

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
CENTRAL DIVISION
LEXINGTON

Eastern District of Kentucky
FILED
DEC 20 2022
AT LEXINGTON
ROBERT R. CARR
CLERK U.S. DISTRICT COURT

CRIMINAL ACTION NO. 22-cr-146-KKC

UNITED STATES OF AMERICA

PLAINTIFF

V.

BINDING PLEA AGREEMENT

GAIGE PHILLIPS

DEFENDANT

* * * * *

1. Pursuant to Federal Rule of Criminal Procedure 11(c), the Defendant will enter a guilty plea to Count 1 of the Information, charging a violation of 21 U.S.C. § 841(a)(1), possession with intent to distribute 500 grams or more of mixture or substance containing methamphetamine; and Count 2 of the Information, charging a violation of 18 U.S.C. § 924(c)(1)(A), possession of a firearm in furtherance of drug trafficking. Pursuant to Rule 11(c)(1)(C), the United States and the Defendant agree to a specific sentence. Pursuant to Rule 11(c)(4), if the Court accepts this plea agreement, the agreed disposition will be included in the judgment. In exchange for the Defendant's guilty plea, the United States will move at sentencing to dismiss the Superseding Indictment and the original Indictment. The Defendant agrees to the forfeiture of the listed property in the Forfeiture Allegations.

2. The essential elements of 21 U.S.C. § 841(a)(1) are:

- (a) Defendant knowingly possessed a mixture or substance containing a detectable amount of a controlled substance.
- (b) Defendant intended to distribute mixture or substance containing the controlled substance to another person. This means he intended to deliver or transfer a controlled substance sometime in the future.
- (c) The controlled substance was methamphetamine and the quantity of the mixture or substance he possessed was 500 grams or more.

The essential elements of 18 U.S.C. § 924(c) are:

- (a) That the defendant committed the drug trafficking crime charged in Count 1 of the Information,
- (b) That the defendant knowingly possessed firearms, and
- (c) That the possession of the firearms was in furtherance of the drug trafficking crime.

3. As to Counts One and Two of the Information, the United States could prove the following facts that establish the essential elements of the offense beyond a reasonable doubt, and the Defendant admits these facts:

On August 18, 2021, in Fayette County in the Eastern District of Kentucky, Lexington Police Department executed a search warrant on a storage unit rented by Defendant. Inside the storage unit was 3.9 kilograms of what lab testing confirmed was 100% pure methamphetamine, a loaded Sig Sauer P365 caliber 9X19 firearm, serial no 66A257178, and three shopping bags of cash totaling \$78,016. Also in the storage unit was 16.4 grams of what lab testing confirmed was fentanyl. The storage unit was rented in Defendant's name, video surveillance showed him going to the storage unit the morning

that the warrant was executed and depositing items, and there was a receipt in the name of Jesse Phillips in one of the bags. Jesse is Defendant's middle name. There was distinctive jewelry found in the unit that Defendant was known to wear based on his own recent social media posts.

Defendant admits that prior to August 18, 2021, he had a conviction for armed robbery under Michigan Code § 750.529 that was imposed by the Third Judicial Circuit Court, State of Michigan, Wayne County in case number 07-020017-01 on or about February 27, 2008, for which he served more than 12 months of imprisonment.

4. Pursuant to 21 U.S.C. §§ 841(b)(1)(A) and 851, the statutory term of imprisonment for a conviction for Count One of the Information is not less than 15 years to life, a fine of \$20,000,000.00, and a term of supervised release of at least 10 years. The statutory term of imprisonment for a conviction for Count Two of the Information is not less than 5 years to not more than life, consecutive to any other sentence imposed, not more than \$250,000 fine, and not more than 5 years supervised release. A mandatory special assessment of \$100 per Count applies, and the Defendant will pay the \$200 assessment to the U.S. District Court Clerk at the time of sentencing.

5. The United States and the Defendant agree to the following sentencing guidelines calculations and specific sentence, which binds the Court upon acceptance of this plea agreement.

(a) The Defendant's sentence of imprisonment shall be 240 months. The Defendant will be placed on supervised release for a term of 10 years on Count 1 following his release from imprisonment. He shall be placed on a term of supervised release of 5 years on Count 2 to run concurrently with

the term of supervised release on Count 1. Any fine will be left to the discretion of the Court. He will pay a \$200 special assessment at sentencing.

