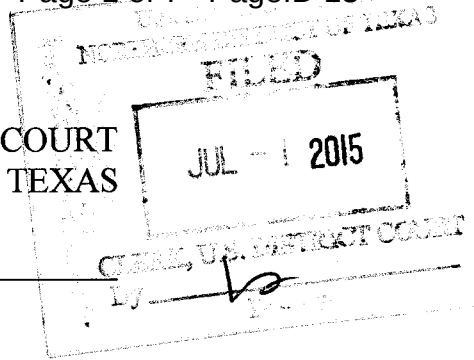


IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



UNITED STATES OF AMERICA

v.

KAREN MANNING (01)

No. 3:15-CR-286-N

PLEA AGREEMENT

Defendant Karen Manning, the defendant's attorney, John W. Sweeney, Jr., and the United States of America (the government), agree as follows:

1. **Rights of the defendant:** Manning understands that she has the rights
 - a. to have the case against her presented to a federal grand jury;
 - b. to plead not guilty;
 - c. to have a trial by jury;
 - d. to have her guilt proven beyond a reasonable doubt;
 - e. to confront and cross-examine witnesses and to call witnesses in her defense; and
 - f. against compelled self-incrimination.
2. **Waiver of rights and plea of guilty:** Manning waives these rights and pleads guilty to the offense alleged in Count One of the Information, charging a violation of 26 U.S.C. § 7206(1), that is, Subscribing to a False and Fraudulent United States Individual Income Tax Return. Manning understands the nature and elements of the

crime to which she is pleading guilty, and agrees that the factual resume she has signed is true and will be submitted as evidence.

3. **Sentence:** The maximum penalties the Court can impose include:

- a. imprisonment for a period not to exceed 3 years;
- b. a fine not more than \$100,000;
- c. a term of supervised release of not more than 1 year, which may be mandatory under the law and will follow any term of imprisonment. If Manning violates the conditions of supervised release, she could be imprisoned for the entire term of supervised release;
- d. a mandatory special assessment of \$100;
- e. restitution to victims or to the community, which may be mandatory under the law, and which Manning agrees may include restitution arising from all relevant conduct, not limited to that arising from the offense of conviction alone;
- f. costs of incarceration and supervision; and

4. **Court's sentencing discretion and role of the Guidelines:** Manning understands that the sentence in this case will be imposed by the Court after consideration of the United States Sentencing Guidelines. The guidelines are not binding on the Court, but are advisory only. Manning has reviewed the guidelines with her attorney, but understands no one can predict with certainty the outcome of the Court's consideration of the guidelines in this case. Manning will not be allowed to withdraw her plea if her sentence is higher than expected. Manning fully understands that the actual sentence imposed (so long as it is within the statutory maximum) is solely in the discretion of the Court.

5. **Mandatory special assessment:** Prior to sentencing, Manning agrees to pay to the U.S. District Clerk the amount of \$100, in satisfaction of the mandatory special assessment in this case.

6. **Restitution:** Manning understands that restitution will not be limited to losses stemming from the offense of conviction alone. Pursuant to 18 U.S.C. § 3663(a)(3), the defendant agrees to pay restitution for losses resulting from all of her criminal conduct, including conduct related to any dismissed counts or uncharged offenses and other criminal conduct related or similar to her offense of conviction, regardless of the resulting loss amount or whether such conduct constitutes an “offense” under 18 U.S.C. §§ 2259, 3663, or 3663A. Specifically, Manning understands that she will owe restitution for the unpaid taxes on at least \$258,647 of income she failed to report for the calendar tax years 2007 through 2010. The defendant understands that such restitution will be included in the court’s judgment order, and an unanticipated amount in the restitution order will not serve as grounds to withdraw the defendant’s guilty plea.

7. **Defendant’s agreement:** Manning shall give complete and truthful information and/or testimony concerning her participation in the offense of conviction and the specific acts underlying and related to Manning’s plea of guilty. Upon demand, Manning shall submit a personal financial statement under oath and submit to interviews by the government and the U.S. Probation Office regarding her capacity to satisfy any fines or restitution. Manning expressly authorizes the United States Attorney’s Office to immediately obtain a credit report on her in order to evaluate her ability to satisfy any financial obligation imposed by the Court. Manning fully understands that any financial

obligation imposed by the court, including a restitution order and/or the implementation of a fine, is due and payable immediately. In the event the Court imposes a schedule for payment of restitution, Manning agrees that such a schedule represents a minimum payment obligation and does not preclude the U.S. Attorney's Office from pursuing any other means by which to satisfy Manning's full and immediately enforceable financial obligation. Manning understands that she has a continuing obligation to pay in full as soon as possible any financial obligation imposed by the court.

