

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA :

v. :

JALEN SMITH :

CRIMINAL NO. 26-23

26-99

GOVERNMENT’S PLEA MEMORANDUM

I. INTRODUCTION

The defendant, Jalen Smith, has agreed to plead guilty to the following charges in the following indictment and information:

In Criminal No. 26-23, the defendant agrees to plead guilty to Counts One, Two, and Five of the indictment charging him with bribery in sporting contests, and aiding and abetting, in violation of 18 U.S.C. §§ 224 and 2 (Count One); conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (Count Two); and wire fraud, in violation of 18 U.S.C. § 1343 (Count Five), and not to contest forfeiture as set forth in the notices of forfeiture charging criminal forfeiture under 28 U.S.C. § 2461(c) and 18 U.S.C. § 981(a)(1)(C), all arising from a scheme to influence or “fix” Chinese Basketball Association basketball games and National Collegiate Athletic Association (“NCAA”) men’s basketball games from at least in or about September 2022 through at least in or about February 2025, in the Eastern District of Pennsylvania, and elsewhere. The defendant engaged in the scheme as a “fixer,” working together with others to recruit and bribe NCAA men’s basketball players to underperform and help ensure their team failed to cover the spread in games during the 2023-2024 and 2024-2025 NCAA men’s

basketball seasons, and then, through various sportsbooks, to arrange for large wagers to be placed on those games.

In Criminal No. 26-____, the defendant agrees to plead guilty to Count One of the information, waiving venue and prosecution by indictment, charging him with possession of a firearm by a felon, in violation of 18 U.S.C. § 922(g)(1), and not to contest forfeiture as set forth in the notice of forfeiture charging criminal forfeiture under 28 U.S.C. § 2461(c) and 18 U.S.C. § 924(d), all arising from the defendant's unlawful possession of a loaded Khar Arms CT380 semi-automatic pistol on or about May 21, 2025, at his residence in Charlotte, North Carolina.

This Court has scheduled an Arraignment and Plea Hearing for March 9, 2026, at 10:00 a.m.

II. STATUTORY MAXIMUM PENALTIES

The Court may impose the following statutory maximum sentences:

a. In Criminal No. 26-23, for Count One of the indictment, charging bribery in sporting contests, and aiding and abetting, 5 years' imprisonment, 3 years of supervised release, a \$250,000 fine, and a \$100 special assessment; for Counts Two and Five, conspiracy to commit wire fraud and wire fraud, 20 years' imprisonment, 3 years of supervised release, a \$250,000 fine, and a \$100 special assessment, on each count. The total permissible statutory maximum sentence on the charges in the indictment is 45 years' imprisonment, 3 years of supervised release, a \$750,000 fine, and a \$300 special assessment. Full restitution also shall be ordered. Forfeiture of all proceeds from these offenses also may be ordered.

b. In Criminal No. 26-____, for Count One of the information, charging possession of a firearm by a felon, 15 years' imprisonment, 3 years of supervised release, a fine

of \$250,000, and a \$100 special assessment. Forfeiture of all firearms and ammunition involved in the offense may be ordered.

Considering both the indictment and the information discussed above, the total permissible statutory maximum sentence that the defendant faces is 60 years' imprisonment, 3 years of supervised release, a \$1,000,000 fine, and a \$400 special assessment. Full restitution also shall be ordered. Forfeiture of all proceeds from these offenses and forfeiture of all firearms and ammunition involved in the firearms offense also may be ordered.

III. ELEMENTS OF THE OFFENSES

A. Bribery in Sporting Contests

To establish a violation of 18 U.S.C. §224 (bribery in sporting contests), the government must prove the following elements beyond a reasonable doubt:

- (1) the defendant carried into effect, attempted to carry into effect, or conspired with another person to carry into effect a scheme;
- (2) the scheme operated in commerce;
- (3) the scheme was intended to influence, in any way, by bribery, a sporting contest; and
- (4) the defendant acted with knowledge that the purpose of the scheme was to influence by bribery that contest.

To establish that the defendant committed the offense of 18 U.S.C. § 224 under an aiding and abetting theory of liability under 18 U.S.C. § 2, the government must prove the following elements beyond a reasonable doubt:

- (1) the principal, or another participant in the scheme, committed the offense of bribery in sporting contests as set forth above;
- (2) the defendant knew that this offense was going to be committed or was committed by the principal, or another participant in the scheme;

- (3) the defendant knowingly did some act for the purpose of aiding, assisting, soliciting, facilitating, or encouraging the principal, or other participant in the scheme, in committing this offense; and
- (4) the defendant performed an act in furtherance of this offense.

B. Wire Fraud

To establish a violation of 18 U.S.C. § 1343 (wire fraud), the government must prove the following elements beyond a reasonable doubt:

- (1) the defendant knowingly devised or willfully participated in a scheme to defraud, that is, to deprive another of money or property by fraud, including by false or fraudulent pretenses, representations or promises, or omissions, concerning a material fact;
- (2) the defendant did so with the intent to defraud; and
- (3) that in advancing, furthering, or carrying out the scheme, the defendant transmitted any writing, signal, or sound by means of a wire, radio, or television communication in interstate commerce or caused the transmission of any writing, signal, or sound of some kind by means of a wire, radio, or television communication in interstate commerce.

