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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
LAKE CHARLES DIVISION

UNITED STATES OF AMERICA * CRIMINAL NO. 2:04CR20075-01
v. * JUDGE MELANÇON
GREGORY JAMES CATON * MAGISTRATE JUDGE HILL

RULE 11(f) FACTUAL STIPULATION

NOW INTO COURT come the United States of America through the undersigned Assistant United States Attorney, the defendant, GREGORY JAMES CATON, and undersigned defense counsel, who, for the purpose of satisfying the requirements of Federal Rule of Criminal Procedure 11(f), do stipulate as follows:

From on or about the year 1999 and continuing until on or about September 17, 2003, in the Western District of Louisiana, at Lake Charles, Louisiana, and elsewhere, GREGORY JAMES CATON, hereinafter referred to as the defendant, aided and abetted by others, did knowingly devise a scheme and artifice to defraud and executed the scheme and artifice through the use for commercial carriers traveling in interstate commerce. The scheme and artifice being effected by the defendant and his employee's utilization of an Internet site (named Alpha Omega Labs) to take direct orders for chemical substances represented to have some medicinal qualities, but not approved for sale by the U.S.

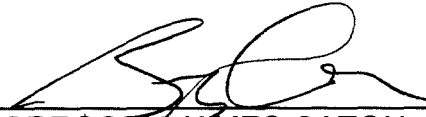
(8)

Federal Drug Administration. By taking orders for these chemical substances and causing them to be delivered by interstate commercial carriers (United Parcel Service, UPS), the defendant was introducing unapproved new drugs into interstate commerce. As a result of executing his scheme and artifice to defraud the defendant received approximately \$950,000 dollars. On at least two occasions known to the United States, the items shipped by the defendant and utilized by the two victims who ordered the chemicals, resulted in bodily injury and harm to them. One such shipment occurred on or about September 20, 2001, wherein UPS delivered a substance named H3o from Lake Charles, Louisiana, to a victim, Sue Gilliatt, in Indianapolis, Indiana, in violation of Title 18, United States Code, Sections 1341 and 2. The defendant also introduced an unapproved new drug into interstate commerce, when on or about September 19, 2001, he caused the shipment of a four-ounce bottle of Cansema Tonic III by UPS from Lake Charles, Louisiana, to Plantation, Florida, in violation of Title 21, United States Code, Sections 331(d), 355(a), and 333(a)(2).


In order to facilitate the scheme and the artifice to defraud, the defendant purchased buildings at the two locations described in Paragraph A.1 and 2 of Count 3, of the Bill of Information. The property described in Paragraph A.3 of Count 3 of the Bill of Information was purchased with funds derived from the scheme and artifice to defraud. For those

reasons, the properties described in Paragraph A 1, 2, and 3 are assets subject to the forfeiture pursuant to law.


This agreed to and signed, this 26th day of May, 2004, at Lafayette, Louisiana.



GREGORY JAMES CATON
DEFENDANT



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