

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE MIDDLE DISTRICT OF ALABAMA
EASTERN DIVISION

UNITED STATES OF AMERICA)
)
 v.) CR. NO. 3:13cr105-WKW
)
BRADFORD LAMAR DALEY)

PLEA AGREEMENT

DEFENSE COUNSEL: SUSAN G. JAMES
 JEFFERY C. DUFFEY

ASSISTANT U.S. ATTORNEY: DONALD VALESKA

COUNTS AND STATUTES CHARGED:

Count 1 18 U.S.C. § 1341 – Mail Fraud
 18 U.S.C. § 1343 – Wire Fraud
 18 U.S.C. § 1349 – Conspiracy to Commit Mail Fraud & Wire Fraud

Counts 2-9 18 U.S.C. § 1341 – Mail Fraud

Counts 10-21 18 U.S.C. § 1957(a) Money Laundering

Counts 22-24 26 U.S.C. § 7206(1) Tax Fraud

COUNTS TO WHICH PLEADING GUILTY PURSUANT TO PLEA AGREEMENT:

Count 1 18 U.S.C. § 1349 Conspiracy to Commit Mail Fraud & Wire Fraud

Count 10 18 U.S.C. § 1957(a) Money Laundering

Count 23 26 U.S.C. § 7206(1) Tax Fraud

Forfeiture Allegations 1 & 2

ELEMENTS OF THE OFFENSE(S):

18 U.S.C. § 1341 Mail Fraud

1. Defendant knowingly devised or participated in a scheme to defraud, or for obtaining money or property by means of false pretenses, representations or promises;
2. The false pretenses, representations or promises related to a material fact;
3. The defendant did so willfully and with an intent to defraud; and
4. Defendant used the United States Postal Service by mailing or by causing to be mailed some matter or thing, or taking or receiving such a matter or thing from the mail for the purpose of executing the scheme to defraud.

18 U.S.C. § 1343 – Wire Fraud

1. Defendant knowingly devised or participated in a scheme to defraud, or for obtaining money or property by means of false pretenses, representations, or promises;
2. The false pretenses, representations, or promises related to a material fact;
3. The defendant did so willfully and with an intent to defraud; and
4. Defendant transmitted or caused to be transmitted by wire in interstate commerce some communication for the purpose of executing the scheme to defraud.

18 U.S.C. § 1349 – Conspiracy to Commit Mail and Wire Fraud

1. Two or more persons in some way or manner, came to a mutual understanding to try to accomplish a common and unlawful plan, as charged in the indictment;
2. The defendant, knowing the unlawful purpose of the plan, willfully joined in it; and

3. The object of the unlawful plan was to commit wire or mail fraud, as charged.

18 U.S.C. § 1957(a) Money Laundering

1. Defendant knowingly engaged or attempted to engage in a monetary transaction in criminally derived property.
2. The value of the property was greater than \$10,000.
3. The property was derived from specified unlawful activity.

26 U.S.C. § 7206(1) Tax Fraud

1. Defendant willfully made a return, statement or other document.
2. Document is verified by written declaration made under the penalty of perjury.
3. Defendant knew declaration was not true and correct as to every material matter.

PENALTIES BY COUNT - MAXIMUM PENALTY:

- Count 1 18 U.S.C. § 1341, 1343, 1349:
A term of imprisonment which may not be more than 20 years; a fine not to exceed \$250,000.00, or both a fine and imprisonment; a period of supervised release not to exceed five years; an assessment fee of \$100.00; and a contribution to VWPA.
- Count 10 18 U.S.C. § 1957(a):
A term of imprisonment which may not be more than 10 years; a fine not to exceed \$250,000, or both a fine and imprisonment; a period of supervised release not to exceed three years; an assessment fee of \$100.00; and a contribution to VWPA.
- Count 23 26 U.S.C. § 7206(1):
A term of imprisonment which may not be more than 3 years; a fine not to exceed \$250,000, or both a fine and imprisonment; a period of supervised release not to exceed one year; an assessment fee of \$100.00; and a contribution to VWPA.

