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FILED IN THE
U.S. DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON,

APR 30 2007
JAMES R. LARSEN, CLERK
DEPUTY,
SPOKANE, WASHINGTON

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON



UNITED STATES OF AMERICA,

Plaintiff,

vs.

AMY LEANN HENSLEY,

Defendant.

CR-05-180-5-LRS

Plea Agreement

Plaintiff United States of America, by and through James A. McDevitt,
United States Attorney for the Eastern District of Washington, and George J.C.
Jacobs, III, Assistant United States Attorney for the Eastern District of
Washington, and Defendant AMY LEANN HENSLEY and the Defendant's
counsel, Christina L. Hunt, agree to the following Plea Agreement:

1. Guilty Plea and Maximum Statutory Penalties:

The Defendant, AMY LEANN HENSLEY, agrees to plead guilty to Count
1 of the Indictment, dated October 5, 2005. Count 1 charges her with Conspiracy
to Commit Wire Fraud and Mail Fraud, in violation of 18 U.S.C. §§ 371, 1341 and
1343. The Defendant understands that this charge is a Class D felony offense that
carries a maximum statutory penalty of: not more than a five-year term of
imprisonment; not more than a \$250,000 fine; not more than a three-year term of

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2 supervised release; the payment of restitution; and a \$100 special penalty
3 assessment.

4 2. The Court is Not a Party to the Agreement:

5 The Court is not a party to this Plea Agreement and may accept or reject this
6 Plea Agreement. The Defendant understands: that sentencing is a matter that is
7 solely within the discretion of the Court; that the Court is under no obligation to
8 accept any recommendations made by the United States and/or by the Defendant;
9 that the Court will obtain an independent report and sentencing recommendation
10 from the U.S. Probation Office; and that the Court may, in its discretion, impose
11 any sentence it deems appropriate up to the statutory maximums stated in this Plea
12 Agreement.

13 The Defendant acknowledges that no promises of any type have been made
14 to the Defendant with respect to the sentence the Court will impose in this matter.
15 She understands that the Court is required to consider the applicable sentencing
16 range under the Sentencing Guidelines, but that the Court may depart upward or
17 downward from the range.

18 The Defendant also understands that the Court may not accept any of the
19 parties' recommendations set forth in this Plea Agreement. She understands that
20 such a circumstance does not provide her a basis for withdrawing from this Plea
21 Agreement or for withdrawing her plea of guilty.

22 3. Waiver of Constitutional Rights:

23 The Defendant understands that by entering this plea of guilty she is
24 knowingly and voluntarily waiving certain constitutional rights, including: (a.)
25 The right to a jury trial; (b.) The right to see, hear and question the witnesses;
26 (c.) The right to remain silent at trial; (d.) The right to testify at trial; and (e.) The
27 right to compel witnesses to testify.
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2 While the Defendant is waiving certain constitutional rights, she also
3 understands that she will retain the right to be assisted through the sentencing
4 process and any direct appeal by an attorney, who will be appointed at no cost if
5 she cannot afford to hire an attorney. She acknowledges that pending pretrial
6 motions, if any, are waived.

7 4. Elements of the Offenses:

8 The Defendant acknowledges and agrees that, in order to be found guilty of
9 Conspiracy to Commit Wire Fraud and Mail Fraud, in violation of 18 U.S.C. §§
10 371, 1341 and 1343, the United States must prove the following elements beyond
11 a reasonable doubt:

12 First, beginning on a date unknown, but by on or about January 1,
13 2002, and continuing until on or about August 11, 2005, in the
14 Eastern District of Washington and elsewhere, there was an
15 agreement between at least two of the individuals charged in
16 the Indictment to commit mail fraud and wire fraud by devising
17 and implementing a scheme to obtain money by knowingly
18 making materially false promises, statements or representations
19 and by using the U.S. Postal Service or commercial interstate
20 carriers and interstate and foreign wire communications, with
21 the intent to defraud;

22 Second, AMY LEANN HENSLEY became a member of the conspiracy
23 knowing of at least one of its objects and intending to
24 accomplish it; and

25 Third, AMY LEANN HENSLEY or another conspirator, performed at
26 least one overt act for the purpose of carrying out the
27 conspiracy.
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2 5. Factual Basis and Statement of Facts:

3 The Defendant acknowledges and agrees that, in proving the elements of the
4 crime to which she is pleading guilty, the United States can establish the following
5 facts beyond a reasonable doubt, that these facts constitute an adequate factual
6 basis for her plea of guilty, and that for sentencing purposes neither party is
7 precluded from presenting additional facts and arguing the relevance of the facts
8 to the Sentencing Guidelines computation or to sentencing generally, unless
9 otherwise prohibited by this Plea Agreement.