C. Conspiracy to Commit Wire Fraud

To establish a violation of 18 U.S.C. § 1349 (conspiracy to commit wire fraud), the government must establish the following elements beyond a reasonable doubt:

- (1) two or more persons agreed to carry the scheme of wire fraud into effect, the elements of which are described above;
- (2) the defendant was a party to or member of that agreement; and
- (3) the defendant joined the agreement or conspiracy knowing of its objective to carry this scheme into effect and intending to join together with at least one other alleged conspirator to achieve that objective; that is, that the defendant and at least one other alleged conspirator shared a unity of purpose and the intent to achieve a common goal or objective, to carry this scheme into effect.

D. Possession of a Firearm by a Felon

To establish a violation of 18 U.S.C. § 922(g)(1) (possession of a firearm by a felon), the government must prove beyond a reasonable doubt:

- (1) The defendant had been convicted of a felony, that is, a crime punishable by imprisonment for a term exceeding one year;
- (2) That after this conviction, the defendant knowingly possessed a firearm or ammunition;
- (3) That at the time the defendant possessed a firearm or ammunition, the defendant knew of the previous conviction and knew that it was for a crime punishable by imprisonment for a term exceeding one year; and
- (4) That the defendant's possession of a firearm or ammunition was in or affecting interstate commerce.

IV. FACTUAL BASIS FOR THE PLEA

If this case were to proceed to trial, the government would prove the following facts, among others, through witness testimony and exhibits.

A. General Background of Bribery and Wire Fraud Scheme

The integrity of sporting contests rests on the fundamental principles of fairness, honesty, and respect for the rules of competition. To ensure fair outcomes, these contests depend upon genuine competition, free from corruption, manipulation, and bribery. In 1964, Congress enacted the Sports Bribery Act, codified at Title 18, United States Code, Section 224, to prohibit bribery in sporting contests, recognizing that corrupt influences undermine these principles and erode public confidence in the legitimacy of sport. This statute helps ensure that the organizing institutions, governing bodies, players, coaches, bettors, and fans can trust that every sporting contest is decided on merit, not by corruption.

The National Collegiate Athletic Association (“NCAA”) was a non-profit organization that governed college sports and sporting contests in the United States. Collectively, there were more than 350 NCAA Division I colleges that fielded more than 6,000 sports teams and provided opportunities for more than 170,000 players to compete in NCAA sports each year. The NCAA set and enforced rules promoting integrity, sportsmanship, and fair competition. Those rules included specific prohibitions on players, coaches, and other individuals associated with an NCAA sports team from participating in any sports wagering activity, including providing information to individuals involved in or associated with any type of sports wagering activities concerning intercollegiate, amateur, or professional athletics competition.

Under NCAA rules, players could earn money for the use of their name, image, and likeness (“NIL”) through activities such as endorsements, sponsorships, and appearances. Division I players were also permitted to enter the “transfer portal” each year and transfer schools without penalty, and players frequently moved between schools in the hopes of obtaining more money through NIL activities or collectives and more opportunities on another team.

The Chinese Basketball Association (“CBA”) was the governing body for basketball in China and the name of the country’s top professional basketball league. The CBA comprised more than 300 players in its top men’s league and about 20 teams, which represented cities and corporations throughout China.

Gambling outlets such as casinos, online wagering businesses, offshore betting houses, and illegal bookmakers, or “bookies,” accepted wagers on sporting contests, including basketball games. These gambling outlets, often known as sportsbooks, used a “point spread” for sporting events such as basketball games, so that bettors could place wagers based on the relative

performance of a team rather than simply betting on which team would win. The point spread was the predicted scoring difference between the two opponents in a sporting contest. The point spread defined which team was the favorite and which team was the “underdog,” that is, the predicted losing team. For a bettor to win a wager placed on the favorite team, the favorite team had to win by more than the point spread number. For a bettor to win a wager placed on the “underdog” team, the “underdog” team had to either win the contest, or lose by less than the point spread number. For example, if Team A was the “underdog” team by three points, then a bettor who bet on Team A would have won the wager if Team A either won the game, or if Team A lost the game by one or two points. Gambling outlets provided point spreads for the outcome of the entire game or a portion of the game, such as the first half or second half, allowing bettors to place multiple bets on a single game. In sports betting, to “cover” a point spread meant a team performed in a way that satisfied the conditions of the point spread set by oddsmakers.

Among the options for those wagering on sporting events with gambling outlets, individuals could also bet on games without regard to the point spread, by simply betting on a particular team to win a game. Those bets were called “money line” bets. Individuals could also make “parlay” bets, which were bets comprising two or more individual bets. To succeed on a parlay bet the bettor had to win all the bets made in the parlay. Parlay bets paid out at a higher rate than bets on individual games because they were more difficult to win.

A basketball game, or portion of a game, could be manipulated, or “fixed,” by, among other means, a single player or multiple players on one team agreeing to influence the game’s outcome, generally by underperforming or otherwise trying to limit the number of points scored

by their team. This allowed individuals gambling on the score of the game, who were working with the players “fixing” the game, to profit by placing a wager on the game with a higher degree of certainty as to the game’s outcome. Such a scheme, customarily called “point shaving,” involved an effort by a player or players to underperform in a game, or by some other means, to ensure that their team scored only a certain number of points during a game or during a portion of a game. The players involved in fixing a game altered their performance, or supported their teammates altering their performances, based on the point spread on that game so that their team would not “cover” the spread.

