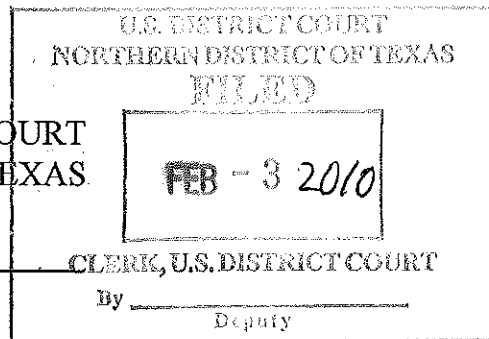


IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION



UNITED STATES OF AMERICA

§  
§  
§  
§  
§  
§

v.

No. 3:07-CR-289-M  
ECF

GLADYS E. HODGE (06)  
a/k/a "Terri Hodge"

PLEA AGREEMENT

Gladys E. Hodge, the defendant, Jeffrey A. Kearney, the defendant's attorney, and the United States of America (the government), agree as follows:

1. **Rights of the defendant:** Hodge understands that she has the right:

- a. to plead not guilty;
- b. to have a trial by jury;
- c. to have her guilt proven beyond a reasonable doubt;
- d. to confront and cross-examine witnesses and to call witnesses in her defense; and
- e. against compelled self-incrimination.

2. **Waiver of rights and plea of guilty:** Hodge waives these rights and pleads guilty to the offenses alleged in Count 22 of the indictment. Count 22 charges Hodge with fraud and false statements in violation of 26 U.S.C. § 7206(1). Hodge understands the nature and elements of each of the crimes 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 for Count 22 include:

- a. imprisonment for a period not to exceed three years;
- b. a fine not to exceed \$100,000.00, or twice the pecuniary gain to the defendant or loss to the victim(s);
- c. a mandatory term of supervised release of not more than 1 year, which may follow any term of imprisonment. If Hodge violates the conditions of supervised release, she could be imprisoned for the entire term of supervised release;
- d. a mandatory special assessment of \$100.00;
- e. restitution to victims or to the community, which may be mandatory under the law, and which Hodge agrees may include restitution arising from all relevant conduct, not limited to that arising from the offense of conviction alone; and
- f. costs of incarceration and supervision.

4. **Sentencing agreement:** Pursuant to Rule 11(c)(1)(C), the parties agree that (1) the income omitted from Hodge's tax returns were in the amounts of \$6,914 for tax year 2001, \$27,062 for tax year 2002, \$13,402 for tax year 2003, \$19,908 for tax year 2004, and \$6,720 for tax year 2005, and (2) the resulting tax loss in connection with this offense, pursuant to USSG §§2T1.1 and 2T4.1 and including relevant conduct, is: \$1,937 for tax year 2001, \$1,496 for tax year 2002, \$1,908 for tax year 2003, \$3,887 for tax year 2004, and \$1,680 for tax year 2005, for a grand total of \$10,908. If the Court accepts this plea agreement, these provisions are binding on the Court. Other than the agreed omitted income and tax loss due and payable, the Court remains free to determine the appropriate sentence, under the advisory United States Sentencing Guidelines. Pursuant to Rule 11(c)(5), if the Court rejects this plea agreement, the Court shall afford Hodge the opportunity to withdraw her plea and advise the defendant that, if she persists in her guilty

plea, the Court is not bound by the plea agreement and the disposition of the case may be less favorable than that contemplated by the plea agreement.

5. **Mandatory special assessment:** Prior to sentencing, Hodge agrees to pay to the U.S. District Clerk the amount of \$100.00, in satisfaction of the mandatory special assessment in this case.