8. **Government's agreement:** The government will not bring any additional charges against Manning based upon the specific acts underlying and related to Manning's plea of guilty. The government will file a Supplement in this case, as is routinely done in every case, even though there may or may not be any additional terms. This agreement is limited to the United States Attorney's Office for the Northern District of Texas and does not bind any other federal, state, or local prosecuting authorities. This agreement does not prohibit any civil or administrative proceeding against Manning or any property, nor does it prohibit prosecution for any act committed subsequent to the charged activity or while the defendant is free pending sentence.

9. **Violation of agreement:** Manning understands that if she violates any provision of this agreement, or if her guilty plea is vacated or withdrawn, the government will be free from any obligations of the agreement and free to prosecute Manning for all offenses of which it has knowledge. In such event, Manning waives any objections based upon delay in prosecution. If the plea is vacated or withdrawn for any reason other than a finding that it was involuntary, Manning also waives objection to the use against her of

any information or statements she has provided to the government, and any resulting leads.

10. **Voluntary plea:** This plea of guilty is freely and voluntarily made and is not the result of force or threats, or of promises apart from those set forth in this plea agreement. There have been no guarantees or promises from anyone as to what sentence the Court will impose.

11. **Waiver of right to appeal or otherwise challenge sentence:** Manning waives her rights, conferred by 28 U.S.C. § 1291 and 18 U.S.C. § 3742, to appeal from her conviction and sentence. She further waives her right to contest her conviction and sentence in any collateral proceedings under 28 U.S.C. § 2241 and 28 U.S.C. § 2255. Manning, however, reserves the rights (a) to bring a direct appeal of (i) a sentence exceeding the statutory maximum punishment, or (ii) an arithmetic error at sentencing, (b) to challenge the voluntariness of her plea of guilty or this waiver, and (c) to bring a claim of ineffective assistance of counsel.

12. **Waiver of the Statute of Limitations and Speedy Trial:** The defendant knowingly and intentionally, and with advice of counsel, waives any defense arising from (1) the computation of time related to any applicable statute of limitations for any violation of 26 U.S.C. § 7206(1) as charged in the information and (2) the right to a speedy trial.

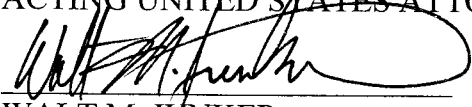
13. **Representation of counsel:** Manning has thoroughly reviewed all legal and factual aspects of this case with her lawyer and is fully satisfied with that lawyer's legal representation. Manning has received from her lawyer explanations satisfactory to her

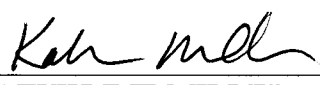
concerning each paragraph of this plea agreement, each of her rights affected by this agreement, and the alternatives available to her other than entering into this agreement. Because she concedes that she is guilty, and after conferring with her lawyer, Manning has concluded that it is in her best interest to enter into this plea agreement and all its terms, rather than to proceed to trial in this case.

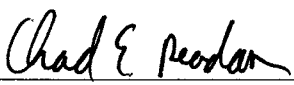
14. **Entirety of agreement:** This document is a complete statement of the parties' agreement and may not be modified unless the modification is in writing and signed by all parties. This agreement supersedes any and all other promises, representations, understandings, and agreements that are or were made between the parties at any time before the guilty plea is entered in court. No promises or representations have been made by the United States except as set forth in writing in this plea agreement.

AGREED TO AND SIGNED this 4th day of June, 2015.

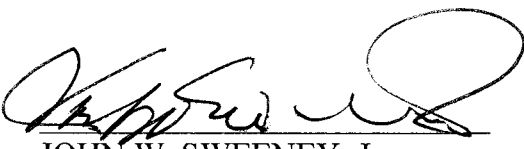
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Deputy Criminal Chief


CHAD E. MEACHAM
Criminal Chief


KAREN MANNING
Defendant


JOHN W. SWEENEY, Jr.
Attorney for Defendant

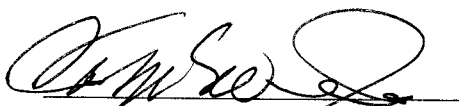
CERTIFICATE

I have read (or had read to me) this Plea Agreement and have carefully reviewed every part of it with my attorney. I fully understand it and voluntarily agree to it.


KAREN MANNING
Defendant

6/4/15
Date

I am the defendant's counsel. I have carefully reviewed every part of this Plea Agreement with the defendant. To my knowledge and belief, my client's decision to enter into this Plea Agreement is an informed and voluntary one.


JOHN W. SWEENEY, Jr.
Attorney for Defendant

6/4/15
Date