Forfeiture Allegations 1 & 2

Donald Valeska, Assistant United States Attorney, and Susan G. James and Jeffery C. Duffey Esq., attorneys for the Defendant, pursuant to Rules 11(c)(1)(A) and 11(c)(1)(C) Federal Rules of Criminal Procedure, as Amended, have, with the authorization of the undersigned defendant, heretofore entered into discussions with a view towards reaching a pretrial conclusion of the charges pending in the Indictment herein and a Plea Agreement has been reached by said parties. The parties understand that, if the terms of the Plea Agreement are not accepted by the Court, the defendant will be allowed to withdraw the defendant's plea of guilty and proceed to trial. If the Court accepts this agreement, however, and defendant thereafter breaches this agreement, his guilty plea may not be withdrawn.

A. UPON ENTERING A PLEA OF GUILTY BY THE DEFENDANT TO THE OFFENSES CHARGES IN COUNT 1, COUNT 10, COUNT 23 AND AGREEING TO - FORFEITURE ALLEGATIONS 1 & 2 OF THE INDICTMENT, THE GOVERNMENT AND THE DEFENDANT MUTUALLY AGREE AS FOLLOWS:

1. The Government will agree that a two-level reduction in the applicable offense level pursuant to U.S.S.G. § 3E1.1(a) for the defendant's acceptance of responsibility is appropriate, so long as the defendant does not obstruct justice or otherwise fail to accept responsibility for the offense conduct. Should the Government find the defendant assisted authorities in the investigation or prosecution of the defendant's own misconduct by timely notifying authorities of the defendant's intention to enter a plea of guilty, thereby permitting the Government to avoid preparing for trial and permitting the Government and this Court to allocate their resources efficiently, and if the defendant otherwise qualifies, the Government will move at sentencing for a further reduction of one level, pursuant to U.S.S.G. § 3E1.1(b). Determination

of whether the defendant met his obligation to qualify for the reduction pursuant to U.S.S.G. § 3E1.1 is at the sole discretion of the Government.

2. The Government reserves the right to inform the Court and the Probation Office of all facts pertinent to the sentencing process, including all relevant information concerning the offense and the defendant's background.

B. THE DEFENDANT AGREES TO THE FOLLOWING:

1. To plead guilty to Counts 1, 10, 23, and the Forfeiture allegations 1 & 2 of the Indictment.

2. Not to commit any other federal, state, or local offense while awaiting sentencing, whether that offense is charged or chargeable or not. Such criminal activity would include, but is not limited to, witness tampering, or facilitation of any other criminal activity. Determination of whether defendant's conduct is a violation of this provision is at the complete discretion of the Government.

3. The defendant recognizes that the facts used to determine the defendant's Guidelines offense level and sentence will be found by the Court at sentencing by a preponderance of the evidence and that the Court may consider any reliable evidence, including hearsay.

FACTUAL BASIS FOR PLEA UNDER MAIL FRAUD CONSPIRACY- COUNT ONE

1. Court Mediation Services (CMS) was owned and operated by BRADFORD LAMAR DALEY, who began conducting business from Post Office Box 1609, Phenix City, Alabama in September, 2005. On or about February 6, 2009, the Alabama Securities Commission issued a Cease and Desist Order against CMS and Daley. Shortly thereafter, Daley moved CMS' operations to Columbus, Georgia. During some of this time, CMS maintained a bank account in

the name of Bradford L. Daley, DBA Court Mediation Services at Phenix-Girard Bank in Phenix City, Alabama.

2. On or about February 12, 2009, TERRILL YARHAM (Yarham) opened a P.O. Box in Springfield, Missouri in the name of Integrity Debt Option Group (IDOG) to solicit customers to sign up for CMS's services. Yarham was also identified as the Marketing Manager for CMS, and representative for BRADFORD LAMAR DALEY.

3. Beginning sometime in 2005 and continuing to on or about February 2011, in Russell County, in the Middle District of Alabama, and elsewhere, BRADFORD LAMAR DALEY, and TERRIL YARHAM agreed to script a statement and use the statement and other means to solicit persons to enroll in a debt elimination program (DEP) and to obtain fees from persons who they enrolled in their Debt Elimination Program. To market and to sell the DEP, Daley and Yarham used brokers and the internet to solicit individuals to enroll into the Debt Elimination Program based on the representations, among others, that this program would eliminate these individuals' consumer debts; that CMS would assume the consumers' debts; free the consumers from having to deal with the debts; make collection agencies stop calling them; go to court for them if sued and, ultimately, assume the individuals' consumer debts;

