

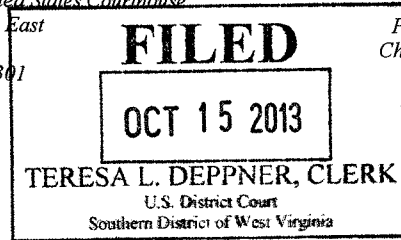


*United States Department of Justice*

*United States Attorney  
Southern District of West Virginia*

*Robert C. Byrd United States Courthouse  
300 Virginia Street, East  
Suite 4000  
Charleston, WV 25301  
1-800-659-8726*

*Mailing Address  
Post Office Box 1713  
Charleston, WV 25326  
304-345-2200  
FAX: 304-347-5104*



August 6, 2013

Timothy P. Rosinsky, Esquire  
641 Sixth Street  
Huntington, West Virginia 25701

Re: United States v. Christopher Lee Hutchinson

*3:13-00237*

Dear Mr. Rosinsky:

This will confirm our conversations with regard to your client, Christopher Lee Hutchinson (hereinafter "Mr. Hutchinson"). As a result of these conversations, it is agreed by and between the United States and Mr. Hutchinson as follows:

1. **CHARGING AGREEMENT.** Mr. Hutchinson agrees to waive his right pursuant to Rule 7 of the Federal Rules of Criminal Procedure to be charged by indictment and will consent to the filing of a single-count information to be filed in the United States District Court for the Southern District of West Virginia, a copy of which is attached hereto as "Plea Agreement Exhibit A."

2. **RESOLUTION OF CHARGES.** Mr. Hutchinson will plead guilty to a violation of 26 U.S.C. § 7202 (willful failure to pay over tax) as charged in said information.

3. **MAXIMUM POTENTIAL PENALTY.** The maximum penalty to which Mr. Hutchinson will be exposed by virtue of this guilty plea is as follows:

- (a) Imprisonment for a period of 5 years;
- (b) A fine of \$250,000, or twice the gross pecuniary gain or twice the gross pecuniary loss resulting from defendant's conduct, whichever is greater;

*[Handwritten Signature]*  
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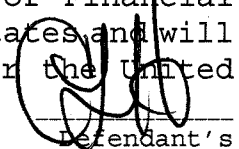
Re: Christopher Lee Hutchinson

- (c) A term of supervised release of 3 years;
- (d) A mandatory special assessment of \$100 pursuant to 18 U.S.C. § 3013; and
- (e) An order of restitution pursuant to 18 U.S.C. §§ 3663 and 3664, or as otherwise set forth in this plea agreement.
- (f) Costs of prosecution.

4. **SPECIAL ASSESSMENT.** Prior to the entry of a plea pursuant to this plea agreement, Mr. Hutchinson will tender a check or money order to the Clerk of the United States District Court for \$100, which check or money order shall indicate on its face the name of defendant and the case number. The sum received by the Clerk will be applied toward the special assessment imposed by the Court at sentencing. Mr. Hutchinson will obtain a receipt of payment from the Clerk and will tender a copy of such receipt to the United States, to be filed with the Court as an attachment to this plea agreement. If Mr. Hutchinson fails to provide proof of payment of the special assessment prior to or at the plea proceeding, the United States will have the right to void this plea agreement. In the event this plea agreement becomes void after payment of the special assessment, such sum shall be promptly returned to Mr. Hutchinson.

5. **RESTITUTION.** Notwithstanding the offense of conviction, Mr. Hutchinson agrees that he owes restitution in the amount of as much as \$248,811.43 and agrees to pay such restitution, with interest as allowed by law, to the fullest extent financially feasible. In aid of restitution, Mr. Hutchinson further agrees as follows:

- (a) Mr. Hutchinson agrees to fully assist the United States in identifying and locating any assets to be applied toward restitution and to give signed, sworn statements and testimony concerning assets upon request of the United States.
- (b) Mr. Hutchinson will fully complete and execute, under oath, a Financial Statement and a Release of Financial Information on forms supplied by the United States and will return these completed forms to counsel for the United

  
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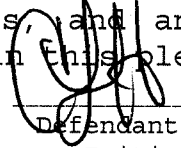
Re: Christopher Lee Hutchinson

States within seven calendar days from the date of the signing of this plea agreement.