6. **Defendant's cooperation:** Hodge shall give truthful and complete information and/or testimony concerning her participation in the offense of conviction. Hodge agrees to pay restitution to the Internal Revenue Service the amounts due and owing resulting from her fraud and false statements, including all relevant conduct set forth in the Factual Resume in this case and Paragraph 4 herein. Hodge agrees to sign any IRS forms deemed necessary by the IRS to enable the IRS to make an immediate assessment of that portion of the tax, penalties and interest that she agrees to pay as restitution. Except as set forth herein, nothing in this agreement shall limit the IRS in its lawful examination, determination, assessment, or collection of any taxes, penalties or interest due from the defendant for the time periods covered by this agreement or any other time period. Defendant further agrees that this agreement or any judgment, order, release or satisfaction issued in connection with this agreement, will not satisfy, settle or compromise the defendant's obligation to pay the balance of any remaining civil liabilities, including tax, additional tax, additions to tax, interest, and penalties, owed to the IRS for the time periods covered by this agreement or any other time period. The schedule for payment of Hodge's monetary liabilities in this case will be determined by the IRS after consultation with Hodge. Upon demand, Hodge 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.

Hodge further agrees to resign her office as state representative for Texas House District 100 at the time sentence is imposed by the Court and to forbear from seeking or holding future public office thereafter.

7. **Government's agreement:** The government will not bring any additional charges against Hodge based upon the conduct underlying and related to Hodge's pleas of guilty, and any other offenses known to the government. 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. The government will dismiss, after sentencing, the remaining charges in the indictment against Hodge. 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, nor does it prohibit any civil or administrative proceeding against Hodge or any property.

8. **Violation of agreement:** Hodge understands that if she violates any provision of this agreement, or if her guilty pleas are vacated or withdrawn, the government will be free from any obligations of the agreement and free to prosecute her for all offenses of which it has knowledge. If this happens, Hodge waives any objections based upon delay in prosecution. If the pleas are vacated or withdrawn for any reason other than a finding that it was involuntary, Hodge also waives objection to the use against her of any information or statements she has provided to the government, and any resulting leads.

9. **Voluntary plea:** These pleas of guilty are freely and voluntarily made and are 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.

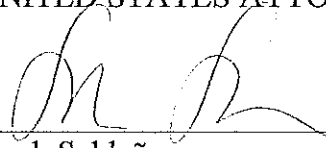
10. **Waiver of right to appeal or otherwise challenge sentence:** Hodge waives her rights, conferred by 28 U.S.C. § 1291 and 18 U.S.C. § 3742, to appeal from her convictions and sentence. She further waives her right to contest her convictions and sentence in any collateral proceeding, including proceedings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

11. **Representation of counsel:** Hodge has thoroughly reviewed all legal and factual aspects of this case with her lawyer and is fully satisfied with that lawyer's legal representation. Hodge 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. Hodge concedes that she is guilty of the offenses to which she is pleading and facts to which she is pleading, and after conferring with her lawyer, Hodge 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.

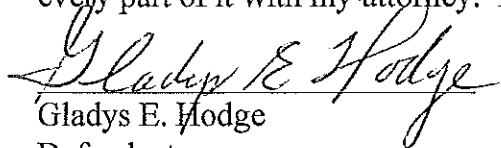
13. **Entirety of agreement:** This document is a complete statement of the parties' agreement and may not be modified unless the modification is in writing and signed by all parties.

AGREED TO AND SIGNED this 2<sup>nd</sup> day of February, 2009.

JAMES T. JACKS  
UNITED STATES ATTORNEY


  
\_\_\_\_\_  
Sarah Saldaña  
Assistant United States Attorney  
Texas State Bar No. 05776775  
1100 Commerce Street, Third Floor  
Dallas, Texas 75242-1699  
Tel: 214.659.8600  
Fax: 214.767.4104  
[Sarah.Saldana@usdoj.gov](mailto:Sarah.Saldana@usdoj.gov)

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.

  
\_\_\_\_\_  
Gladys E. Hodge  
Defendant

02-02-10  
\_\_\_\_\_  
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.

  
\_\_\_\_\_  
Jeffrey A. Kearney  
Attorney for Defendant

2-2-10  
\_\_\_\_\_  
Date