

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF BRONX: [Click or tap here to enter text.](#)

THE PEOPLE OF THE STATE OF NEW YORK

-against-

AMERICAN BASE NO.1. INC.

Defendants.

SCI No. _____

CORPORATE PLEA AGREEMENT

DAT B25632007

1. This is the plea and sentence agreement (the “Agreement”) between the New York State Office of the Attorney General (“OAG”), by the Medicaid Fraud Control Unit (“MFCU”), and American Base No. 1 Inc. (“Defendant Corporation”).

2. This Agreement constitutes the entire agreement between OAG and Defendant Corporation. This Agreement supersedes any prior promises, agreements, or conditions between the parties. There are no promises, agreements, or conditions, express or implied, between the parties other than those in this Agreement. No modification, deletion, or addition to this Agreement will be valid or binding on either party unless put into writing and signed by all parties.

3. Defendant Corporation is a New York State corporation formed on or about December 29, 1993, under and pursuant to the laws of the State of New York, including Section 402 of the Business Corporation Law, for the purpose of owning and operating a livery cab company in Bronx County at 3077 Third Avenue. Pursuant to CPL §600.20, Defendant Corporation are represented by GREGORY GALLO, ESQ., (“Counsel”). Counsel, on behalf of Defendant Corporation, represents herein that he has been authorized to make the following representations and enter this plea of guilty on behalf of Defendant Corporation pursuant to CPL § 340.20(3).

4. Counsel, on behalf of Defendant Corporation, acknowledges that OAG has exercised jurisdiction in this matter pursuant to Executive Law Section 63(3) upon request of the Commissioner of the New York State Department of Health. Counsel, on behalf of Defendant Corporation, further acknowledges OAG's lawful authority and discretion to dismiss counts and charges contained within any accusatory instrument filed in any court of competent jurisdiction, including those filed further to this Agreement.

5. The Agreement is limited to OAG and cannot bind any other government agencies.

6. The Agreement will take effect when signed by all the parties listed below, and when, and if, approved by the Court presiding over *People v. Jose Ortiz, et al.*, SCI Number _____.

FACTUAL BASIS AND PLEA

7. Counsel, on behalf of Defendant Corporation, agrees to enter a plea guilty to the crime of Grand Larceny in the Third Degree (Penal Law §155.30(1) a class E felony), to cover and satisfy SCI No. _____, based on the facts and admissions in the Allocution attached to this Agreement as Exhibit A.

ALLOCUTION

8. Upon the entry of the corporate guilty pleas, Counsel, on behalf of Defendant Corporation will acknowledge as true the facts in the Allocution attached to this Agreement as Exhibit A.

SENTENCE

9. Counsel on behalf of Defendant Corporation understands that at the time of Defendant Corporation's sentencing, according to the plea described in paragraph 7 above, if

Defendants fully comply with the terms and provisions of the Agreement, OAG shall recommend to the Court on Defendant Corporation's plea to Grand Larceny in the Third Degree, under SCI No. _____ sentence Defendant Corporation to a conditional discharge.

RESTITUTION

9. Counsel, on behalf of Defendant Corporation, represents that counsel has been authorized to waive Defendant Corporation's right to a restitution hearing under Penal Law § 60.27(2) and that Defendant Corporation shall be jointly and severally liable, with co-defendant Jose Ortiz, to pay restitution in the amount of at least approximately Four Million Seven Hundred and Seventy Five Thousand Eight Hundred and Sixty Nine Dollars and Sixty One Cents (\$4,775,869.61)(the "Restitution Amount") pursuant to the terms and conditions set forth in a separate settlement agreement.

Defendant Agrees to Surrender as Restitution All Monies on Withhold

10. Defendant consents to the transfer and payment to MFCU of all monies currently held on withhold by the New York State Department of Health ("DOH") in partial satisfaction of the Restitution Amount. The Withhold Amount, which as of May 10, 2025, totaled Four Million, Seventy-Six Thousand Two Hundred Eighty-Nine Dollars and 31 cents (\$4,076,289.31), and further waive any and all right, title, or interest that Defendant or American Base No. 1 Inc. have to the Withhold Amount;

11. MFCU will request that DOH transfer the Withhold Amount to MFCU as soon as practicable pursuant to this Agreement, and Defendant or American Base No. 1 Inc. agree to cooperate with MFCU, DOH, Office of the Medicaid Inspector General ("OMIG") and other representatives of the State effectuating the transfer of the Withhold Amount to MFCU, including but not limited to, executing any documents necessary to effectuate the transfer;

12. All Withhold funds transferred and paid to the State shall be applied and credited toward Defendant's payment of the Restitution Amount.

WAIVER OF DISCOVERY

13. Counsel on behalf of Defendant Corporations, acknowledges that pursuant to CPL Article 245, Defendant Corporation is entitled to certain discovery and that OAG did not condition this plea offer on Defendant Corporation's waiver of discovery.

14. Pursuant to CPL Article 245, OAG provided discovery to Defendant Corporation on or about December 12, 2024. Defendant Corporation waive its right to any and all discovery not previously disclosed by OAG.

WAIVER OF RIGHT TO TRIAL BY JURY AND RELATED TERMS

15. Counsel on behalf of Defendant Corporation acknowledges that Defendant Corporation has waived the right to a trial by jury.

WAIVER OF RIGHT TO APPEAL

16. Counsel on behalf of Defendant Corporation shall waive all rights of appeal or review, except for those claims which cannot be waived as described in paragraph 17 below.

17. Counsel on behalf of Defendant Corporation understands that certain claims cannot be waived, including: involuntariness of the plea; involuntariness or invalidity of the waiver of appeal; ineffective assistance of counsel that goes to the voluntariness of the plea or waiver; illegality of the sentence imposed; lack of jurisdiction of the court; violation of the constitutional right to speedy trial. Counsel on behalf of Defendant Corporation understands that by waiving Defendant Corporations' right to appeal, Defendant Corporation would not be giving up the right to take an appeal and argue claims that by law cannot be waived.

EXCLUSION FROM GOVERNMENT HEALTHCARE PROGRAMS

18. Counsel, on behalf of Defendant Corporation, acknowledges that, pursuant to this agreement, Defendant Corporation may be “excluded” from and barred from participating in Medicaid and may be “excluded” from any other federal or state health care program, including Medicare. Counsel on behalf of Defendant Corporation understands that any action made by any federal or state agency regarding the Defendant Corporation’s ability to participate as a provider in any government-funded health care programs as a result of its plea will not be grounds for the Defendant Corporation to withdraw its plea of guilty.

AGREEMENT NOT BINDING ON OTHER AGENCIES

19. This Agreement is limited to OAG and cannot bind other government agencies.

Dated: New York, New York

June 19, 2025

LETITIA JAMES
Attorney General of the State of New York

By: Twana Bounds
Twana Bounds
Special Assistant Attorney General
Medicaid Fraud Control Unit
28 Liberty Street
New York, New York 10005
Tel: (212) 417-2194

I am counsel for Defendant (Corporations) in this action. I have had a full and sufficient opportunity to consult with the owner of Defendants American Base No. 1 Inc. and am authorized by the owner to enter this plea of guilty on its behalf.



GREGORY GALLO, Esq.
Attorney for American Base No. 1

6-18-2025

Date