B. The Bribery Scheme

Beginning in or about September 2022, a group of individuals known to the United States Attorney (“the fixers”) worked together to recruit and bribe players to help influence or “fix” CBA games through “point shaving” during the 2022-2023 season. The fixers bribed CBA players to fix games and then, through various gambling outlets, placed large wagers on those games against the teams whose players they had bribed. The fixers involved in this CBA aspect of the scheme included Antonio Blakeney, Marves Fairley, and Shane Hennen.

After profiting on the fixed CBA games, the fixers turned their attention to NCAA men’s basketball games. During the 2023-2024 and 2024-2025 NCAA men’s basketball seasons, the fixers agreed to recruit NCAA players who would accept bribe payments in exchange for helping to influence outcomes of NCAA basketball games. In particular, the fixers agreed to recruit into the scheme players who would help ensure that their team failed to cover the spread of the first half of a game or an entire game. The fixers would then place wagers on those games through the gambling outlets, betting against the team whose player or players they had bribed to engage in

this point-shaving scheme.¹ Because of the proliferation of legalized sports betting, the fixers could use numerous gambling outlets to make their bets on these games and conceal the scheme from authorities. The fixers also expanded the group of individuals involved in leading the scheme, fixing games, and recruiting players to participate in the scheme. Those additions included, among others, Jalen Smith, Roderick Winkler, and Alberto Laureano.

Five of the fixers, Jalen Smith, Antonio Blakeney, Marves Fairley, Roderick Winkler, and Alberto Laureano, then approached and communicated with NCAA basketball players, in person and through social media and cellular telephone calls. In these communications, the fixers offered the players bribe payments, usually ranging from \$10,000 to \$30,000 per game, to participate in the scheme. The fixers also attempted to recruit multiple players from a team to join the bribery scheme and further ensure its success. Many of these players accepted the offers and agreed to help fix specific games so that the fixers would win their wagers. The fixers targeted for their scheme NCAA basketball players for whom the bribe payments would meaningfully supplement or exceed legitimate NIL opportunities.

Smith, Blakeney, Fairley, Winkler, and Laureano had credibility with many of the players and could approach them to engage in this scheme because of their prominence, experience, and reputation in local and national basketball communities. Smith was a resident of North Carolina who was active in the training and development of basketball players for professional scouting

¹ Obtaining complete information on bets placed by individuals is impossible. There are numerous betting outlets in the United States and elsewhere, legal and illegal, and numerous ways to make bets that cannot be traced. The government has identified in this memorandum and seeks to hold the defendant responsible (as set forth in the stipulations in the plea agreement) only for the bets that it could find that were attributable to the scheme even though the number of those bets is likely higher. The betting amounts listed in the indictment and in this memorandum are thus likely understated as well as approximate.

combines. Blakeney was a resident of Florida and a former McDonald's All-American and college basketball player who also played professional basketball in the National Basketball Association ("NBA") and overseas and who had himself accepted bribes from his co-schemers to underperform in CBA games. Fairley was a resident of Mississippi and a high-stakes sports gambler, social media influencer, and sports handicapper who sold betting advice to others. Winkler was a resident of Arkansas and a former coach and trainer for high school and Amateur Athletic Union ("AAU") basketball teams and players. Laureano was a resident of New York and a former college basketball player.

As the fixers had agreed, Smith, Blakeney, Fairley, Winkler, and Laureano then communicated with the NCAA basketball players who had agreed to participate in the bribery scheme and directed them to underperform or otherwise help influence the outcome of particular games or a specific portion (generally the first half) of particular games.

Smith, Blakeney, Fairley, Winkler, Laureano, and Shane Hennen, a resident of Philadelphia and Nevada and a high-stakes sports gambler, as well as other co-schemers, then placed bets with numerous gambling outlets on NCAA men's basketball games involving the bribed NCAA players. They placed these bets in a manner that was consistent with the way in which they had arranged to fix the outcome of a game, or a portion of a game, to maximize their chances of winning their wagers. The bribed NCAA players then influenced, attempted to influence, and conspired to influence the outcome of their games through intentionally poor performances, removing themselves from games, supporting their teammates who were also involved in the scheme, and through other means.

At times, while Hennen was in the Eastern District of Pennsylvania, the other fixers communicated and strategized about the scheme with Hennen, and Hennen placed bets on the fixed games with online gambling outlets and in person at casinos. At least one of those fixed games occurred in the Eastern District of Pennsylvania. In addition, individual bettors unaware of the scheme placed bets on the fixed games, often on the other side of the fixers' bets, in the Eastern District of Pennsylvania, resulting in losses to the individual bettors.

When the fixers were successful with their wagers on fixed games, Smith and other co-schemers traveled to NCAA school campuses and made cash bribe payments to the players who had agreed to participate in the scheme. On at least one occasion, Smith travelled to the Eastern District of Pennsylvania through the Philadelphia International Airport to pay one of the bribed players.

Jalen Smith's specific involvement in the scheme included, but was not limited to, the activity described below and in the indictment. For example:

In mid-February 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Oumar Koureissi and Diante Smith, both forwards on the Nicholls State University Colonels Men's Basketball Team ("Nicholls State"). The recruiting of the players in this and other aspects of the scheme discussed below involved Smith reaching out to the players by text and social media and speaking with the players on FaceTime and on the telephone. Smith often engaged with Blakeney, Winkler, and Laureano in these recruiting efforts. Jalen Smith had a leadership role in the scheme, particularly in recruiting, managing, supervising, and paying the players for their role in the scheme.

