FILED
October 05, 2026
CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY: JH
DEPUTY

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

UNITED STATES OF AMERICA,	§	
	§	
	§	
Plaintiff,	§	
	§	
V.	§	CRIM. CASE NO. SA-25-CR-00399-FB
	§	
JOSHUA ALLEN and MICHAEL COX,	§	
	§	
Defendants.	§	

OPINION AND ORDER
ON
MOTION FOR RECONSIDERATION OF DETENTION

Before the Court are Joshua Allen's Motion for Reconsideration of Detention (ECF No. 162) and a similar letter request from a friend of Michael Cox (ECF No. 161.) The United States has responded.

By way of background, Messrs. Allen and Cox were indicted by their fellow citizen grand jurors on four counts alleging financial crimes of stealing tens of millions of life savings dollars from hundreds of people, otherwise known as an investment Ponzi/robbing Peter to pay Paul scheme benefitting Defendants to the detriment of investors, some of whom were friends and fellow church members. A jury of their peers heard evidence from dozens of alleged victims and forensic accounting witnesses for the United States and the Defendants plus hundreds of exhibits. The jury returned a verdict of guilty on all four counts in an hour and a half including time for lunch and to select a presiding juror. The Court infers that righteous indignation was present in the jury room, as it is in the Court's chambers.

The Court interprets Defendants to be asking for the secular equivalent of biblical acts of grace and mercy. Notwithstanding undisputed evidence of Defendants' invocation of Jesus of Nazareth

and "God bless" in their marketing strategy, there is no evidence of Defendants granting grace and mercy to the victims. Jesus said when his followers help the least of those among us, "you do it unto me." *Matthew* 25:35-40. No doubt he would say when you steal from the least of those among us[1] so also "you do it unto me," antithetical to the Christian beliefs espoused by Defendants.

The Court concurs with witnesses for Mr. Cox that he has had a positive effect on many lives, that Mr. Allen was a competent and trusted CPA for his clients and that both men are devoted to their wives and children who will be financially devastated by this case. So also are the hundreds of victims, reminiscent of Mr. Shakespeare's observation "The evil that men do lives after them. The good is often interred with their bones." WILLIAM SHAKESPEARE, JULIUS CAESAR act 3, sc. 2.; *see also Isaiah* 14:12-15; *Ezekiel* 28:12-19. What will never be known is whether deceased victims' lives were cut short, be it correlation or causation, by stress endured from Defendants' criminal thievery of their financial security and what generational wealth they could have left to children and grandchildren who will never know Defendants, but will suffer the perpetuation of their evil. "The sins of the father are to be laid upon the children." WILLIAM SHAKESPEARE, THE MERCHANT OF VENICE act 3, sc. 5; see also *Numbers* 14:18 and *Exodus* 34:7.

This Court's criteria for bond pending sentencing and self-surrender are:

1. Flight risk. The Court finds neither Defendant is a risk of flight because the only countries they could escape to without extradition treaties with the United States are not places they would want to live and their lives would be in danger.

2. Defendants who accept responsibility and waive their right to appeal such as Co-Defendant Brooklyn Chandler Willy. Neither Mr. Allen nor Mr. Cox have done so. While the Court does not require Old Testament "sackcloth and ashes," there is no evidence of sincere remorse from either Defendant; *see also Daniel* 9:3.

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[1]The Court particularly recalls the infirm and aged victims, Richard Pickett and Gary Crim.

3. Defendants who cooperate with the United States and victims' counsel to locate and disgorge hidden assets or trust funds benefitting Defendants' families with stolen money. While Texas court receivers have recovered pennies on the dollar for victims, there is no indication, Defendants Allen and Cox have assisted. Ms. Willy on the other hand has voluntarily deposited $950,000 into the registry of the Court for restitution.

4. Regarding managing their affairs going forward, no doubt very competent and professional counsel advised Defendants of the worst-case scenario. If Messrs. Allen and Cox chose not to listen and act upon such sound advice, it was their choice. They still have the option of executing appropriate documents, such as powers of attorney to their spouses or family lawyers.

5. The possibility of suicide recalls judicial mistakes which thwarted justice and which this Court will not make again:

> A. Two wealthy men accustomed to living in million dollar homes were looking at only ten years in prison compared to life possibly for Mr. Allen and Mr. Cox. The corporate victim was made whole of its $10 million loss by recovered assets and a bond. Nevertheless, one Defendant drove to a rural area and gut shot himself, leaving responders to clean up the mess and a distraught family. His Co-Defendant checked into an upscale hotel. After consuming a bottle of alcohol and a bag of pharmaceuticals, including a large amount of Viagra, the police report of what the housekeeper discovered gives new meaning to the medical term "rigor mortis" and the vernacular "stiff."
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> B. A purchasing manager of a telecom company accepted responsibility for a $6 million kickback scheme. Similarly, the corporate victim recovered funds. Apparently, the Defendant did not want to spend a few years in prison. Instead, she chose Olympic diving though it was from the upper floor of a San Antonio parking garage.
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> C. The scion of a wealthy San Antonio restaurant family succumbed to the "S" in GAS (Greed, Addiction, and Sex, as in child pornography.) Unlike most such Defendants, the Court allowed him to be in a halfway house. On his way to be sentenced, he persuaded his lawyer to go by his home to get "some papers," which became a gun. As the Defendant pulled the trigger, he flinched, resulting not in death, but paraplegia for life. Nevertheless, the Defendant was sentenced in a wheelchair by the Court to ten years in prison which he served at great taxpayer expense.

Here, Defendants Allen and Cox are looking not at ten years in prison, but twenty to eighty, most if not all of the rest of their lives. The Court has sympathy for Defendants' families as it does for all spouses and children whose partners and fathers make choices to become federal felons at the expense of others. Defendants perhaps planned contingencies for early death because of disease or

accident by virtue of life insurance policies. Those usually have incontestable suicide clauses after two years, another motivation for Defendants to harm themselves in order to help their families. The Defendants have been incarcerated for several weeks and likely many more years of loss of freedom. The option of "checking out" from "three hots and a cot" looms large.

Mr. Allen and Mr. Cox raise the issue of communicating with counsel in preparation for sentencing on December 10, 2026. United States Probation is ORDERED and will proceed with all due speed to present the presentence report to Defendants and counsel.

Even if Defendants were in home confinement in Lubbock, their counsel are in Dallas and San Antonio. Given Defendants lack of funds to pay for counsel's travel, preparation would have to be done by available technology. The same can be accomplished between counsel and Defendants where they are incarcerated. The Court expects and will require United States Marshal Service and the Karnes facility to accommodate communications between Defendants and their counsel.

Also militating against Defendant Allen's motion is the response of the United States presenting a supporting affidavit by the lead Internal Revenue agent referring to credible testimony from a victim witness at trial that Defendant Allen sought to obstruct justice with a forged document, but without knowledge of his quite capable and ethical counsel, confirmed regarding the latter by counsel for the United States. Though unlikely Defendant Allen will be indicted on an additional charge of obstruction of justice, the Court will take the allegation and evidence into account at sentencing in addition to whether either or neither Defendant reported the stolen funds on their federal income tax returns. *See Capone v. United States*, 51 F.2d 609 (7th Cir.), *cert denied*, 284 U.S. 669 (1931).

Mercy denied by Defendants to their victims.

Mercy denied by the Court to Defendants.

Accordingly, Defendants' requests for bond and self-surrender (ECF Nos. 161 & 162) are DENIED.

It is so ORDERED.

SIGNED this 5th day of October, 2026.

FRED BIERY
UNITED STATES DISTRICT JUDGE
Amos 5:24