

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 3:16-cr-48-J-34JBT

REGINALD FULLWOOD
a/k/a Reggie Fullwood

PLEA AGREEMENT

Pursuant to Fed. R. Crim. P. 11(c), the United States of America, by A. Lee Bentley, III, United States Attorney for the Middle District of Florida, and the defendant, REGINALD FULLWOOD, and the attorneys for the defendant, Robert Stuart Willis, Esq. and L.E. Hutton, Esq., mutually agree as follows:

A. Particularized Terms

1. Counts Pleading To

The defendant shall enter a plea of guilty to Counts One and Eleven of the Indictment. Count One charges the defendant with wire fraud, in violation of 18 U.S.C. § 1343. Count Eleven charges the defendant with failure to file a federal income tax return, in violation of 26 U.S.C. 7203.

2. Maximum Penalties

Count One carries a maximum sentence of 20 years imprisonment, a fine of \$250,000, a term of supervised release of not more than 3 years, and a special assessment of \$100 per felony count for individuals. Count Eleven carries a maximum sentence of 1 year imprisonment, a fine of \$100,000, a term of

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supervised release of not more than 1 year, and a special assessment of \$25 per Class A misdemeanor. With respect to certain offenses, the Court shall order the defendant to make restitution to any victim of the offense(s), and with respect to other offenses, the Court may order the defendant to make restitution to any victim of the offense(s), or to the community, as set forth below.

3. Elements of the Offenses

The defendant acknowledges understanding the nature and elements of the offense with which defendant has been charged and to which defendant is pleading guilty.

The elements of Count One (Wire Fraud) are:

- First: The Defendant knowingly devised or participated in a scheme to defraud, or to obtain money or property by using false pretenses, representations, or promises;
- Second: That the false pretenses, representations, or promises were about a material fact;
- Third: That the Defendant acted with the intent to defraud; and
- Fourth: That the Defendant transmitted or caused to be transmitted by wire some communication in interstate commerce to help carry out the scheme to defraud.

The elements of Count Eleven (Failure to File Tax Return) are:

- First: The Defendant was required by law or regulation to file an income-tax return for the taxable year charged;
- Second: The Defendant failed to file a return when required by law; and
- Third: At the time the Defendant failed to file the return, he knew he was required by law to file a return.

4. Counts Dismissed

At the time of sentencing, the remaining counts against the defendant, Counts Two through Ten and Twelve through Fourteen, will be dismissed pursuant to Fed. R. Crim. P. 11(c)(1)(A).

5. No Further Charges

If the Court accepts this plea agreement, the United States Attorney's Office for the Middle District of Florida agrees not to charge defendant with committing any other federal criminal offenses known to the United States Attorney's Office at the time of the execution of this agreement.

6. Acceptance of Responsibility - Three Levels

At the time of sentencing, and in the event that no adverse information is received suggesting such a recommendation to be unwarranted, the United States will recommend to the Court that the defendant receive a two-level downward adjustment for acceptance of responsibility, pursuant to USSG §3E1.1(a). The defendant understands that this recommendation or request is not binding on the Court, and if not accepted by the Court, the defendant will not be allowed to withdraw from the plea.

Further, at the time of sentencing, if the defendant's offense level prior to operation of subsection (a) is level 16 or greater, and if the defendant complies with the provisions of USSG §3E1.1(b) and all terms of this Plea Agreement, including but not limited to, the timely submission of the financial affidavit referenced in Paragraph B.5., the United States agrees to file a motion

pursuant to USSG §3E1.1(b) for a downward adjustment of one additional level.

The defendant understands that the determination as to whether the defendant has qualified for a downward adjustment of a third level for acceptance of responsibility rests solely with the United States Attorney for the Middle District of Florida, and the defendant agrees that the defendant cannot and will not challenge that determination, whether by appeal, collateral attack, or otherwise.

7. Low End

At the time of sentencing, and in the event that no adverse information is received suggesting such a recommendation to be unwarranted, the United States will recommend to the Court that the defendant receive a sentence at the low end of the applicable guideline range, as calculated by the Court. The defendant understands that this recommendation or request is not binding on the Court, and if not accepted by the Court, the defendant will not be allowed to withdraw from the plea.

8. Forfeiture

The defendant agrees to forfeit to the United States immediately and voluntarily any and all assets and property, or portions thereof, subject to forfeiture, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), whether in the possession or control of the United States or in the possession or control of the defendant or defendant's nominees. The assets to be forfeited specifically include, but are not limited to, a money judgment in the amount of \$60,552.80, representing the

amount of proceeds obtained as a result of the offense charged in Count One of the Indictment. The defendant further herein consents to the filing of a motion by the United States for immediate entry of a Forfeiture Money Judgment.