Smith and other fixers succeeded in their recruiting efforts with Nicholls State, and Koureissi and Diante Smith underperformed in the game between Nicholls State and the McNeese State University Cowboys Men's Basketball Team ("McNeese State") on February 17, 2024. Koureissi and Diante Smith ensured that Nicholls State did not cover the spread in the game in exchange for bribe payments for each player of approximately \$20,000. The fixers placed wagers with numerous sportsbooks totaling at least approximately \$100,000 on McNeese State. As a result of the scheme, the fixers won their bets. Shortly after this game, Jalen Smith traveled to Louisiana to arrange for the delivery of approximately \$32,000 in cash bribe payments to Koureissi and Diante Smith.

In or about mid-February 2024, the fixers, including defendant Jalen Smith, attempted to recruit for their point-shaving scheme players (identified in the indictment as Person #1 and Person #2) on the Northwestern State University Demons Men's Basketball Team ("Northwestern State"). The fixers offered bribe payments to two players on the Northwestern team to underperform on February 19, 2024, in a game against Texas A&M-Corpus Christi. The fixers wagered at least \$231,000 on Texas A&M-Corpus Christi to cover the full-game spread. Most of the fixers' bets on this game failed as Texas A&M-Corpus Christi did not cover most of the spreads.

In mid to late February 2024, the fixers, including Jalen Smith, recruited players, including Bradley Ezewiro, a center, and another player (identified in the indictment as Person #3), on the St. Louis University Billikens Men's Basketball Team ("St. Louis") to participate in the game-fixing scheme. Those players agreed to underperform in an upcoming St. Louis game against the Duquesne Dukes Men's Basketball Team ("Duquesne") on February 20, 2024, to

ensure that St. Louis failed to cover the first-half spread in that game. The fixers placed wagers totaling at least approximately \$242,000 on Duquesne to cover the first-half spread. The scheme succeeded for this game, and the fixers won their bets.

After this game, Jalen Smith and Ezewiro discussed in text messages Ezewiro recruiting players on other NCAA men's basketball teams who might participate in the scheme. In connection with one of those players, Smith sent to Ezewiro a photograph of stacks of cash, acknowledging the large amount of money NCAA players could make by point shaving, with the message, "Send that to him if he bite he bite if he don't so be it lol." Smith later texted Ezewiro that they needed to "clean up how we text" and agreed to speak further about the scheme on a "burner" telephone or a secret social media account, in an attempt to conceal from authorities the point-shaving scheme.

In or around mid-February, the fixers, including Jalen Smith, attempted to recruit for their point-shaving scheme players on the La Salle University Explorers Men's Basketball Team ("La Salle"). The fixers offered the La Salle players bribe payments to underperform in and influence the first half of an upcoming game against the St. Bonaventure University Bonnies Men's Basketball Team ("St. Bonaventure") on February 21, 2024. The fixers placed wagers with various sportsbooks totaling at least \$247,000 on St. Bonaventure to cover the first-half spread, including a \$30,000 wager with FanDuel Sportsbook at Live! Casino in Philadelphia, Pennsylvania. Those bets all failed as La Salle covered the spread.

In or about late February 2024, Jalen Smith recruited for their scheme Elijah Gray, a forward, and another player (identified in the indictment as Person #4) on the Fordham University Ram's Men's Basketball Team ("Fordham"), and a teammate of Gray. Gray knew

and trusted Smith because of their mutual connections in the basketball community in North Carolina. Smith offered, and Gray and his teammate accepted, a bribe payment of approximately \$10,000 or \$15,000 to underperform in an upcoming Fordham basketball game on February 23, 2024, against the Duquesne University Dukes Men's Basketball Team ("Duquesne"). The fixers wagered at least approximately \$195,000 on Duquesne, most of which were on Duquesne to cover the full-game spread. Despite Gray's efforts to underperform and fix the game, Fordham covered the spread, and the fixers lost their bets.

Shortly after this game, Smith and Gray communicated via text concerning the efforts of Gray and his teammate to fix the game and the failure of the scheme to succeed. Gray told Smith, "I tried," and noted that the Duquesne players were "not hoopin," or played poorly, making it harder for Duquesne to cover the spread. Smith told Gray, "You did your job for sure," and bemoaned the fact that another Fordham player who was not involved in the scheme had an excellent game.

In late February 2024, Smith and other fixers recruited multiple players on the Buffalo Men's Basketball Team to participate in the point-shaving scheme. Those players included Isaiah Adams, as well as Shawn Fulcher, a guard, and another player (identified in the indictment as Person #5). Fulcher helped recruit Adams to participate in the scheme, and both of those players helped recruit their teammate, Person #5.

The Buffalo players agreed, in exchange for bribe payments, to underperform in several games, including: (1) the game against the Western Michigan University Broncos Men's Basketball Team ("Western Michigan") on February 24, 2024; (2) the game against the Kent State University Golden Flashes Men's Basketball Team ("Kent State") on February 27, 2024;

and the game against the Ohio University Bobcats Men's Basketball Team ("Ohio") on March 5, 2024. In particular, the players agreed to help ensure that Buffalo failed to cover the first-half spread in those games.

The fixers placed substantial bets on those games, betting against Buffalo in the first half, with bets totaling at least \$90,000 on the Western Michigan game, at least \$424,000 on the Kent State game, and at least \$7,500 on the Ohio game. The scheme was successful with the Western Michigan game and the Ohio game, but despite the best efforts of the corrupt players, the scheme failed with the Kent State game.