4. More specifically, BRADFORD LAMAR DALEY and TERRIL YARHAM would represent to individuals that for a payment of between \$2,500 to \$5,000 BRADFORD LAMAR DALEY and/or CMS would assume the individuals' unsecured debt, including credit cards, signature loans, business and personal loans; that

5. BRADFORD LAMAR DALEY and TERRIL YARHAM would provide individuals with Purchase Agreements and Notices of Assignment of Debt, along with other documents, to support their false claims of assuming the consumers' debt; that

6. BRADFORD LAMAR DALEY and TERRIL YARHAM would instruct individuals who were not behind on their debt payments to write a check to CMS for their credit card companies' minimum payment, plus \$43.00 per account. Individuals who were behind on their debt payments were told to write a check to CMS for 2% of the debt plus \$43.00 per account; that

7. BRADFORD LAMAR DALEY and TERRIL YARHAM would then cause CMS to write a check to the lender with an endorsement on the back of the check which purported to change the debt's minimal monthly payment to \$10 per month and change the interest rate of the debt to zero. BRADFORD LAMAR DALEY and TERRIL YARHAM would tell individuals that once the lender cashed the payment check the lender accepted the new terms and the individuals' consumer debts would be assigned to CMS and/or BRADLEY LAMAR DALEY; that

8. BRADFORD LAMAR DALEY and TERRIL YARHAM would also represent to individuals that once the lender cashed the check and accepted the new terms, but then acted in a manner inconsistent with the new terms, financial penalties would accrue in favor of the individuals and against the creditors that could be used to offset the debt; and

9. On occasion, BRADFORD LAMAR DALEY and/or TERRIL YARHAM would tell the individuals that CMS would pay off their debt if changing the terms and conditions did not work; or that in the event they were sued, CMS would go to court for them and the individuals would not have to go to court or otherwise be concerned about the proceeding;

10. As part of the CMS process, BRADFORD LAMAR DALEY and TERRIL YARHAM changed the addresses of the consumer to an address controlled by CMS and BRADFORD LAMAR DALEY in Phenix City, Alabama (and later in Springfield, Missouri) and

used the United States Mails to send and receive complete Enrollment Forms and Enrollment Fees, Purchase Agreements and Notice of Assignment of Debt, and other documents to further their scheme;

11. The statements and promises made to the individuals were false in that neither CMS, nor Daley nor Yarham assumed the debt of any individual; nor did CMS, nor Daley nor Yarham reach new agreements with any creditors; nor did CMS, nor Daley nor Yarham obtain judgments in counterclaims nor obtain financial penalties against creditors; nor prevent harassment from creditors, nor prevent nor handle collection letters nor lawsuits filed by creditors.

12. To execute the DEP, and in furtherance of the promotion, marketing and operation of this false Debt Elimination Scheme, Daley and Yarham, acting individually, or in concert with each other and others, caused specific documents, communications and contracts to be deposited and received in the United States Postal service in the Middle District of Alabama and elsewhere, including but not limited to the following:

(a) On or about May 30, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY caused a Purchase Agreement to be delivered by mail and private and commercial carrier from A.C. in Bessemer, Alabama, to CMS in Phenix City, Alabama.;

(b) On or about August 14, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY caused a Purchase Agreement to be delivered by mail and private and commercial carrier from W.B. & M.B. in Buford, Georgia to CMS in Phenix City, Alabama;

(c) On or about May 28, 2008, in Russell County, Alabama and elsewhere BRADFORD LAMAR DALEY and TERRIL YARHAM caused a Purchase Agreement to be delivered by

mail and private and commercial carrier from B.P., in Clarksville, Tennessee, to CMS in Phenix City, Alabama;

(d) On or about September 30, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY and TERRIL YARHAM caused a Purchase Agreement to be delivered by mail and private and commercial carrier from C.P. in Clarksville, Tennessee, to CMS in Phenix City, Alabama;

(e) On or about September 24, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY caused a Purchase Agreement to be delivered by mail and private and commercial carrier from E.L. in Gray, Tennessee, to CMS in Phenix City, Alabama;

(f) On or about May 20, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY caused a Purchase Agreement to be delivered by mail and private and commercial carrier from A.S. & L.S. in Cumming, Georgia, to CMS in Phenix City, Alabama;

(g) On or about November 3, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY caused a Purchase Agreement to be delivered by mail and private and commercial carrier from M.S. in Athens, Alabama, to CMS in Phenix City, Alabama;

(h) On or about August 20, 2008, in Russell County, Alabama, and elsewhere BRADFORD LAMAR DALEY caused a Purchase Agreement to be delivered by mail and private and commercial carrier from J.M. in Villa Rica, Georgia, to CMS in Phenix City, Alabama.