- (c) Mr. Hutchinson agrees not to dispose of, transfer or otherwise encumber any real or personal property which he currently owns or in which he holds an interest.
- (d) Mr. Hutchinson agrees to fully cooperate with the United States in the liquidation of assets to be applied towards restitution, to execute any and all documents necessary to transfer title of any assets available to satisfy restitution, to release any and all right, title and interest he may have in and to such property, and waives his right to exemptions under the Federal Debt Collection Procedures Act upon levy against and the sale of any such property.
- (e) Mr. Hutchinson agrees not to appeal any order of the District Court imposing restitution unless the amount of restitution imposed exceeds the amount set forth in this plea agreement. However, nothing in this provision is intended to preclude the Court from ordering Mr. Hutchinson to pay a greater or lesser sum of restitution in accordance with law.

6. **IRS COLLECTION OF RESTITUTION.** If the Court orders Mr. Hutchinson to pay restitution to the IRS for the failure to pay tax, either directly as part of the sentence or as a condition of supervised release, the IRS will use the restitution order as the basis for a civil assessment. See 26 U.S.C. § 6201(a)(4). Mr. Hutchinson does not have the right to challenge the amount of this assessment. See 26 U.S.C. § 6201(a)(4)(C). Neither the existence of a restitution payment schedule nor Mr. Hutchinson's timely payment of restitution according to that schedule will preclude the IRS from administrative collection of the restitution based assessment, including levy and distraint under 26 U.S.C. 6331.

7. **PAYMENT OF MONETARY PENALTIES.** Mr. Hutchinson agrees not to object to the District Court ordering all monetary penalties (including the special assessment, fine, court costs, and any restitution that does not exceed the amount set forth in this plea

  
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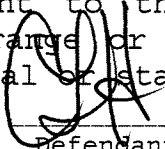
agreement) to be due and payable in full immediately and subject to immediate enforcement by the United States. So long as the monetary penalties are ordered to be due and payable in full immediately, Mr. Hutchinson further agrees not to object to the District Court imposing any schedule of payments as merely a minimum schedule of payments and not the only method, nor a limitation on the methods, available to the United States to enforce the judgment.

8. **COOPERATION.** Mr. Hutchinson will be forthright and truthful with this office and other law enforcement agencies with regard to all inquiries made pursuant to this agreement, and will give signed, sworn statements and grand jury and trial testimony upon request of the United States. In complying with this provision, Mr. Hutchinson may have counsel present except when appearing before a grand jury.

9. **ASSISTANCE TO INTERNAL REVENUE SERVICE.** Mr. Hutchinson agrees to cooperate with the Internal Revenue Service in the determination of his/her civil income tax liability for the taxable years 1990 - 2012 and to make available to the examining agents all books, records and other documentary evidence in his/her possession, custody or control, including all materials provided to the defense, through discovery or otherwise, during this proceeding by the attorneys for the government and any criminal investigators assisting them.

10. **USE IMMUNITY.** Unless this agreement becomes void due to a violation of any of its terms by Mr. Hutchinson, and except as expressly provided for in paragraph 12 below, nothing contained in any statement or testimony provided by Mr. Hutchinson pursuant to this agreement, or any evidence developed therefrom, will be used against Mr. Hutchinson, directly or indirectly, in any further criminal prosecutions or in determining the applicable guideline range under the Federal Sentencing Guidelines.

11. **LIMITATIONS ON IMMUNITY.** Nothing contained in this agreement restricts the use of information obtained by the United States from an independent, legitimate source, separate and apart from any information and testimony provided pursuant to this agreement, in determining the applicable guideline range or in prosecuting Mr. Hutchinson for any violations of federal or state

  
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laws. The United States reserves the right to prosecute Mr. Hutchinson for perjury or false statement if such a situation should occur pursuant to this agreement.

12. **STIPULATION OF FACTS AND WAIVER OF FED. R. EVID. 410.** The United States and Mr. Hutchinson stipulate and agree that the facts comprising the offense of conviction and relevant conduct include the facts outlined in the "Stipulation of Facts," a copy of which is attached hereto as "Plea Agreement Exhibit B."

Mr. Hutchinson agrees that if he withdraws from this agreement, or this agreement is voided as a result of a breach of its terms by Mr. Hutchinson, and Mr. Hutchinson is subsequently tried on any of the charges in the information, the United States may use and introduce the Stipulation of Facts in the United States case-in-chief, in cross-examination of Mr. Hutchinson or of any of his witnesses, or in rebuttal of any testimony introduced by Mr. Hutchinson or on his behalf. Mr. Hutchinson knowingly and voluntarily waives, see United States v. Mezzanatto, 513 U.S. 196 (1995), any right he has pursuant to Fed. R. Evid. 410 that would prohibit such use of the Stipulation of Facts. If the Court does not accept the plea agreement through no fault of the defendant, or the Court declares the agreement void due to a breach of its terms by the United States, the Stipulation of Facts cannot be used by the United States.