Around the time of these games, Jalen Smith arranged for the delivery of bribe payments to the Buffalo players on the Buffalo campus, including by making a payment through Alberto Laureano of \$54,000 on March 2, 2024. While Laureano was driving to Buffalo to make the payment, he texted the players a photograph of the inside of his car, revealing a large stack of cash in an open compartment. In setting up this delivery, Smith texted with the Buffalo players, telling them that he was going to deliver the "bread [money]" and attached a photograph of the interior of an airplane to further demonstrate that he was holding up his end of the bribery bargain.

In late February 2024, the fixers, including Jalen Smith, recruited players on the DePaul University Blue Demons Men's Basketball Team ("DePaul") to participate in the point-shaving scheme. Those players included Micawber Etienne, Jalen Terry, and Da'Sean Nelson, as well as another player (identified in the indictment as Person #6). The players agreed, in exchange for bribe payments, to underperform in several games, including: (1) the game against the Georgetown University Hoyas Men's Basketball Team ("Georgetown") on or about February 24,

2024; (2) the game against the Butler University Bulldogs Men's Basketball Team ("Butler") on March 2, 2024; and (3) the game against the St. John's University Red Storm Men's Basketball Team ("St. John's") on March 5, 2024.

The fixers placed substantial bets on those games, betting against DePaul in the first half, with bets totaling at least \$27,000 on the Georgetown game, at least \$123,789 on the Butler game, and at least \$52,395 on the St. John's game. The scheme was successful in all three games, and the fixers won their bets.

Smith engaged in text messaging with the players throughout the scheme, communicating to them information about the scheme and encouraging their successful participation. For example, around halftime of the Georgetown game, when it was clear that the point-shaving scheme was succeeding, Smith texted Etienne about arranging to pay the bribe money and complimented Terry and Nelson for underperforming as they had agreed: "I love Jalen terry he perfected his job . . . Sh*t Nelson snapped too." During the St. John's game, Jalen Smith texted Etienne to complain that one of the players who was not involved in the point-shaving scheme was playing well and needed to "chilllll [the f*ck] out." Smith further told Etienne and the DePaul players that if they followed through on the scheme, bribe payments would be "on the way."

In late February 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme players on the Robert Morris University Colonials Men's Basketball Team ("Robert Morris")—Markeese Hastings, a forward, and two other players (identified in the indictment as Person #7 and Person #8). In exchange for bribe payments, the players agreed to underperform in a game on February 28, 2024, against the Northern Kentucky University Norse Men's Basketball

Team (“Northern Kentucky”). The fixers then wagered at least \$256,000 on Northern Kentucky to cover the first-half spread. To increase the profitability of their scheme, these wagers (as with many other wagers in this case) included “parlays” on this game along with other games that the schemers had fixed by bribing players. The players succeeded in their underperformance, and the fixers won their bets.

After this game, Smith texted with Hastings to arrange the delivery of the bribe payments to the players while they were in Fort Wayne, Indiana, where Robert Morris was playing their next game. In these communications, Smith sent Hastings a screen shot of a FaceTime call with his co-schemers, including Fairley, Winkler, and Blakeney, who were coordinating with Smith to provide the cash to pay the Robert Morris players. Hastings texted Smith to express his eagerness in continuing to participate in the point-shaving scheme: “We might as well do the next one too . . . [this] was too easy.” Smith agreed, telling Hastings to “[s]ay less.” On February 29, 2024, in further text message communications with Blakeney about obtaining cash for the bribe payments said they should talk on the phone: “can’t text too crazy.”

On March 5, 2024, Smith and Hastings texted about point shaving in the Robert Morris game against the Purdue University Fort Wayne Mastodons Men’s Basketball Team (“Purdue F.W.”) that was taking place that evening. Smith texted Hastings shortly before the game, “No questions about it u need to be beat by 12 at half no funny sh*t.” Shortly after the game, which Hastings and his teammates succeeded in fixing, Smith told Hastings that his bribe payments would be forthcoming, “Money good u know that lol.” The fixers won bets totaling at least \$50,000 on this game, and Smith arranged for the delivery of bribe payments to Hastings and his corrupt teammates in Chicago.

In late February 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Arlando Arnold, a guard, as well as two other players (identified in the indictment as Person #9 and Person #10) on the University of Southern Mississippi Golden Eagles Men's Basketball Team ("Southern Mississippi"). The players agreed to underperform in a game against the University of South Alabama Jaguars Men's Basketball Team ("South Alabama") on February 28, 2024. The fixers then placed wagers of at least \$275,000 on South Alabama to cover the first-half spread (including parlay wagers). Despite the efforts of Arnold and the other players in the scheme to underperform in the first half of the game, the fixers lost their bets.

Arnold then agreed to make up for the betting losses by helping to fix an upcoming Southern Mississippi game against the University of Louisiana at Lafayette Rajin' Cajuns Men's Basketball Team ("Louisiana-Lafayette") On March 1, 2024. The fixers placed wagers on this game totaling at least \$161,000 on Louisiana-Lafayette to cover the first-half spread. The players succeeded in underperforming in this game, and the fixers won their bets. Marves Fairley then made the bribe payments of tens of thousands of dollars to the corrupt players. Later, in December 2024, Arnold worked with Jalen Smith to attempt to recruit three players for the scheme on the Southern Mississippi basketball team.