10 A. *Overview*

11 From on or about January 1, 2002, until on or about August 11, 2005, Dixie
12 Ellen Randock, Steven Karl Randock, Sr., Heidi Kae Lorhan, Roberta Lynn
13 Markishtum, Kenneth Wade Pearson, Richard John Novak, Blake Alan Carlson,
14 and AMY LEANN HENSLEY conspired to operate a so-called internet-based
15 "diploma mill" through which materially false and fraudulent academic products
16 were sold to individual consumers. Ms. Hensley was employed by the "diploma
17 mill" until on or about March 2005. These products included high school degrees,
18 college and graduate-level degrees (e.g., Bachelor of Arts, Bachelor of Sciences,
19 Master of Arts, Master of Sciences, and Doctor of Philosophy), fabricated
20 academic transcripts, and "Professorships." During this period, the diploma mill
21 sold approximately \$2,464,191.00 in fraudulent academic products to thousands of
22 individual consumers located in the United States and elsewhere.

23 At least seven different locations were being used to operate the diploma
24 mill, including: (1) the residence of Dixie Ellen Randock and Steven Karl
25 Randock, Sr. located in Colbert, Washington; (2) the residence of Heidi Lorhan
26 located in Veradale, Washington; (3) the residence of AMY HENSLEY located in
27 Spokane, Washington; (4) the residence of Richard Novak located in Peoria,
28 Arizona; (5) office space within "Home Boys", a business located at 14525 North

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2 Newport Highway located in Mead, Washington; (6) office space rented at Suite
3 8-B, 601 East Seltice Way in Post Falls, Idaho; and (7) the residence of Ken
4 Pearson located in Spokane, Washington. In addition, at least two mail
5 forwarding boxes located in Washington, D.C. and Wilmington Delaware, were
6 being used in connection with the operation of the diploma mill.

7 The conspirators created and used internet websites to advertise diplomas
8 and academic products for sale. These websites purported to be legitimate
9 academic "entities" that sold legitimate academic products based on legitimate
10 academic assessments. The conspirators created numerous "entities" using names
11 such as:

12 Saint Regis University; James Monroe University; Robertstown University;
13 Holy Acclaim University; Ameritech University; Fort Young University;
14 Pan America University; All Saints American University; American Capital
15 University; Blackstone University; Capital America University; Hampton
16 Bay University; Hartland University; Intech University; Nation State
17 University; New Manhattan University and Graduate Institute; North United
18 University; Port Rhode University; St. Lourdes University; Saint Renoir
19 University; Stanley State Graduate University; Van Ives University; West
20 American University; International MBA Institute; St. Thomas Institute;
21 Apollo Certification Institute; University College of Advanced Studies;
22 Concordia College and University; Allegiance Academy of the Arts; Capital
23 Arts & Technology Institute; Bangalore Institute of Science, Technology, &
24 Management; James Monroe High School; Liberty Academy Preparatory
25 High School; Trinity Christian High School; Mission College Preparatory
26 High School; and Bradford Academy College Preparatory High School.

27 The conspirators also used the websites to sell counterfeit diplomas and academic
28 products purporting to be from legitimate academic institutions, such as the
University of Maryland, Columbia University, and Texas A&M University.

 Conspirators communicated with consumers on behalf of the "entities"
using e-mail transmittals (which affected interstate commerce) using materially
false names, credentials, pretenses, promises, and representations. Unbeknownst
to the defrauded consumers, however, these entities were nonexistent shells that
conducted no academic business whatsoever. Nonetheless, the conspirators

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2 falsely represented that they were representing legitimate, on-going, degree-
3 conferring institutions.

4 Generally, the cost of a high school diploma was \$350-\$400 and an
5 undergraduate or graduate "degree" was \$500 -\$1,200. As directed by
6 conspirators, defrauded consumers sent payment for the academic products
7 through the U.S. mails and over the wires via credit card payment. Defrauded
8 consumers paid for the academic products using: checks sent through the United
9 States Postal Service; electronic money transfers via a PayPal account, which is an
10 online bill paying service; Western Union wire transfer service; and Worldpay,
11 which is a company used to receive credit card payments.