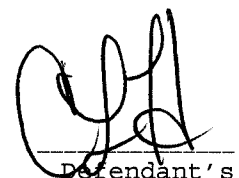
The United States and Mr. Hutchinson understand and acknowledge that the Court is not bound by the Stipulation of Facts and that if some or all of the Stipulation of Facts is not accepted by the Court, the parties will not have the right to withdraw from the plea agreement.

13. **AGREEMENT ON SENTENCING GUIDELINES.** Based on the foregoing Stipulation of Facts, the United States and Mr. Hutchinson agree that the following provisions of the United States Sentencing Guidelines apply to this case.

USSG §2T1.1(a)(1)

Base offense level corresponding with  
Tax loss \$248,811.43 (USSG §2T4.1(G))

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Adjusted Offense Level

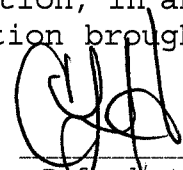
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The United States and Mr. Hutchinson acknowledge and understand that the Court and the Probation Office are not bound by the parties' calculation of the United States Sentencing Guidelines set forth above and that the parties shall not have the right to withdraw from the plea agreement due to a disagreement with the Court's calculation of the appropriate guideline range.

14. **WAIVER OF STATUTES OF LIMITATION AND PRETRIAL DELAY.** Mr. Hutchinson knows that there is a six-year statute of limitations within which the United States must bring criminal charges for the charge set forth in the information attached hereto as Exhibit A. Nevertheless, Mr. Hutchinson knowingly and voluntarily waives all defenses based on the applicable statutes of limitations, and pre-indictment delay under the Federal Rules of Criminal Procedure or the Constitution, with respect to the charge in the information attached as Exhibit A.

15. **WAIVER OF APPEAL AND COLLATERAL ATTACK.** Mr. Hutchinson knowingly and voluntarily waives the right to seek appellate review of his conviction and of any sentence of imprisonment or fine imposed by the District Court, or the manner in which the sentence was determined, on any ground whatsoever including any ground set forth in 18 U.S.C. § 3742, so long as that sentence of imprisonment or fine is below or within the Sentencing Guideline range corresponding to offense level 18. The United States also waives its right to seek appellate review of any sentence of imprisonment or fine imposed by the District Court, or the manner in which the sentence was determined, on any ground whatsoever including any ground set forth in 18 U.S.C. § 3742, so long as that sentence of imprisonment or fine is within or above the Sentencing Guideline range corresponding to offense level 15.

Mr. Hutchinson also knowingly and voluntarily waives the right to challenge his guilty plea and his conviction resulting from this plea agreement, and any sentence imposed for the conviction, in any collateral attack, including but not limited to a motion brought under 28 U.S.C. § 2255.



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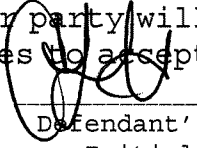
The waivers noted above shall not apply to a post-conviction collateral attack or direct appeal based on a claim of ineffective assistance of counsel.

16. **WAIVER OF FOIA AND PRIVACY RIGHT.** Mr. Hutchinson knowingly and voluntarily waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without any limitation any records that may be sought under the Freedom of Information Act (FOIA), 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a, following final disposition.

17. **FINAL DISPOSITION.** The matter of sentencing is within the sole discretion of the Court. The United States has made no representations or promises as to a specific sentence. The United States reserves the right to:

- (a) Inform the Probation Office and the Court of all relevant facts and conduct;
- (b) Present evidence and argument relevant to the factors enumerated in 18 U.S.C. § 3553(a);
- (c) Respond to questions raised by the Court;
- (d) Correct inaccuracies or inadequacies in the presentence report;
- (e) Respond to statements made to the Court by or on behalf of Mr. Hutchinson;
- (f) Advise the Court concerning the nature and extent of Mr. Hutchinson's cooperation; and
- (g) Address the Court regarding the issue of Mr. Hutchinson's acceptance of responsibility.

18. **VOIDING OF AGREEMENT.** If either the United States or Mr. Hutchinson violates the terms of this agreement, the other party will have the right to void this agreement. If the Court refuses to accept

  
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Timothy P. Rosinsky, Esquire  
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this agreement, it shall be void.

19. **TAX DIVISION APPROVAL.** It is understood that this agreement is conditioned upon approval by the Department of Justice, Criminal Tax Division. In the event such approval is not granted, this agreement shall be void.