In late February 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Camian Shell, a guard, and another player (identified in the indictment as Person #11) on the North Carolina A&T State University Aggies Men's Basketball Team ("North Carolina A&T"). In exchange for bribe payments, Shell and his teammate agreed to underperform in a game on February 29, 2024, against the Towson University Tigers Men's Basketball Team

(“Towson”). The fixers then placed wagers totaling at least \$458,000 on Towson, mostly on the first half.

In the hours leading up to the game, Smith texted Shell about the details of the scheme. For example, Smith directed Shell to ensure that North Carolina A&T failed to cover the spread and that the score not be close: “10 or more points bro[,] we should[n’]t need sweating sh*t.” Smith then told Shell that he would pay other North Carolina AT&T players if Shell needed them for the point-shaving scheme during the game: “If it start looking shaky[,] tell 2 or 3 other [North Carolina AT&T players] what it is and they paid too.” Shell answered affirmatively, adding a “love” emoji to Smith’s text. Shell and Person #11 then underperformed in the game as they had agreed, and the fixers won their bets. Smith then arranged to deliver the bribe payments to Shell.

In late February 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Simeon Cottle, a guard, and Demond Robinson, a forward, and another player (identified in the indictment as Person #12) on the Kennesaw State University Owls Men’s Basketball Team (“Kennesaw State”). In exchange for bribe payments, the players agreed to underperform in a game on March 1, 2024, against the Queens University Royals Men’s Basketball Team (“Queens”). Smith texted Cottle before the game, “I need both of y’all on FaceTime with me twice today so let’s see if we can do a call right after shoot around just to make sure y’all good and really locked in [T]his money guaranteed[,] ima be at the game with [the money] so I just don’t want no issues all yall end.” Cottle responded affirmatively to this text and reassured Smith that they were ready. Smith then sent Cottle a photograph of approximately \$100,000 in cash that Smith was carrying on the plane, acknowledging the large amount of

money at stake in the point-shaving scheme and Smith's commitment to making bribe payments to the Kennesaw State players for their participation in the scheme. The fixers wagered at least \$20,000 on Queens to cover the first-half spread and won their bets after the players underperformed as they had agreed.

The next day, Smith texted with Cottle to arrange to deliver the bribe payments, with Smith telling Cottle that he was "brin[g]ing money to the school and handing it to YOU." Cottle later provided Smith with an address for the delivery of the bribe payments on the campus of Kennesaw State, and Smith texted Cottle that he would bring the "bread," or bribe payment, to him there. Smith and Fairley then arranged for a co-schemer to deliver approximately \$40,000 in cash to Cottle the players involved in the scheme. Cottle then tried to recruit other players for the scheme, and Smith offered to "flash 200k [\$200,000] or sumn to help persuade" those players.

In early March 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme players on the Coppin State University Eagles Men's Basketball Team ("Coppin State"). The fixers offered a player (identified as Person #13 in the indictment) bribe payments to underperform in the game against the South Carolina State University Bulldogs Men's Basketball Team ("South Carolina State") on March 4, 2024. Person #13 agreed to participate in the scheme, and the fixers placed wagers on the game. However, those bets failed as Coppin State covered the spread.

Around halftime of this game, when the score of the game was tied, Smith texted Person #13. Defendant SMITH expressed his concern about the score of the game and urged Person #13 to underperform in the second half so that South Carolina State would cover the spread: "Wtf [what the f*ck] u doing[,] it need to be a blowout . . . You hooping yo ass off wtf [what the f*ck]

. . . U supposed to be f*cking losing[,] you costing us money . . . Get yo ass blow[n] out next half bro . . .” Person #13 responded to defendant SMITH in a text message after the game and explained that South Carolina State was playing so poorly that it was difficult for Person #13 to ensure that Coppin State lose the game by more than the point spread: “[T]hey [South Carolina State] so ass I couldn’t even keep they lead together[,] im sorry for th[a]t bro[,] I try to tell my [Coppin State] teammates to chill and all th[a]t bro[,] swear I tried everything in my power second half.”

In March 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Carlos Hart, a guard on the University of New Orleans Privateers Men’s Basketball Team (“New Orleans”). In exchange for bribe payments, Hart agreed to underperform (and recruited a teammate, identified as Person #14 in the indictment, to join him in the scheme) in the game against the Lamar University Cardinals Men’s Basketball Team (“Lamar”) on March 11, 2024. The fixers then bet at least \$150,000 on Lamar to cover the full-game spread. Hart and his teammate underperformed as they had agreed, and the fixers won their bets. Fairley then arranged for a co-schemer to deliver \$20,000 in cash to Hart at a casino in Biloxi, Mississippi, which he did.

In or about March 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Airion Simmons, a forward on the Abilene Christian University Wildcats Men’s Basketball Team (“Abilene Christian”). In exchange for bribes, Simmons agreed to underperform in an upcoming game and help recruit for the scheme additional players on the Abilene Christian team. Simmons then recruited a teammate for the scheme, and (at the direction of Smith and the fixers) they underperformed in the game against the Texas A&M University-

Corpus Christi Islanders Men's Basketball Team ("Texas A&M-Corpus Christi") on March 19, 2024. The fixers wagered at least \$82,000 on Texas A&M-Corpus Christi to cover the first-half and full-game spreads. These bets were unsuccessful as Abilene Christian covered the spreads.