12 Once payment was received from a defrauded consumer, the conspirators
13 manufactured the academic product(s) purchased. For example, using an
14 electronic template a diploma, transcript, and other documents would be
15 individualized for a consumer. The documents would be printed, packaged, and
16 mailed via the U.S. Postal Service or commercial interstate carrier.

17 *B. AMY LEANN HENSLEY's Statements*

18 On August 11, 2005, Federal and State law enforcement officers executed a
19 search warrant at AMY LEANN HENSLEY's residence. She spoke to officers
20 that day, and again on August 17, 2005, at the Perkin's Restaurant, about her
21 involvement in, and knowledge concerning, the diploma mill.

22 AMY LEANN HENSLEY stated that, in January 2000, she began working
23 at A+ Institute, a real estate instructional business operated by Dixie Ellen
24 Randock. After working at A+ Institute for a period of time, AMY LEANN
25 HENSLEY noticed that another employee was packaging diplomas to be mailed.
26 She also noticed that checks, written in amounts significantly higher than the cost
27 of any real estate course offered at A+ Institute, were arriving in the business'
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2 mail. AMY LEANN HENSLEY stated that she gave those checks to Steven Karl
3 Randock, Sr.

4 AMY LEANN HENSLEY explained that Dixie Ellen Randock told her that
5 she (Randock) had a diploma business, which Dixie Ellen Randock described as
6 doing life experience evaluations for "Concordia" University located in Dominica.
7 Dixie Ellen Randock told AMY LEANN HENSLEY that the evaluations were
8 based on a person's prior learning and life experience. The diplomas and checks
9 that AMY LEANN HENSLEY had noticed were associated with the diploma
10 business.

11 AMY LEANN HENSLEY stated that Dixie Ellen Randock got her involved
12 in the diploma business after she asked Dixie Ellen Randock for a loan. While
13 AMY LEANN HENSLEY continued working for A+ Institute during normal
14 business hours, she did "evaluations" for Dixie Ellen Randock's diploma business
15 after hours. She was paid on a commission basis. In August 2004, AMY LEANN
16 HENSLEY started working full time for the diploma business.

17 Dixie Ellen Randock demonstrated how to sell academic products to
18 consumers. An interested consumer who accessed a website for one of the shell
19 "entities" would be sent an e-mail containing an internet hyperlink. The e-mail
20 would instruct the consumer to click on the hyperlink if he/she wanted to purchase
21 an academic product. AMY LEANN HENSLEY stated that Dixie Ellen Randock
22 gave her a laptop computer to use for the diploma business. AMY LEANN
23 HENSLEY explained that she used the laptop computer to communicate via the
24 internet with defrauded consumers. AMY LEANN HENSLEY purchased her own
25 laptop computer after Dixie Ellen Randock took back the original laptop
26 computer. Dixie Ellen Randock downloaded documents for AMY LEANN
27 HENSLEY to use on her new computer when communicating with consumers,
28 including a transcript file, a template file, a results file and a letters file. Dixie

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2 Ellen Randock gave the original laptop to her daughter, Heidi Kae Lorhan, who
3 also used it in the diploma mill business.

4 Dixie Ellen Randock instructed AMY LEANN HENSLEY on how to sell
5 academic products to consumers. Dixie Ellen Randock gave AMY LEANN
6 HENSLEY boiler plate documents to use when communicating with a consumer.
7 Following Dixie Ellen Randock's instruction, AMY LEANN HENSLEY
8 represented herself as being an "advisor." When AMY LEANN HENSLEY
9 communicated with consumers, she identified herself as "Advisor Tim." She told
10 consumers that a peer advisory group would assess their life experience and
11 determine whether they were qualified for academic products. No meaningful
12 assessment, however, was done. In playing her role of "Advisor Tim," AMY
13 LEANN HENSLEY followed a rote script concerning what degrees and/or
14 diplomas a consumer could obtain, the academic course work purportedly
15 equivalent to a consumer's life experience, and the grades to which a consumer
16 was entitled to receive. If AMY LEANN HENSLEY was uncertain about the
17 type of academic product a consumer could purchase, she would forward
18 information about the consumer to Dixie Ellen Randock, who would then create
19 fictional product.