20. **ENTIRETY OF AGREEMENT.** This written agreement constitutes the entire agreement between the United States and Mr. Hutchinson in this matter. There are no agreements, understandings or recommendations as to any other pending or future charges against Mr. Hutchinson in any Court other than the United States District Court for the Southern District of West Virginia.

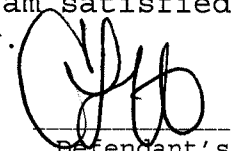
Acknowledged and agreed to on behalf of the United States:

R. BOOTH GOODWIN II  
United States Attorney

By:   
ERIK S. GOES  
Assistant United States Attorney

ESG/smw

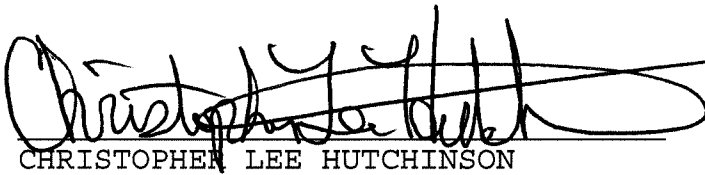
I hereby acknowledge by my initials at the bottom of each of the foregoing pages and by my signature on the last page of this nine-page agreement that I have read and carefully discussed every part of it with my attorney, that I understand the terms of this agreement, and that I voluntarily agree to those terms and conditions set forth in the agreement. I further acknowledge that my attorney has advised me of my rights, possible defenses, the Sentencing Guideline provisions, and the consequences of entering into this agreement, that no promises or inducements have been made to me other than those in this agreement, and that no one has threatened me or forced me in any way to enter into this agreement. Finally, I am satisfied with the representation of my attorney in this matter.

  
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Re: Christopher Lee Hutchinson



CHRISTOPHER LEE HUTCHINSON  
Defendant

9/11/13

Date Signed



TIMOTHY P. ROSINSKY  
Counsel for Defendant

9-11-13

Date Signed

UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF WEST VIRGINIA  
HUNTINGTON

UNITED STATES OF AMERICA

v.

CRIMINAL NO.

26 U.S.C. § 7202

CHRISTOPHER LEE HUTCHINSON

I N F O R M A T I O N

The United States Attorney Charges:

**COUNT ONE**

(Failure to Account for and Pay Over  
Withholding and F.I.C.A. (Social Security) Taxes)

At All Relevant Times:

1. Defendant Christopher Lee Hutchinson, a resident of Ashland, Kentucky, operated a business along with a person known to the United States Attorney as "First Known Person" under the name East Coast Services, Inc., a corporation, with its principal place of business in Huntington, West Virginia.

2. Defendant CHRISTOPHER LEE HUTCHINSON had a duty to collect federal income tax and Federal Insurance Contributions Act taxes from employees of East Coast Service, Inc. Defendant CHRISTOPHER LEE HUTCHINSON also had a duty to pay over the collected taxes to the Internal Revenue Service.

3. During the first quarter of the year 2007, ending March

**PLEA AGREEMENT EXHIBIT "A"**

31, 2007, defendant Christopher Lee Hutchinson deducted and collected from the total taxable wages of his employees federal income taxes and Federal Insurance Contributions Act taxes in the amount of \$7,608.

4. On or about April 31, 2007, in the Southern District of West Virginia, defendant Christopher Lee Hutchinson did willfully fail to truthfully account for and pay over to the Internal Revenue Service the federal income taxes and Federal Insurance Contributions Act taxes withheld and due and owing to the United States of America for the quarter ending March 31, 2007 in the amount of \$4,782.

In violation of Title 26, United States Code, Section 7202.

UNITED STATES OF AMERICA

R. BOOTH GOODWIN II  
United States Attorney

By:

  
ERIK S. GOES

Assistant United States Attorney

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF WEST VIRGINIA  
HUNTINGTON

UNITED STATES OF AMERICA

v.

CRIMINAL NO. \_\_\_\_\_

CHRISTOPHER LEE HUTCHINSON

STIPULATION OF FACTS

The United States and Christopher Lee Hutchinson stipulate and agree that the facts comprising the offense of conviction in the single-count Information in the Southern District of West Virginia, and the relevant conduct for that offense, include the following:

BACKGROUND

Defendant, Christopher Lee Hutchinson (hereinafter "Mr. Hutchinson") owned or operated a number of businesses from 1990 to 2012. These businesses included: Peck Security Systems, Inc. (from 1995 to 1997); CAC Enterprises, Inc. (from 1990 to 1998); R&C Enterprises of Ashland, Inc. (from 1998 to 1999); Security Group, Inc. (from 1998 to 2001); ICE Electric Company, LLC (from 2000 to 2002); ICE Electrical Corp. (from 2000 to 2001); Early Warning Security Corp. (from 2001 to 2002); East Coast Electric and Security Corporation (from 2001 to 2004); East Coast Services, Inc. (from 2003 to 2008); and Now Service Pros, LLC (from 2007 to 2012). All of the businesses had employees on their payroll.