(i) Daley and Yarham collected approximately \$5,873,521 in fees and income from the consumers and individuals to whom they marketed the Debt Elimination Program.

FACTUAL BASIS FOR MONEY LAUNDERING- COUNT TEN (10)

1. The Defendant agrees that the funds described in Count Ten (10) of the Indictment were derived from the proceeds of the Mail Fraud Conspiracy described in Count One (1).
2. The Defendant agrees that the funds described in Count Ten (10), together with other funds, were used to purchase the assets, or make the expenditures, as described under the factual basis for the Judgment of Forfeiture, hereinafter stated.

FACTUAL BASIS FOR PLEA TO TAX EVASION -COUNT TWENTY-THREE (23)

1. For tax year 2008, DALEY willfully subscribed to his tax return and verified by written declaration under penalty of perjury his tax return, with knowledge and belief that the return was not true and correct in that it materially misrepresented the additional taxable income he received. For calendar year 2008, DALEY's income tax return reported income of \$552,480 and tax of \$101,619. The return should have reported income of \$1,567,802 and tax of \$743,585. This false return underreported income by \$1,015,322, resulting in additional tax due and owing of \$638,415 for 2008.
2. In addition, the Defendant's acceptance of responsibility shall include full cooperation with the Examination Division, Internal Revenue Service, in making a complete and accurate determination of all taxes, penalties, and interest that Defendant owes for the 2007, 2008, and 2009 tax years covered by the Indictment. The Defendant understands that the IRS will promptly assess taxes, penalties, and interest for 2007, 2008, and 2009 and all other years for which the statute of limitation has been preserved by the Civil Division of the Internal Revenue Service.

3. The Defendant understands that his required cooperation includes allowing disclosure to the Examination Division, Internal Revenue Service, of all relevant information and documents obtained during the course of the criminal investigation, and specifically waives any right to have the Government obtain a Rule6(e) order for such disclosure.
4. The Defendant agrees that failure to comply with this provision of the plea Agreement should result in receiving no credit for acceptance of responsibility. Neither the Internal Revenue Service nor the Defendant will be bound by the tax loss calculations referenced in this Plea Agreement or otherwise determined by the Court at sentencing in civil proceedings. Nothing in this Plea Agreement shall limit the Internal Revenue Service in its collection of any taxes, interest, and penalties from the Defendant for 2007, 2008, and 2009 or for any other years; nor shall the Defendant's right to an accurate calculation of his tax liabilities in accordance with the tax laws be limited by this Agreement.

FORFEITURE PROVISION OF PLEA AGREEMENT

1. Upon conviction of the offenses in violation of Title 18, United States Code, Sections 1349 and 1857(a), set forth in Counts 1 and 10 of this Indictment, the defendant, BRADFORD LAMAR DALEY, consents and agrees that the following property, real and personal, which constitutes or is derived from proceeds traceable to said violations, will be forfeited to the United States to be disposed of according to law:

MONEY JUDGMENT

- (1) Judgment in the amount of approximately \$5,873,521.00;

REAL PROPERTY

(2) Real property located at 108 Bimini Court, Panama City Beach, FL 32412, located in Bay County, Florida, Lot 68, in Block A, according to the plat of Summer Breeze, as recorded in Plat Book 16, Pages 33 and 34, in the Office of the Clerk of the Circuit Court of Bay County, Florida, currently in the name of Forrest B. Daley, will be deeded back to BRADFORD LAMAR DALEY, in order to execute the forfeiture of said property;

(3) Real property located in Talbot County, Georgia, Parcel #00050130901, described as 39.1 acres, as recorded in Deed Book 305/375, Plat Page 237/15B and Deed Book 285/163, Plat Page 237/15B, currently in the name of SOWW, LLC, will be deeded back to BRADFORD LAMAR DALEY, in order to execute the forfeiture of said property;