The defendant also hereby agrees to waive all constitutional, statutory and procedural challenges in any manner (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture described herein constitutes an excessive fine, was not properly noticed in the charging instrument, addressed by the Court at the time of the guilty plea, announced at sentencing, or incorporated into the judgment.

The defendant admits and agrees that the conduct described in the Factual Basis below provides a sufficient factual and statutory basis for the forfeiture of the property sought by the government. Pursuant to the provisions of Rule 32.2(b)(1)(A), the United States and the defendant request that promptly after accepting this Plea Agreement, the Court make a determination that the government has established the amount of the proceeds of the offense(s) to which defendant is pleading guilty is \$60,552.80 and enter an order of forfeiture. Pursuant to Rule 32.2(b)(4), the defendant agrees that the preliminary order of forfeiture will satisfy the notice requirement and will be final as to the defendant at the time it is entered. In the event the forfeiture is omitted from the judgment,

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the defendant agrees that the forfeiture order may be incorporated into the written judgment at any time pursuant to Rule 36.

The defendant agrees that the United States shall, at its option, be entitled to the forfeiture of any property (substitute assets) of the defendant up to the value of the money judgment. The Court shall retain jurisdiction to settle any disputes arising from application of this clause. The defendant agrees that forfeiture of substitute assets as authorized herein shall not be deemed an alteration of the defendant's sentence.

The defendant agrees to take all steps necessary to identify and locate all substitute assets and to transfer custody of such assets to the United States before the defendant's sentencing. The defendant agrees to be interviewed by the government, prior to and after sentencing, regarding such assets. The defendant further agrees to be polygraphed on the issue of assets, if it is deemed necessary by the United States. The defendant agrees that Federal Rule of Criminal Procedure 11 and USSG §1B1.8 will not protect from forfeiture assets disclosed by the defendant as part of his cooperation.

The defendant agrees to take all steps necessary to assist the government in obtaining clear title to any substitute assets before the defendant's sentencing. In addition to providing full and complete information about substitute assets, these steps include, but are not limited to, the surrender of title, the signing of a consent decree of forfeiture, and signing of any other documents necessary to effectuate such transfers.

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Forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon the defendant in addition to forfeiture.

The defendant agrees that, in the event the Court determines that the defendant has breached this section of the Plea Agreement, the defendant may be found ineligible for a reduction in the Guidelines calculation for acceptance of responsibility and substantial assistance, and may be eligible for an obstruction of justice enhancement.

B. Standard Terms and Conditions

1. Restitution, Special Assessment and Fine

The defendant understands and agrees that the Court, in addition to or in lieu of any other penalty, shall order the defendant to make restitution to any victim of the offense(s), pursuant to 18 U.S.C. § 3663A, for all offenses described in 18 U.S.C. § 3663A(c)(1); and the Court may order the defendant to make restitution to any victim of the offense(s), pursuant to 18 U.S.C. § 3663, including restitution as to all counts charged, whether or not the defendant enters a plea of guilty to such counts, and whether or not such counts are dismissed pursuant to this agreement. The defendant further understands that compliance with any restitution payment plan imposed by the Court in no way precludes the United States from simultaneously pursuing other statutory remedies for collecting restitution (18 U.S.C. § 3003(b)(2)), including, but not limited to,

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garnishment and execution, pursuant to the Mandatory Victims Restitution Act, in order to ensure that the defendant's restitution obligation is satisfied.

On each count to which a plea of guilty is entered, the Court shall impose a special assessment pursuant to 18 U.S.C. § 3013. The defendant understands that this agreement imposes no limitation as to fine.

2. Supervised Release

The defendant understands that the offense(s) to which the defendant is pleading provide(s) for imposition of a term of supervised release upon release from imprisonment, and that, if the defendant should violate the conditions of release, the defendant would be subject to a further term of imprisonment.

3. Immigration Consequences of Pleading Guilty

The defendant has been advised and understands that, upon conviction, a defendant who is not a United States citizen may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

4. Sentencing Information

The United States reserves its right and obligation to report to the Court and the United States Probation Office all information concerning the background, character, and conduct of the defendant, to provide relevant factual information, including the totality of the defendant's criminal activities, if any, not limited to the count(s) to which defendant pleads, to respond to comments made

by the defendant or defendant's counsel, and to correct any misstatements or inaccuracies. The United States further reserves its right to make any recommendations it deems appropriate regarding the disposition of this case, subject to any limitations set forth herein, if any.