Mr. Hutchinson had a duty to and was required to collect, account for and pay to the Internal Revenue Service ("IRS") taxes known as trust fund taxes from the wages of their employees. These trust fund taxes included federal income taxes and Federal Insurance Contributions Act ("FICA") taxes, known collectively as employment taxes. Mr. Hutchinson was responsible to collect and account for these taxes. These employees taxes were required to be paid every quarter and were due on April 30, July 31, October 31, and January 31, respectively. Mr. Hutchinson had a duty to collect employment taxes from the businesses noted above and to pay over the collected amount to the Internal Revenue Service.

From at least 1990 and continuing through 2012, at or near Huntington, Cabell County, West Virginia, and within the Southern District of West Virginia and elsewhere, Mr. Hutchinson willfully failed to pay over a large part of the federal income taxes and FICA taxes that were withheld from employees as employment tax and due and owing by Mr. Hutchinson to the United States of America.

**THE INFORMATION**

One of the businesses Mr. Hutchinson assisted to operate was East Coast Services, Inc. a corporation, located in Huntington, West Virginia, and incorporated in West Virginia and Ohio. Again, it was Mr. Hutchinson's duty and responsibility to collect, and to pay over to the IRS employment taxes, which included federal income taxes and FICA taxes collected from its employees. Mr. Hutchinson deducted and collected employment taxes from East Coast Services' employees in the amount of \$7,608. Mr. Hutchinson paid \$2,826 to the IRS on March 16, 2007. Mr. Hutchinson willfully failed to pay over an additional \$4,782 in monies to the IRS.

**ADDITIONAL FAILURES TO PAY OVER TAX**

Additionally, Mr. Hutchinson failed to pay over employment taxes collected quarterly from his other businesses. Mr. Hutchinson was responsible for payment of quarterly taxes and failed to make payments in various quarters for the respective businesses, as follows:

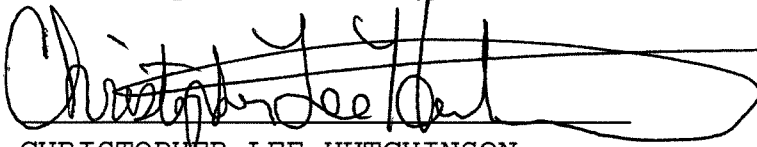
BUSINESS NAME	EIN	TIME TAXES DUE/OWING	TAX DUE
Peck Security Systems Inc.	55-0748585	3/96 - 9/97	\$ 2,084.92
CAC Enterprises, Inc.	61-1184711	3/96 - 12/97	\$ 34,844.63
R&C Enterprises of Ashland, Inc.	61-1318965	3/98 - 3/99	\$ 15,140.18
Security Group Inc.	61-1342089	6/99 - 3/00	\$ 364.46
ICE Electric Company, LLC	61-1368570	12/00	\$ 8,238.10
ICE Electrical Corp.	61-1384242	12/00 - 3/01	\$ 12,973.50
Early Warning Security Corporation	61-1384240	3/01	\$ 2,826.99
East Coast Electric & Security Corporation	61-1393055	9/01 - 12/06	\$ 83,011.96
East Coast Services, Inc.	14-1868798	3/03 - 3/08	\$ 21,042.05 <sup>1</sup>
Now Service Pros, LLC	20-8870448	6/07 - 12/12	\$ 68,284.64
<b>TOTAL</b>			<b>\$248,811.43</b>

<sup>1</sup> This figure includes the quarter set forth in the information.

In total, Mr. Hutchinson affirmatively and intentionally failed to pay over taxes due and owing to the United States resulting in a shortfall of approximately \$248,811.43.

This Stipulation of Facts does not contain each and every fact known to Christopher Lee Hutchinson and to the United States concerning his involvement and the involvement of others in the charge set forth in the Information.

Stipulated and agreed to:



CHRISTOPHER LEE HUTCHINSON  
Defendant

9/11/13  
Date



TIMOTHY P. ROSINSKY  
Counsel for Defendant

9-11-13  
Date



ERIK S. GOES  
Assistant United States Attorney

9/15/13  
Date