PERSONAL PROPERTY

(4) 2008 Ford SRW Super F250 Pick-up Truck, VIN 1FTSW21R68ED92044;

(5) \$287,874.51 in funds seized from Columbus Community Bank account ending xxxx2479 in the name of Bradford L. Daley DBS Court Mediation Services;

(6) \$10,100.00 in funds seized from Phenix-Girard Bank account ending xxxx7217 in the name of Forrest B. Daley and Bradford Daley;

(7) \$15,060.46 in funds seized from Phenix-Girard Bank account ending xxxx5271 in the name of Bradford L. Daley DBA Court Mediation Services.

(8) The two UPS franchise stores were purchased in 2009, using proceeds from Bradford L. Daley DBA Court Mediation Services, and recorded in the name of the defendant's wife, Angela Daley. Specifically, the UPS store located at 103 Ingersol Street, Building 103, Main Post Mini Mall, Fort Benning, Georgia 31905 was purchased with proceeds of \$145,000; and the UPS store located at 6361 Talokas Lane, Suite C140, Columbus, Georgia, was purchased

with proceeds of \$90,000. A total of \$235,000 will be forfeited to the government upon the sale of the two UPS stores. Should the total of \$235,000 not be obtained from the sale of the stores, the Defendant, Bradford L. Daley, agrees to a money judgment for any deficiency in an amount of up to \$235,000.

SENTENCING GUIDELINES AND RECOMMENDATIONS

1. It is understood by the parties that the Court is neither a party to nor bound by this agreement. The Court may accept or reject the agreement, or defer a decision until it has had an opportunity to consider the presentence report prepared by the United States Probation Office. The defendant understands and acknowledges that, although the parties are permitted to make recommendations and present arguments to the Court, the sentence and the sentencing guidelines, if any, applicable to defendant's case will be determined solely by the Court, with the assistance of the United States Probation Office. Defendant waives any constitutional challenge to the sentencing guidelines, and trial by jury on all findings for sentencing, and stipulates that the Court may make all findings for sentencing and may make those findings by a preponderance of the evidence based upon any reliable evidence, including hearsay. Defendant understands that the Court is required to consider any applicable sentencing guidelines but may depart from these guidelines under some circumstances and may vary from these Guidelines in any case. Defendant acknowledges that defendant and defendant's attorneys have discussed the sentencing guidelines and defendant understands how the guidelines are applicable to defendant's case. 18 U.S.C. § 3553(a)

2. The defendant acknowledges that counsel for the defendant has conferred with the defendant prior to the signing of this plea agreement and advised the defendant that the Court, at sentencing, will consider the factors set forth in 18 U.S.C. § 3553(a), and explained to the defendant each of those factors specifically including (1) the nature and circumstances of the offense and the history characteristics of the defendant; the need to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense; (2) the need for deterrence; (3) the need to protect the public; (4) the need to provide the defendant with needed educational or vocational training or medical care; (5) the kinds of sentences available; (6) the need to avoid unwanted sentencing disparities; and, (7) the need to provide restitution to victims.

DEFENDANT WAIVES APPEAL AND COLLATERAL ATTACK

1. Understanding that 18 U.S.C. § 3742 provides for appeal by a defendant of the sentence under certain circumstances, the defendant expressly waives any and all rights conferred by 18 U.S.C. § 3742 to appeal the sentence. Defendant further expressly waives the right to appeal the conviction and sentence on any other ground and waives the right to attack the sentence in any post-conviction proceeding. This waiver does not include the right to appeal or to file a collateral attack on the grounds of ineffective assistance of counsel and prosecutorial misconduct.

2. The government does not waive its right to appeal any order dismissing the Indictment, imposing a sentence in this case, vacating a sentence, or otherwise terminating the prosecution at any stage of the proceedings. Further, the parties agree that nothing in this agreement shall affect the government's right and/or duty to appeal as set forth in 18 U.S.C. §

3742(b). However, if the United States appeals the defendant's sentence pursuant to 18 U.S.C. § 3742(b), the defendant is released from this waiver as to any issue the defendant may raise pursuant to 18 U.S.C. § 3742(a).

