing position earning an annual salary of \$47,000. This employment was verified during the course of investigating further alleged criminal activity committed by the defendant (see paragraph 125).
197. The defendant reported she was employed from May 2001 through May 2002 with First Pacific as in-house counsel earning \$5,200 monthly. This employment was verified during the course of investigating further alleged criminal activity committed by the defendant (see paragraph 121).
198. In January 1997 the defendant started taking her first clients as an attorney. From approximately 1995 through 2001 the defendant was a self-employed attorney. Prior to becoming an attorney, the defendant worked for the Small Business Administration as a paralegal. This employment was verified by the Social Security Administration.
199. The Social Security Administration provided the following employment earnings for the defendant:

2003	<i>[Unavailable]</i>	\$ 1,923.08
1997-2002	<i>None</i>	
1996	<i>Self-employment</i>	\$ 5,205.00
	<i>Crab House Inc.</i>	\$ 111.48
	<i>Interactive Learning Systems, Inc.</i>	\$ 915.20
	<i>Al Baskin Co.</i>	\$ 102.60
1995	<i>Legal Staffing Inc.</i>	\$ 2,605.00
	<i>U.S. Dept. of Agriculture</i>	\$ 4,078.31
	<i>Lawstaff Inc.</i>	\$ 1,791.00
1994	<i>U.S. Dept. of Agriculture</i>	\$39,278.53

Financial Condition: Ability to Pay

200. The following information was obtained during an interview with the defendant and by reviewing financial documents.
201. Credit reports for the defendant's true Social Security Number 127-46-1576, and the stolen Social Security Number 488-11-5942, which the defendant used, have been merged. Under her true number, the defendant has filed for Chapter 13 bankruptcy on three occasions, and each case has since been dismissed. The defendant has twelve accounts in collection status with balances totaling \$52,440.00, including three student loans. She has two accounts that have been "charged off" with balances totaling \$2,793.00. She has one student loan account

with delinquent payments with a balance of \$16,657.00. She has one real estate mortgage loan for \$107,000 in foreclosure.

202. Under the stolen Social Security Number, the defendant has five accounts in collection status with balances totaling \$3,968.00. She has two accounts that have been "charged off" with balances totaling \$7,519.00. She has one account with delinquent payments with a balance of \$18,851.00.
203. The defendant reported that she previously voluntarily surrendered her 1997 Mercedes E420 to the bank. The defendant did not report ownership of the property located at 6680 Emerald Pointe Circle, in College Park, Georgia. Public records indicate that this property is still owned by the defendant and her mother, Larita McFarland. The defendant reported that she co-owns the property located at 5401 NW 67th Avenue in Lauderhill, Florida. Public records reveal that on May 30, 2003, a loan in the amount of \$389,500 was funded through Countrywide Home Loans Inc. in the names LouLou Darbouze and Chalana Cosby. A neighbor estimated that the fair market value of the property is \$425,000.
204. The defendant's parents advised that the only assets belonging to the defendant that they are knowledgeable of is a house in Florida that the defendant lived in with a roommate, and a Mercedes Benz which, as far as they know, is currently in a repair shop in Atlanta.
205. The defendant reported that, in addition to the liabilities listed above, she owes family and friends \$11,000. The defendant reported no other assets or liabilities.
206. The defendant is currently incarcerated and has no monthly income. Based on the information above, and the amount of restitution due in this case, it does not appear that the defendant is capable of paying a fine within the guideline range. The defendant is an able-bodied person, and community service is a viable option.

PART D. SENTENCING OPTIONS

DEFENDANT: Chalana McFarland

OFFENSE: Count 1: Conspiracy to Commit Bank Fraud; Mail Fraud; Wire Fraud; Fraudulent Use Social Security Numbers; Fraudulent Transfer of Identification; Fraud Against the Department of Housing and Urban Development; Money Laundering; Engagement in Monetary Transactions in Property Derived from Specified Unlawful Activity; and, Obstruction of Justice [18 U.S.C. §§1344, 1341, 1343; 42 U.S.C. §408(a)(7)(B); 18 U.S.C. §§1028(a)(7), 1001, 1956(a)(1)(A)(i) and (B)(i), 1957, and 1503. All in violation of 18 U.S.C. §371] a Class D felony

Counts 2-31: Bank Fraud [18 U.S.C. §§1344 and 2] a Class B felony

Counts 32- 92: Wire Fraud [18 U.S.C. §§1343 & 2] a Class C felony

Counts 93-165: Money Laundering [18 U.S.C. §§2 and 1956(a)(1)(A)(i) and (B)(i)] a Class C felony

Count 166: Obstruction of Justice [18 U.S.C. §§1503 and 2] a Class C felony

Counts 167-170: Perjury [18 U.S.C. §1623] a Class D felony

PLEA:

On February 15, 2005, the defendant was found Guilty by jury trial as to Counts One through One Hundred and Seventy of Superseding Criminal Indictment 1:04-CR-224-1.

Sentencing Options:

Statutory Penalty:	<u>Count 1:</u>	5 years/\$250,000 fine
	<u>Counts 2-31:</u>	30 years/\$1,000,000 fine
	<u>Counts 32-92:</u>	20 years/\$250,000 fine
	<u>Counts 93-165:</u>	20 years/\$500,000 fine or twice the value of the funds
	<u>Count 166:</u>	10 years/\$250,000 fine
	<u>Counts 167-170:</u>	5 years/\$250,000 fine

Total Offense Level: 46

Criminal History Category: I

Custody Guideline Range: Life *(Each count limited to the statutory maximum as listed above, but may be served consecutively to achieve the guideline range)*

Fine Guideline Range: \$250,000-\$21,091,988.96

Restitution: \$11,541,392.40

Special Assessment: \$17,000

Cost of Confinement/Supv.: \$23,205.59/\$3,452.72 annually

Probation Option: No

Supervised Release:	<u>Counts 1, 32-170:</u>	2 to 3 years
	<u>Counts 2-31:</u>	3 to 5 years

Immigration Status: United States citizen

Factors That May Warrant Departure:

The probation officer has no information concerning the offense or the offender which would warrant a departure from the prescribed sentencing guidelines.

