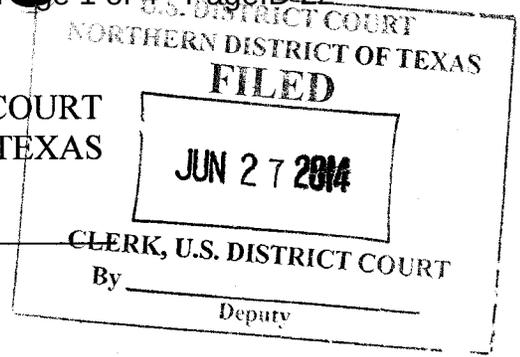


ORIGINAL

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION



UNITED STATES OF AMERICA

v.

CARY J. HUDSON (01)

No. 4:14-CR-115-A

FACTUAL RESUMÉ

I. Plea:

The defendant is pleading guilty to Count One of the Information, charging False Document Submitted to an Agency of the United States in violation of 18 U.S.C. § 1001(a)(3).

II. Penalties:

The penalties the Court can impose include:

- a. imprisonment for a period not to exceed five (5) years;
- b. a fine not to exceed \$250,000 or twice the pecuniary gain to the defendant or loss to the victim(s), or both such fine and imprisonment;
- c. a term of supervised release not to exceed three (3) years, which may be mandatory under the law and will follow any term of imprisonment. If the defendant violates the conditions of supervised release, the Court may revoke such release term and require that the defendant serve any or all of such term as an additional period of confinement. The effect of a revocation of a term of supervised release is to make the overall period of incarceration longer;
- d. a mandatory special assessment of \$100;
- e. forfeiture of property; and

f. costs of incarceration and supervision

III. Elements of the Offense:

In order to establish the offense alleged in Court One of the Information, the government must prove the following elements beyond a reasonable doubt:

First: That the defendant made or used a false writing in relation to a matter within the jurisdiction of a department or agency of the United States, that is, the Federal Bureau of Prisons (“BOP”);

Second: That the defendant made or used the false writing knowingly and willfully, that is, the defendant committed the act voluntarily and purposely, and with knowledge that his conduct was, in a general sense, unlawful;

Third: That the statement was material; and

Fourth: That the defendant made the false statement for the purpose of misleading the BOP.

IV. Stipulated Facts:

On or about February 12, 2013, in the Fort Worth Division of the Northern District of Texas, defendant Cary J. Hudson did willfully and knowingly make and cause to be made, and use and cause to be used, in a matter within the jurisdiction of the executive branch of the United States government, a false writing or document, knowing the same to contain a materially false, fictitious, and fraudulent statement or entry, to wit: Hudson submitted an OGE-450 Form to the Federal Bureau of Prisons (“BOP”) and stated therein that he had no reportable outside position when, as Hudson well knew, he had a business relationship with IMS, where he acted as a consultant and received money for his services.

The BOP is an agency within the executive branch of the United States government that is, among other things, responsible for the custody and care of federal inmates. IMS is a private, for-profit federal contractor that competes for open-market contracts administered by the BOP for inmate health care services at BOP institutions nationwide. IMS was incorporated in 2003.

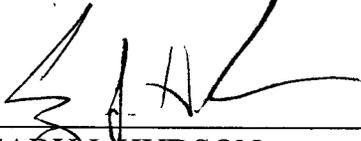
Hudson had been employed as a Financial Administrator by the BOP since 1999. He worked at BOP Federal Correctional Institutions in Seagoville and Fort Worth, Texas, and the Federal Medical Center, "FMC Carswell," in Fort Worth, Texas.

Hudson knew that BOP employees with fiduciary and management responsibilities were required to file annual reports disclosing any outside positions, employment and income. These disclosures are made through an Office of Government Ethics Form 450 ("OGE-450 Form"). Government officials review OGE-450 Forms in an effort to identify conflicts of interests between BOP employees and private entities doing business with the BOP, or seeking business with the BOP. A conflict of interest could, among other things, provide a BOP contractor an economic advantage over others, and defeat the government's attempt to secure a competitive contract.

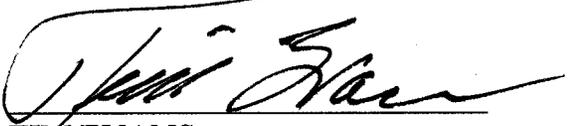
Hudson, however, entered into a business relationship with IMS in or around 2006, while employed by the BOP. He, thereafter, began providing services to and receiving money from IMS. Hudson's relationship with IMS and the money paid to him by IMS were not disclosed to the BOP.

Hudson admits that he knowingly and willfully misled the BOP by making materially false statements to the BOP, through his submission of an OGE-450 Form, by failing to disclose his business relationship with IMS while employed with the BOP. Hudson also admits that he knew his failure to disclose the nature of his relationship with the BOP was unlawful.

AGREED AND STIPULATED on this 30th day of April, 2014.



CARY J. HUDSON
Defendant



TIM EVANS
Counsel for Defendant