DEFENDANT'S UNDERSTANDING AND ACKNOWLEDGMENT

1. The defendant, before entering a plea of guilty to Count 1 as provided for herein by said Plea Agreement, advises the Court that:

a. The discussions between the attorney for the Government and the attorney for the defendant towards reaching an agreed plea in this case have taken place with the defendant's authorization and consent.

b. The defendant further understands that, pursuant to 18 U.S.C. § 3013, said \$300.00 assessment fee is to be paid by the defendant on the date of sentencing and that, if a fine is imposed by the Court at sentencing, the defendant shall meet with a member of the Financial Litigation Section of the United States Attorney's Office on the day of sentencing and complete a written personal financial statement setting forth the defendant's assets and liabilities as of the date of the offense. The defendant will make an honest, good faith effort to pay said fine as directed by the Financial Litigation Section of the United States Attorney's Office. The defendant further understands that by completing the financial statement, the defendant is representing that it is true and accurate to the best of the defendant's information, knowledge, and belief.

c. The defendant understands that the defendant has a right to be represented by an attorney at every stage of the proceedings against the defendant herein and is represented by the defendant's undersigned attorney.

d. The defendant understands that the defendant has the right to plead not guilty and has the right to be tried by a jury and, at a trial thereof, has the right to the assistance of counsel, the right to confront and cross-examine witnesses against the defendant, the right to call witnesses in the defendant's own behalf, and the right not to be compelled to incriminate the defendant, and that if the defendant enters a plea of guilty herein, there will not be a further trial of any kind and that by the entry of such a plea, the defendant waives the right to a trial by jury or to a trial before the Court.

e. The defendant further understands that in entering a plea of guilty herein, the Court may ask questions about the offense to which the plea is entered and further understands that if the defendant answers these questions under oath, on the record, and in the presence of counsel, which questions and answers would be recorded, that the answers may later be used against the defendant in a prosecution for perjury or false statement if the answers are not truthful.

f. The defendant further understands and advises the Court that the Plea Agreement as set forth herein and the plea to be entered by the defendant as a result thereof is voluntary on the defendant's part and is not the result of any force or threats or of any promises apart from the aforesaid Plea Agreement. The defendant further advises the Court that the Plea Agreement set forth herein is the result of prior discussions between the attorney for the Government and the attorney for the defendant, all conducted with the defendant's authorization, knowledge, and consent.

g. The defendant further advises the Court that the defendant's understanding of this Plea Agreement is as set forth in this document, that under the penalties of perjury, the factual basis contained herein is true and correct.

h. The defendant further understands that the Government can only make a recommendation, which is not binding upon the Court. However, if the Court does not accept the plea agreement, the defendant would be permitted to withdraw the defendant's plea, if the defendant so chooses.

i. The defendant further advises the Court that the defendant understands and has been advised that evidence of a plea of guilty, later withdrawn, or an offer to plead guilty to the crime charged in the Indictment herein, or of statements made in connection with and relevant to said plea or offer to plead, shall not be admissible in any civil or criminal proceedings against the defendant in the Government's case in chief. However, the defendant does understand that evidence of a statement made in connection with and relevant to a plea of guilty, later withdrawn, or an offer to plead guilty to the crimes charged in the Indictment herein, in addition to the factual basis contained herein, is admissible in a criminal proceeding for perjury or false statement, or for impeachment, when the statement was made by the defendant under oath, or on the court record, or contained in the factual basis of this Plea Agreement and in the presence of counsel.

j. The defendant is satisfied that defense counsel has been competent and effective in representing defendant, and defense counsel has fully explained to the Defendant what it means to plead guilty, to enter into this Plea Agreement and all options of the Defendant, the Government and the Court under Rule 11 of the Federal Rules of Criminal Procedure in addition to the Sentencing process and the Federal Sentencing Guidelines.