Objection: The defendant objects to the lack of any recommendation for a downward departure pursuant to U.S.S.G. §5K2.0. This case appears to be the type of extraordinary case mentioned in the Commentary of that section, "that because of a combination of such characteristics or

circumstances, differs significantly from the 'heartland' cases covered by the Guidelines in a way that is important to the statutory purposes of sentencing, even though none of the characteristics or circumstances individually distinguishes the case."

This remains an unresolved departure issue.

Unresolved Guideline Issues:

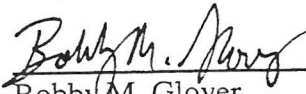
<u>Objector</u>	<u>Issue/Guideline</u>	<u>Paragraph(s)</u>
Defendant	Loss amount/§2B1.1(b)(1)(K)	136
Defendant	No. of victims/§2B1.1(b)(2)(B)	137
Defendant	Role/§3B1.1(a)	141
Defendant	Obstruction/§3C1.1	142
Defendant	Abuse of Trust/§3B1.3	143
Defendant	Money laundering guideline/§2S1.1	145
Defendant	Specific Offense Characteristic, double-counting/§2S1.1(b)(2)(B)	146
Defendant	Sophisticated laundering/§2S1.1(b)(3)	147
Defendant	Role/§3B1.1(a)	149
Defendant	Obstruction/§3C1.1	150
Defendant	Downward departure/§5K2.0	Factors That May Warrant Departure

Respectfully submitted,



Dana G. Johnson
U. S. Probation Officer

I have reviewed the attached presentence report and agree with its finding of fact, conclusions of law and sentencing recommendations; and state, to the best of my knowledge, the findings of fact, conclusions of law and sentencing recommendations of this report are not inconsistent with any other presentence report in this case.



Bobby M. Glover
Supervising U. S. Probation Officer

8/3/05

Date

ADDENDUM TO THE PRESENTENCE REPORT

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA
UNITED STATES V. Chalana C. McFarland, DOCKET NO. 1:04-CR-224

The Probation Officer certifies that the presentence report, including any revision thereof, has been disclosed to the defendant, the defendant's attorney, and the counsel for the Government, and that the content of the addendum has been communicated to counsel.

OBJECTIONS

By the Government

The Government has not submitted any objections to the presentence investigation report.

By the Defendant

Paragraph 136: The Defendant objected to the amount of loss for which she is being held accountable in this case. This objection is addressed following paragraph 136.

This remains an unresolved guideline issue.

Paragraph 137: The Defendant objected to the number of victims for which she is being held accountable pursuant to §2B1.1(b)(2)(B). This objection is addressed following paragraph 137.

This remains an unresolved guideline issue.

Paragraph 141: The Defendant objected to an enhancement for role pursuant to §3B1.1(a). This objection is addressed following paragraph 141.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

Paragraph 142: The Defendant objected to an enhancement for obstruction pursuant to §3C1.1. This objection is addressed following paragraph 142.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

Paragraph 143: The Defendant objected to an enhancement for Abuse of Trust pursuant to §3B1.3. This objection is addressed following paragraph 143.

This remains an unresolved guideline issue; however, the probation officer notes that if the Money Laundering guidelines remain controlling in this case, this objection will have no effect on the guideline calculations.

Paragraph 145: The Defendant objected to the Money Laundering offense level as calculated using the loss amount for which the defendant is being held accountable. This objection is addressed following paragraph 145.

This remains an unresolved guideline issue.

Paragraph 146: The Defendant objected to the two-level enhancement for being convicted under §1956. This objection is addressed following paragraph 146.

This remains an unresolved guideline issue.

Paragraph 147: The Defendant objected to the two-level enhancement for sophisticated laundering. This objection is addressed following paragraph 147.

This remains an unresolved guideline issue.

Paragraph 149: The Defendant objected to an enhancement for role. This objection is addressed following paragraph 149.

This remains an unresolved guideline issue.

Paragraph 150: The Defendant objected to an enhancement for obstruction. This objection is addressed following paragraph 150.

This remains an unresolved guideline issue.

Downward Departure: The Defendant asserts there are factors in this case which warrant a downward departure. The Defendant's objections are set forth in their entirety in the "Factors That May Warrant Departure" section of the presentence report.

This remains an unresolved departure issue.

Amendments

The facesheet was amended to reflect sentencing information on codefendants. This change has no effect on the guidelines.

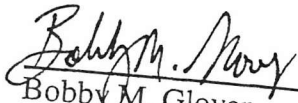
Paragraphs 131 and 132 and the Sentencing Options Page were amended to reflect a change in loss amount and restitution based on additional and clarified information provided by the Government. The loss amount was increased slightly (from \$10,753,024.27 to \$10,819,521.73), as well as the restitution amount (from \$11,508,579.16 to \$11,541,392.40). These amendments have no effect on the guideline calculations.

Respectfully submitted,



Dana G. Johnson
U. S. Probation Officer

Approved:



Bobby M. Glover
Supervising U. S. Probation Officer

8/3/05

Date