5. Financial Disclosures

Pursuant to 18 U.S.C. § 3664(d)(3) and Fed. R. Crim. P. 32(d)(2)(A)(ii), the defendant agrees to complete and submit to the United States Attorney's Office within 30 days of execution of this agreement an affidavit reflecting the defendant's financial condition. The defendant promises that her financial statement and disclosures will be complete, accurate and truthful and will include all assets in which she has any interest or over which the defendant exercises control, directly or indirectly, including those held by a spouse, dependent, nominee or other third party. The defendant further agrees to execute any documents requested by the United States needed to obtain from any third parties any records of assets owned by the defendant, directly or through a nominee, and, by the execution of this Plea Agreement, consents to the release of the defendant's tax returns for the previous five years. The defendant similarly agrees and authorizes the United States Attorney's Office to provide to, and obtain from, the United States Probation Office, the financial affidavit, any of the defendant's federal, state, and local tax returns, bank records and any other financial information concerning the defendant, for the purpose of making any recommendations to the Court and for collecting any assessments,

finer, restitution, or forfeiture ordered by the Court. The defendant expressly authorizes the United States Attorney's Office to obtain current credit reports in order to evaluate the defendant's ability to satisfy any financial obligation imposed by the Court.

6. Sentencing Recommendations

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 will be determined solely by the Court, with the assistance of the United States Probation Office. Defendant further understands and acknowledges that any discussions between defendant or defendant's attorney and the attorney or other agents for the government regarding any recommendations by the government are not binding on the Court and that, should any recommendations be rejected, defendant will not be permitted to withdraw defendant's plea pursuant to this plea agreement. The government expressly reserves the right to support and defend any decision that the Court may make with regard to the defendant's sentence, whether or not such decision is consistent with the government's recommendations contained herein.

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7. Defendant's Waiver of Right to Appeal the Sentence

The defendant agrees that this Court has jurisdiction and authority to impose any sentence up to the statutory maximum and expressly waives the right to appeal defendant's sentence on any ground, including the ground that the Court erred in determining the applicable guidelines range pursuant to the United States Sentencing Guidelines, except (a) the ground that the sentence exceeds the defendant's applicable guidelines range as determined by the Court pursuant to the United States Sentencing Guidelines; (b) the ground that the sentence exceeds the statutory maximum penalty; or (c) the ground that the sentence violates the Eighth Amendment to the Constitution; provided, however, that if the government exercises its right to appeal the sentence imposed, as authorized by 18 U.S.C. § 3742(b), then the defendant is released from his waiver and may appeal the sentence as authorized by 18 U.S.C. § 3742(a).

8. Middle District of Florida Agreement

It is further understood that this agreement is limited to the Office of the United States Attorney for the Middle District of Florida and cannot bind other federal, state, or local prosecuting authorities, although this office will bring defendant's cooperation, if any, to the attention of other prosecuting officers or others, if requested.

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9. Filing of Agreement

This agreement shall be presented to the Court, in open court or in camera, in whole or in part, upon a showing of good cause, and filed in this cause, at the time of defendant's entry of a plea of guilty pursuant hereto.

10. Voluntariness

The defendant acknowledges that defendant is entering into this agreement and is pleading guilty freely and voluntarily without reliance upon any discussions between the attorney for the government and the defendant and defendant's attorney and without promise of benefit of any kind (other than the concessions contained herein), and without threats, force, intimidation, or coercion of any kind. The defendant further acknowledges defendant's understanding of the nature of the offense or offenses to which defendant is pleading guilty and the elements thereof, including the penalties provided by law, and defendant's complete satisfaction with the representation and advice received from defendant's undersigned counsel (if any). The defendant also understands that defendant has the right to plead not guilty or to persist in that plea if it has already been made, and that defendant has the right to be tried by a jury with the assistance of counsel, the right to confront and cross-examine the witnesses against defendant, the right against compulsory self-incrimination, and the right to compulsory process for the attendance of witnesses to testify in defendant's defense; but, by pleading guilty, defendant waives or gives up those rights and there will be no trial. The defendant further understands that if

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defendant pleads guilty, the Court may ask defendant questions about the offense or offenses to which defendant pleaded, and if defendant answers those questions under oath, on the record, and in the presence of counsel (if any), defendant's answers may later be used against defendant in a prosecution for perjury or false statement. The defendant also understands that defendant will be adjudicated guilty of the offenses to which defendant has pleaded and, if any of such offenses are felonies, may thereby be deprived of certain rights, such as the right to vote, to hold public office, to serve on a jury, or to have possession of firearms.

11. Factual Basis

Defendant is pleading guilty because defendant is in fact guilty. The defendant certifies that defendant does hereby admit that the facts set forth in the attached "Factual Basis," which is incorporated herein by reference, are true, and were this case to go to trial, the United States would be able to prove those specific facts and others beyond a reasonable doubt.

12. Entire Agreement

This plea agreement constitutes the entire agreement between the government and the defendant with respect to the aforementioned guilty plea and no other promises, agreements, or representations exist or have been made to the defendant or defendant's attorney with regard to such guilty plea.