2. The undersigned attorneys for the Government and for the defendant represent to the court that the foregoing Plea Agreement is the agreement of the parties that has been reached pursuant to the Plea Agreement procedure provided for in Rules 11(c)(1)(A) and 11(c)(1)(C),

Federal Rules of Criminal Procedure, as Amended. The attorney for the defendant further advises the Court that the defendant has been advised of the nature of the charge to which the foregoing described plea is to be offered, and that the defendant has been advised of the defendant's right to plead not guilty and to be tried by a jury on all issues herein; of the maximum possible penalty provided by law; that by the entering of a plea of guilty as aforesaid, the defendant waives the right to be tried by a jury or by the Court, waives the right to confront and cross-examine witnesses against the defendant and the right not to be compelled to incriminate the defendant; and that if the defendant pleads guilty, there will not be a further trial of any kind. Further, the defendant has been advised that if the defendant pleads guilty, the Court may ask questions about the offense to which the defendant has pleaded and that if the plea is rejected or later withdrawn, that the answers to such questions may not be used against the defendant in a civil or criminal proceeding, but that the defendant's answers may later be used against the defendant for impeachment or in a prosecution for perjury or false statement if the answers are not truthful.

3. The defendant understands that the U.S. Probation Office will prepare a presentence investigation report for the Court. The Probation Officer will consider the defendant's conduct related to the offense to which the plea is offered, as well as the defendant's criminal history. The offense level or criminal history category, as calculated by the Probation Officer and determined by the Court, may differ from that projected by defendant's counsel or the U.S. Attorney.

VICTIMS AND RESTITUTION

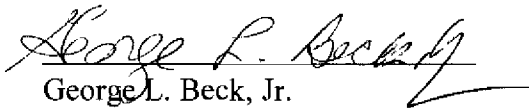
1. The Defendant agrees, acknowledges and understands that victims to the fraud have been notified by letter and publication pursuant to statutory law and DOJ policy.

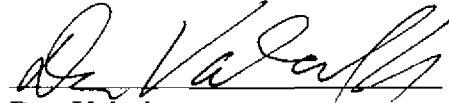
2. The Defendant agrees, acknowledges and understands that victims have certain rights, including, but not limited to the right to be heard at any stage of the proceedings, and the right to be compensated for their injuries and damages.

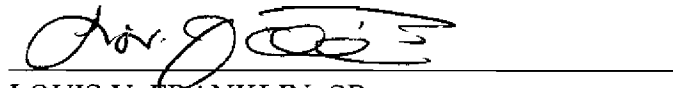
3. The Defendant agrees, acknowledges and understands that victims can be heard at any sentencing and can request money judgments, individually, and collectively, in the form of restitution for which the Court can hold the Defendant responsible, and that such restitution is in addition to any forfeiture, sentence, fine or other assessments pronounced by the Court.

This 14th day of January, 2014.

Respectfully submitted,

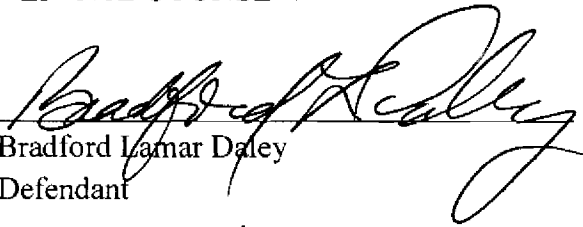

George L. Beck, Jr.
UNITED STATES ATTORNEY


Don Valeska,
ASSISTANT UNITED STATES ATTORNEY


LOUIS V. FRANKLIN, SR.
CHIEF, CRIMINAL DIVISION

I have read the foregoing Plea Agreement, understand the same, and the matters and facts set forth therein accurately and correctly state the representations that have been made to me and accurately set forth the conditions of the Plea Agreement that has been reached.

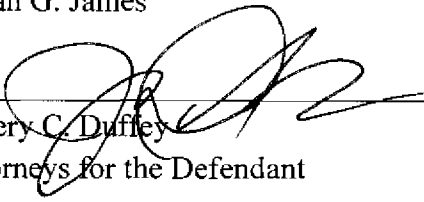
IN ADDITION TO THE FOREGOING PROVISIONS TO WHICH I AGREE, I SWEAR UNDER PENALTY OF PERJURY THAT THE FACTS IN THE "FACTUAL BASIS" PARAGRAPH ABOVE ARE TRUE AND CORRECT AND THAT I AM SATISFIED THAT I HAVE RECEIVED COMPETENT ADVICE AND REPRESENTATION FROM MY DEFENSE COUNSEL.


Bradford Lamar Daley
Defendant

1/14/14
Date

Name of Attorneys

Susan G. James


Jeffery C. Duffley
Attorneys for the Defendant

01/14/14
Date