Simmons then agreed with Smith and the fixers to help ensure that Abilene Christian failed to cover the first-half and full-game spreads in their upcoming game on or about March 20, 2024, against the Tarleton State University Texans Men's Basketball Team ("Tarleton State"). The fixers wagered at least \$40,000 on Tarleton State to cover the first-half and full-game spreads. Simmons and his corrupt teammate then underperformed in that game as they agreed, and the fixers won their bets.

For the 2024-2025 season, Jalen Terry transferred from DePaul to play for the Eastern Michigan State University Eagles Men's Basketball Team ("Eastern Michigan"). Having fixed games as part of this point-shaving scheme with DePaul, Terry continued to engage in this scheme while playing for Eastern Michigan.

In November and December 2024, Smith and Terry communicated via text and telephone about selecting games for the scheme and identifying players whom Terry could recruit, including Da'Sean Nelson who also had transferred to Eastern Michigan. For example, on November 21, 2024, Smith texted Terry that he needed to recruit his Eastern Michigan teammates for the point-shaving scheme, and they could all make large amounts of money in the scheme: "Need all yall like last year and it's a lock money super duper good let's work." Terry and Nelson agreed to fix the game on November 21, 2024, against Oakland University Golden Grizzlies Men's Basketball Team ("Oakland"). The fixers then placed tens of thousands of dollars in wagers on Oakland to cover the first-half spread against Eastern Michigan. Terry and

Nelson underperformed in this game as they had agreed, and the fixers won their bets. The next day, Smith arranged for the delivery of the bribe payments to Terry who confirmed with Smith in text messages that he received the money: “Got it. Counting now.”

At Smith’s direction, Terry and Nelson then fixed another game on December 21, 2024, against the Wright State University Raiders Men’s Basketball Team (“Wright State”). After engaging in explicit texts about fixing the game and Smith making bribe payments to Terry (e.g., “I will personally meet you after the game on my f*cking soul WITH EVERYTHING like I said I’ll send 3k [\$3,000] right now. . . .”), Smith texted, “We gotta stop ta[I]king so crazy on the text,” acknowledging the need to limit text message communications between each other to conceal the scheme from authorities. Terry and Nelson then underperformed in this game as they had agreed, and the fixers won their bets. Smith then arranged for making additional bribe payments to Terry.

For the 2024-2025 season, Shawn Fulcher transferred from Buffalo to Alabama State University to play for the Alabama State University Hornets Men’s Basketball Team (“Alabama State”). Jalen Smith continued his corrupt relationship with Fulcher, and they agreed that Fulcher would fix games with his new team and recruit other players on his team to join the point-shaving scheme, including a guard on the team, Corey Hines, as well as two other teammates (identified as Person #16 and Person #17 in the indictment).

Smith and Fulcher discussed the scheme in text message communications. For example, on November 10, 2024, Smith told Fulcher that if he successfully recruited for the scheme Corey Hines, Person #16, and Person #17, “on my mama u [Fulcher] gone be a rich young man this year,” given all of the bribe payments Fulcher would receive. Fulcher told Smith that he got

Hines and the other players on board: “And I spoke to [Hines,] I told [Hines] straight up. don’t not try no extra sh*t today or get off crazy and i got sum extra bread [money] for you.”

On December 5, 2024, Smith, Fulcher, Hines, Person #16, and Person #17 communicated via text about the point-shaving scheme. In exchange for bribe payments, the players agreed to underperform in and influence the game later that day against the Southern Mississippi Golden Eagles Men’s Basketball Team (“Southern Mississippi”). Smith told the players, “Lose by 6 full game no excuses on yall end I ain’t got no excuses on my end I’m make sure yall situated.”

Smith then emphasized his point, telling the Alabama State players to lose by “like 8” so that he would not “stress.” Fulcher and his teammates all agreed to follow Smith’s instructions. Smith then sent a photograph of a large stack of cash that he said he was betting on the game, reminded the players of the spread, and told them that he was going to pay them in \$100 bills if the point-shaving scheme succeeded. Smith then attempted unsuccessfully to place a \$50,000 wager at a casino in Kentucky on Southern Mississippi to cover the full-game spread. The casino allowed a much smaller, \$860 wager. The players then succeeded in fixing the game as they had agreed, but Smith failed to pay them the bribe money as he had agreed.

At the end of the first half of this game, Alabama State led Southern Mississippi 33 to 30, causing Smith to send text messages to Fulcher and his Alabama State teammates expressing his concern about the score of the game. Smith urged the Alabama State players to play poor defense, telling them to “LET [the Southern Mississippi players] LAY IT UP.” Person #17 responded to the text messages, conveying his commitment to the scheme and explaining that Southern Mississippi was “so bad” that the players were having trouble throwing the game.

In late December 2024, the fixers, including Jalen Smith, recruited for their point-shaving scheme Dyquavion Short and Cedquavious Hunter, both guards on the University of New Orleans Privateers Men's Basketball Team ("New Orleans"). The fixers also attempted to recruit for the scheme other New Orleans players (identified in the indictment as Person #18 and Person #19). Short and Hunter agreed to underperform in at least three New Orleans basketball games, ensuring that New Orleans did not cover the spread in those games. Smith and the fixers placed bets on New Orleans' opponents in each of the games to cover the full-game spread. After the bets succeeded, Smith and Fairley and other fixers arranged for the delivery of thousands of dollars in bribe payments to Short and Hunter. The three fixed New Orleans games included (1) the game on December 28, 2024, against the McNeese State University Cowboys Men's Basketball Team ("McNeese State"); the game on December 30, 2024, against the Vanderbilt University Commodores Men's Basketball Team ("Vanderbilt"); and the game on January 11, 2025, against the Southeastern Louisiana University Lions Men's Basketball Team ("Southeastern Louisiana").