13. Certification

The defendant and defendant's counsel certify that this plea agreement has been read in its entirety by (or has been read to) the defendant and that defendant fully understands its terms.


DATED this 29th day of September, 2016.



REGINALD FULLWOOD
Defendant

A. LEE BENTLEY, III
United States Attorney


MARK B. DEVEREAUX
Assistant United States Attorney


ROBERT STUART WILLIS, ESQ.
Attorney for Defendant


JULIE HACKENBERRY
Assistant United States Attorney
Chief, Jacksonville Division


L.E. HUTTON, ESQ.
Attorney for Defendant

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REGINALD FULLWOOD
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PERSONALIZATION OF ELEMENTS

Count One

1. Do you admit that from at least September 2010 through in or about December 2011, in Jacksonville, Florida, within the Middle District of Florida, and elsewhere, that you knowingly devised or participated in a scheme to defraud, or to obtain money or property using false pretenses, representations, or promises as charged in the indictment?

2. Do you admit that the false pretenses, representations, or promises were about a material fact?

3. Do you admit that you acted with the intent to defraud?

4. Do you admit that in connection with the scheme to defraud, specifically, wire fraud, that you transmitted or caused the transmission by wire of some communication in interstate commerce to help carry out the scheme to defraud?

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Count Eleven

1. Do you admit that in 2010, while you were a resident of Jacksonville, Florida, that you had earned sufficient income which required you by law to file an income-tax return for taxable year 2010?
2. Do you admit that you failed to file a return when required to do so for taxable year 2010?
3. Do you admit at the time you failed to file the income-tax return you knew you were required by law to file an income-tax return?

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FACTUAL BASIS

Count One

The State of Florida has specific statutes regulating the expenditure of funds collected and maintained in a campaign account. Specifically, Florida Statute § 106.1405 provides that a candidate or the spouse of a candidate may not use funds on deposit in a campaign account to defray normal living expenses. Additionally, Florida State law provides that periodic reports must be filed with the State of Florida, Division of Elections, reflecting the expenditure of the campaign funds.

In October 2009, in connection with REGINALD FULLWOOD'S (FULLWOOD'S) campaign for State Representative, he opened a campaign account at Atlantic Coast Bank in Jacksonville, Florida, under the organizational name "Reggie Fullwood Campaign." Thereafter, FULLWOOD deposited or caused the deposit of campaign contributions into the campaign account.

Between October 20, 2009 through February 8, 2012, FULLWOOD used the bank's internet banking program to electronically transfer a total of

approximately \$60,552.80 from his campaign account to the account of Rhino Harbor, LLC (Rhino Harbor). The Rhino Harbor account was at the same bank as the "Reggie Fullwood Campaign" account. FULLWOOD was the sole authorized account holder on both the FULLWOOD campaign account and the Rhino Harbor account. Each electronic funds transfer made from the campaign account to the Rhino Harbor account crossed state lines.

Prior to November 23, 2010, FULLWOOD solicited or caused to be solicited campaign contributions for his campaign. The campaign contributors believed that those contributions would be used for FULLWOOD's campaign and not his personal expenses. In fact, FULLWOOD knew when he solicited the contributions that some of those contributions would be used to fund his personal living expenses.

Specifically, during the same time span FULLWOOD was transferring funds from the campaign account into his Rhino Harbor account, FULLWOOD was using the funds from the Rhino Harbor account, primarily by using an ATM card, for personal expenses not related to his campaign for State Representative.

In order to conceal the fact that FULLWOOD was taking campaign funds for personal expenses, FULLWOOD created false and fraudulent campaign expense reports which were filed with the State of Florida's Department of Elections. These campaign expense reports included both non-existent and inflated campaign expenses.

Specifically regarding Count One in the Indictment, on November 23, 2010,

in Jacksonville, Florida, FULLWOOD caused an electronic funds transfer of \$1,500 from the Reggie Fullwood Campaign account at Atlantic Coast Bank in Jacksonville, Florida, to be deposited into the Rhino Harbor, LLC account at Atlantic Coast Bank in Jacksonville, Florida. In order to make the funds transfer, FULLWOOD utilized the bank's computer home banking system. During the bank's routine home banking electronic fund transfer process, all home banking electronic funds transfer data is sent through Atlantic Coast Bank's computer server in Cherry Hill, New Jersey.

Count Eleven

FULLWOOD has intentionally failed to file legally required federal income tax returns for several years. As to Count Eleven in the Indictment, in calendar year 2010, FULLWOOD earned sufficient income which legally required that he file a personal federal income tax return on or before April 15, 2011. FULLWOOD, knowing of his legal obligation to file his personal federal income tax return for tax year 2010, intentionally failed to file a return. Although FULLWOOD's employer had withheld income taxes from his wages, he was deficient in his income tax payments and did not file any required tax return or make any tax payments to the Internal Revenue Service.