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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

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UNITED STATES OF AMERICA, ) Case No. 2:11-cr-00537-LKK  
)  
Plaintiff, ) Sacramento, California  
) Wednesday, January 11, 2012  
vs. ) 2:36 P.M.  
)  
TROY STRATOS, ) Hearing re: initial  
) appearance (arraignment).  
Defendant. )  
\_\_\_\_\_)

TRANSCRIPT OF PROCEEDINGS  
BEFORE THE HONORABLE EDMUND F. BRENNAN  
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

For Plaintiff: TODD A. PICKLES  
U.S. Attorney's Office  
501 I Street, Suite 10-100  
Sacramento, CA 95814  
(916) 554-2700

For Defendant: MATTHEW SCOBLE  
Federal Defender's Office

Specially Appearing for: WALTER R. URBAN  
Law Offices of Walter R. Urban  
2609 North Sepulveda Blvd.  
Manhattan Beach, CA 90266  
(310) 546-4899

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U.S. District Court  
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Proceedings recorded by electronic sound recording;  
transcript produced by transcription service.

1 SACRAMENTO, CALIFORNIA, WEDNESDAY, JANUARY 11, 2012, 2:36 P.M.

2

3 THE CLERK: Calling Criminal 11-00537-LKK, United  
4 States v. Troy Stratos. Your Honor, this is on calendar for  
5 defendant's initial appearance.

6 (Pause.)

7 MR. SCOBLE: Your Honor, can I take just a moment  
8 with Mr. Stratos?

9 THE COURT: Yes.

10 MR. SCOBLE: Thank you.

11 (Pause.)

12 MR. SCOBLE: Thank you, Your Honor.

13 MR. PICKLES: Good afternoon, Your Honor. Todd  
14 Pickles appearing on behalf the United States.

15 THE COURT: All right. Good afternoon, Mr. Pickles.

16 MR. SCOBLE: Good afternoon, Your Honor. Matthew  
17 Scoble from the Office of the Federal Defender. I'm specially  
18 appearing for Walter Urban who's been retained on behalf of  
19 Troy Stratos. Mr. Stratos is present before the Court in  
20 custody.

21 THE COURT: All right. Good afternoon again, Mr.  
22 Scoble. Is -- Mr. Urban, is he from the Sacramento area or --

23 MR. SCOBLE: No, Your Honor, he is from Los Angeles.  
24 When I spoke to him this morning, he was in Los Angeles and  
25 wasn't aware that Mr. Stratos was located in Sacramento. Mr.

1 Urban I think took every effort he possibly could to be here  
2 this afternoon. It just wasn't workable. His request is to  
3 put this matter over till tomorrow at 2:00 o'clock when he  
4 assured me he would be present.

5 THE COURT: All right. What I'm going to do today  
6 since this is the defendant's initial appearance is at least  
7 inform him as to the charges and the penalties and what his  
8 rights are and then we can put any substantive decision making  
9 over until tomorrow.

10 All right. Mr. Stratos, first of all, you have a  
11 right to counsel throughout these proceedings. This includes  
12 the right to hire an attorney of your own choosing. It also  
13 includes the right to have an attorney appointed for you if you  
14 cannot afford to hire an attorney.

15 Additionally, you have the right to remain silent  
16 throughout these proceedings. You don't have to say anything  
17 and if you do say anything, it can be used against you.

18 Mr. Scoble, has the defendant received a copy of the  
19 indictment and had the opportunity to review it with you?

20 MR. SCOBLE: He has not reviewed it with me, Your  
21 Honor, but from what I understand, he had received a copy of  
22 it.

23 THE COURT: All right. Do you know whether he's had  
24 a chance to review it with Mr. Urban?

25 MR. SCOBLE: That's my understanding if -- I can

1 confer with Mr. Stratos for just a moment, Your Honor, if the  
2 Court would like?

3 THE COURT: All right.

4 (Pause.)

5 MR. SCOBLE: All right. Thank you, Your Honor. Mr.  
6 Stratos was previously provided with an indictment when he was  
7 in custody in the Central District of California. He indicates  
8 this one looks similar, but he's not certain that it's the same  
9 document and --

10 THE COURT: All right. We'll leave it to Mr. Urban  
11 tomorrow as to whether or not he wants to waive a full reading.  
12 What I'm going to do right now is just in summary fashion tell  
13 the defendant what he's been charged with.

14 Mr. Stratos, you've been charged in counts 1 and 3 of  
15 the indictment with mail fraud in violation of Title 18 United  
16 States Code Section 1341. You've also been charged in counts 4  
17 and 11 of the indictment with wire fraud in violation of Title  
18 18 United States Code Section 1343. If convicted of these  
19 charges, the maximum penalties that you would face as to each  
20 count is a term of imprisonment of 20 years, a term of  
21 supervised release of three years, a fine of \$250,000, and a  
22 special assessment of \$100.

23 In counts 12 and 13, you've been charged with  
24 engaging in monetary transactions in criminal derived property  
25 in violation of Title 18 United States Code Section 1957. If

1 convicted of these charges, any -- the maximum penalties that  
2 you face as to each count are a term of imprisonment of 10  
3 years, a term of supervised release of three year, a fine of  
4 \$250,000, and a special assessment of \$100.

5 As to that fine amount, Mr. Pickles, is that 250,000  
6 or the value of the property, or is that not applicable under  
7 this section?

8 MR. PICKLES: I don't think -- I don't know if that's  
9 applicable under 1957, Your Honor.

10 THE COURT: All right. Additionally, Mr. Stratos,  
11 the indictment seeks the forfeiture of all property that was  
12 involved in any of the charged violations and if you're  
13 convicted, any property traceable to the property involved, as  
14 well as the property involved would be forfeited.

15 Mr. Scoble, what we'll do is put off until tomorrow  
16 the entry of a plea, as well as any issue as to detention.

17 In the interim time, Mr. Pickles, is the government  
18 seeking detention?

19 MR. PICKLES: It is, Your Honor.

20 THE COURT: All right. Then we'll continue the  
21 government's motion to -- for detention until tomorrow as well  
22 as the entry of a plea.

23 MR. PICKLES: Your Honor, if I may, just one thing.  
24 There is an additional count 14 that charges obstruction of  
25 justice.

1 THE COURT: All right. Did I miss 14?

2 MR. PICKLES: I didn't hear it, but that may have  
3 been my error.

4 THE COURT: All right. Mr. Stratos, you're also  
5 charged in count 14 of the indictment of a violation of Title  
6 18 United States Code Section 1503, obstruction of justice. If  
7 convicted of that count, the maximum penalties that you face  
8 are a term of imprisonment of 10 years, a fine of \$250,000, and  
9 a term of supervised release of three years and a penalty  
10 assessment of \$100.

11 All right. We'll see you tomorrow.

12 MR. PICKLES: Thank you, Your Honor.

13 MR. SCOBLE: Thank you, Your Honor.

14 (Whereupon the hearing in the above-entitled matter was  
15 adjourned at 2:43 p.m.)

16 --o0o--

17 CERTIFICATE

18 I certify that the foregoing is a correct transcript from  
19 the electronic sound recording of the proceedings in the above-  
20 entitled matter.

21

22 \_\_\_\_\_ February 8, 2012

23 Patricia A. Petrilla, Transcriber

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