6. No agreement exists about the Defendant's criminal history category pursuant to U.S.S.G. Chapter 4.

7. The Defendant waives his right to appeal his guilty plea, conviction, and sentence. Except for claims of ineffective assistance of counsel, the Defendant also waives the right to attack collaterally the guilty plea, conviction, and sentence.

8. The Defendant agrees to cooperate fully with the United States Attorney's Office by making a full and complete financial disclosure. Within 30 days of pleading guilty, the Defendant agrees to complete and sign a financial disclosure statement or affidavit disclosing all assets in which the Defendant has any interest or over which the Defendant exercises control, directly or indirectly, including those held by a spouse, nominee, or other third party, and disclosing any transfer of assets that has taken place within three years preceding the entry of this plea agreement. The Defendant will submit to an examination, which may be taken under oath and may include a polygraph examination. The Defendant will not encumber, transfer, or dispose of any monies, property, or assets under the Defendant's custody or control without written approval from the United States Attorney's Office. If the Defendant is ever incarcerated in connection with this case, the Defendant will participate in the Bureau of Prisons Inmate Financial Responsibility Program, regardless of whether the Court specifically directs participation or imposes a schedule of payments. If the Defendant fails to comply with any of the

provisions of this paragraph, the United States, in its discretion, may refrain from moving the Court pursuant to U.S.S.G. § 3E1.1(b) to reduce the offense level by one additional level, and may argue that the Defendant should not receive a two-level reduction for acceptance of responsibility under U.S.S.G. § 3E1.1(a).

9. The Defendant will forfeit to the United States all interest in the currency listed in the forfeiture allegation of the Information and will execute any documents necessary for this forfeiture. The Defendant also agrees that the ATF administratively forfeited the firearms and ammunition seized from the Defendant and that he received notice of that forfeiture. The Defendant agrees that the United States could prove that a nexus exists between the property and criminal conduct. The Defendant further agrees to waive any and all provisions of Rule 32.2 pertaining to the timing of the filing of forfeiture orders.

10. The Defendant understands and agrees that, pursuant to 18 U.S.C. § 3613, whatever monetary penalties are imposed by the Court will be due and payable immediately and subject to immediate enforcement by the United States. If the Court imposes a schedule of payments, the Defendant agrees that it is merely a minimum schedule of payments and not the only method, nor a limitation on the methods, available to the United States to enforce the judgment. The Defendant waives any requirement for demand of payment on any fine, restitution, or assessment imposed by the Court and agrees that any unpaid obligations will be submitted to the United States Treasury for offset. The Defendant authorizes the United States to obtain the Defendant's credit reports at any time. The Defendant authorizes the U.S. District Court to release funds posted as security for the

Defendant's appearance bond in this case, if any, to be applied to satisfy the Defendant's financial obligations contained in the judgment of the Court.

11. If the Defendant violates any part of this Agreement, the United States may void this Agreement and seek an indictment for any violations of federal laws, and the Defendant waives any right to challenge the initiation of additional federal charges.

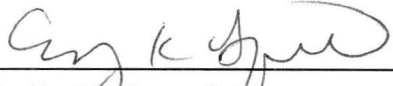
12. This document and the supplement contain the complete and only Plea Agreement between the United States Attorney for the Eastern District of Kentucky and the Defendant. The United States has not made any other promises to the Defendant.

13. This Agreement does not bind the United States Attorney's Offices in other districts, or any other federal, state, or local prosecuting authorities.


14. The Defendant and the Defendant's attorney acknowledge that the Defendant understands this Agreement, that the Defendant's attorney has fully explained this Agreement to the Defendant, and that the Defendant's entry into this Agreement is voluntary.

CARLTON S. SHIER, IV
UNITED STATES ATTORNEY


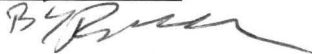
Date: 12-15-22

By: 
Emily K. Greenfield
Assistant United States Attorney

Date: 12-15-22


Gaige Phillips
Defendant

Date: 12/15/22


Russ Baldani 
Attorney for Defendant