On May 21, 2025, Jalen Smith consented to a voluntary interview about this scheme with FBI agents. Smith confessed to the criminal activity as described above.

C. The Wire Fraud Scheme

As described above and in the indictment, from at least September 2022, through at least February 2025, Jalen Smith and the other charged defendants engaged in a point-shaving scheme where the defendant basketball players agreed, in exchange for bribes, to fix and influence National Collegiate Athletic Association ("NCAA") and Chinese Basketball Association ("CBA") men's basketball games (although Smith did not participate in the CBA aspect of the

scheme). The defendants who were operating the scheme then placed and caused others to place large wagers through various sportsbooks on those games. In placing these wagers on games they had fixed, the defendants defrauded sportsbooks, as well as individual sports bettors, who were all unaware that the defendants had corruptly manipulated the outcome of these games that should have been decided fairly, based on genuine competition and the best efforts of the players. Likewise, in placing these wagers, the defendants made and caused others to make materially false and misleading representations to the sportsbooks, including that they were placing their wagers without having corruptly manipulated the outcome of those games.

In many instances, the defendants' wagers on the fixed games were successful and were paid out, resulting in financial losses to the sportsbooks. The sportsbooks would not have paid out those wagers had they known that the defendants fixed those games. Individual sports bettors who were unaware that NCAA and CBA players had engaged in a point-shaving scheme, also placed wagers on the fixed games, often on the other side of the wagers placed by the defendants, resulting in financial losses to the individual bettors. Individual bettors also would not have bet on those games as they did if they had known that the defendants had fixed those games.

As charged in Count Five of the indictment, one of the wagers placed in furtherance of the fraud scheme involving fixing NCAA men's basketball games was a wager placed on February 21, 2024, by a co-schemer (working with Shane Hennen) with FanDuel Sportsbook at Live! Casino in Philadelphia, Pennsylvania. The wager was in the amount of \$30,000 and was placed on the St. Bonaventure Bonnies Men's Basketball Team ("St. Bonaventure") to cover the first-half spread in their game against the La Salle Explorers Men's Basketball Team ("La

Salle”) on February 21, 2024. As discussed above, the fixers had attempted to influence this game by attempting to convince players on La Salle to underperform and fail to cover the first-half spread. As part of the co-schemer placing this wager at the casino in Philadelphia, FanDuel Sportsbook processed the wager in Philadelphia electronically through its computer systems, sending signs, signals, and sounds to computer servers in locations outside of Pennsylvania.

D. Possession of a Firearm by a Felon

In May 2025, in connection with the bribery and wire fraud offenses discussed above, FBI agents obtained a federal search warrant for Smith’s residence at 1009 Druid Circle, Charlotte, North Carolina, authorized by a magistrate judge in the Western District of North Carolina (“WDNC”). On May 21, 2025, FBI agents executed the search warrant. While the agents were executing the warrant with Smith present, Smith told the agents that he occupied a back bedroom at the residence and directed the agents to the specific bedroom, which was in the rear, right corner of the residence. During a search of Smith’s bedroom, agents found a Khar Arms CT380 semi-automatic pistol, bearing serial number CAB1225, loaded with 5 live rounds of .380 caliber ammunition, in a hamper underneath some clothing. Agents also found multiple documents confirming the bedroom was Smith’s, including his passport, identification documents, credit cards, and bills with his name. The firearm was later determined to have been reported stolen.

In a voluntary interview with FBI Agents, Smith admitted that the firearm belonged to him but said that he had forgotten that it was in his bedroom. Smith further admitted to purchasing the firearm off the streets a few years ago from an unknown male outside a sneaker

store in Charlotte, North Carolina. Smith stated that the firearm never left his control since he purchased it.

Smith was prohibited from possessing a firearm. At the time he committed the charged firearms offense here (May 21, 2025), and at all times following his prior conviction and sentence described below, Smith knew that he had been convicted on two felony counts of possession with intent to distribute a controlled substance on January 8, 2018, in Watauga County, North Carolina, and was sentenced to 6 to 17 months' imprisonment and 24 months' probation. The government has obtained certified copies of the conviction and judgment from Watauga County.

The Khar Arms CT380 semi-automatic pistol traveled in interstate commerce before its recovery from Smith in Charlotte, North Carolina. Khar Arms CT380s are manufactured in Worcester, Massachusetts at the Kahr Arms production and assembly facility. Furthermore, the government has obtained evidence that this Khar Arms CT380 was originally purchased by an individual other than Smith, from a licensed dealer in Lilburn, Georgia. Agents examined the firearm and determined that it was, in fact, a "firearm," or designed to expel a projectile by the action of an explosive.

V. PLEA AGREEMENT

The parties have executed a plea agreement that will be presented to the Court during a hearing regarding entry of the guilty plea. The agreement includes a supplement to be filed under seal.

VI. CONCLUSION

The government requests that the Court conduct a hearing under Federal Rule of Criminal Procedure 11 and if warranted, then accept the defendant's plea of guilty.

Respectfully submitted,

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/s/ Louis D. Lappen
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CERTIFICATE OF SERVICE

I hereby certify that on this date I caused a true and correct copy of the foregoing Government's Plea Memorandum to be served by e-mail upon the following counsel for the defendant:

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Date: March 6, 2026