20 AMY LEANN HENSLEY created the academic products for a consumer
21 using generic templates that Dixie Ellen Randock had given her. AMY LEANN
22 HENSLEY would, for example, fill in the consumer's name, degree "conferred,"
23 and date of "matriculation" on specific academic products. Dixie Ellen Randock
24 gave AMY LEANN HENSLEY instructions concerning which signatures and
25 titles should appear on the false and fraudulent academic products. AMY LEANN
26 HENSLEY knew that the names (for example, Patrick O'Brien, Stephen Frendock,
27 Patrick Sullivan) and titles (for example, President, Dean of Studies, Chief
28 Provost, and Registrar of Official Academic Records) that were affixed to the

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2 academic products were fictitious, false and fraudulent. Dixie Ellen Randock gave
3 her several signature stamps to use on the academic products.

4 By way of further example, Dixie Ellen Randock gave AMY LEANN
5 HENSLEY pre-completed "transcripts" that corresponded to the particular type of
6 "degree," which contained the major area of study, course listings, letter grades,
7 final grade point average, credit hours, and SAT scores. In some cases, Dixie
8 Ellen Randock had not yet created a transcript to correspond to a particular type of
9 "degree." In those instances, Dixie Ellen Randock instructed AMY LEANN
10 HENSLEY to conduct a "Google" search to determine the course work necessary
11 to obtain such a degree legitimately. AMY LEANN HENSLEY would then create
12 a new transcript by "cutting and pasting" the courses identified through her
13 internet search.

14 The "transcripts" also contained a "certification" from the Registrar of
15 Official Academic Records as well as the address and telephone number for the
16 Official Transcript Archive Center -- a mail forwarding drop box created by Dixie
17 Ellen Randock and Steven Karl Randock, Sr. Unbeknownst to the consumers, the
18 Official Transcript Archive Center was created as a backstop for any inquiries
19 from, for example, employers, about the legitimacy of the false and fraudulent
20 academic products.

21 After individualizing the templates, AMY LEANN HENSLEY sent a proof
22 of the "academic products" to the consumer. If the consumer was satisfied and
23 there were no misspellings, payment was forwarded. In her role as "Advisor Tim,"
24 AMY LEANN HENSLEY told consumers about the costs associated with the
25 academic products and how payment should be made. She told consumers to pay
26 by check, money order, Western Union transfer, or electronic transfer using
27 PayPal, Worldpay, or Bank of Fairfield accounts which Dixie Ellen Randock and
28 Steven Karl Randock, Sr. had established. Once payment was received from a

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2 consumer, the academic products and related documents would be printed in the
3 State of Washington or Idaho and then shipped via the United States Postal
4 Service or commercial interstate carrier to the consumer in other States and
5 countries.

6 AMY LEANN HENSLEY sold B.S. and B.A. college degrees, M.A. and
7 M.S. graduate degrees, and PhDs in her role as "Advisor Tim." AMY LEANN
8 HENSLEY sold false and fraudulent degrees based on materially false promises,
9 statements or representations which she knew induced others to part with money
10 or property.

11 *C. Roles of Additional Coconspirators*

12 Heidi Kae Lorhan, like AMY LEANN HENSLEY, participated in the
13 conspiracy as an advisor, using the identity "Advisor James," to sell false and
14 fraudulent degrees based on materially false promises, statements or
15 representations. Blake Alan Carlson participated in the conspiracy as an advisor,
16 using the identity "Professor Blackwell" to sell false and fraudulent degrees based
17 on materially false promises, statements or representations. Roberta Lynn
18 Markishtum participated in the conspiracy by selling false and fraudulent high
19 school diplomas, making false representations over the telephone, manufacturing
20 fraudulent academic products, and by printing, packaging and shipping the
21 products. Kenneth Wade Pearson participated in the conspiracy by knowingly
22 hosting false and fraudulent websites used by the diploma mill and by printing
23 fraudulent academic products. Richard John Novak participated in the conspiracy
24 by knowingly obtaining legitimate apostilles and other attestations, which were
25 thereafter affixed to unrelated fraudulent academic products sold by the diploma
26 mill.

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2 6. Waiver of Inadmissibility of Statements:

3 The Defendant agrees that, if she withdraws her guilty plea, she waives the
4 inadmissibility of statements, if any, made in the course of plea discussions with
5 the United States, pursuant to Fed. R. Crim. P. 11(f). The Defendant agrees
6 further that any such inadmissible statements also include those statements made
7 at the change of plea hearing to establish facts sufficient for the Court to accept
8 her plea of guilty. The Defendant agrees that this waiver permits the United States
9 to introduce any such inadmissible statements in its case-in-chief.

10 7. The United States Agrees:

11 a. **Dismissals:**

12 The United States agrees that, at the time of sentencing, it will move to
13 dismiss Count 3 of the Indictment, which count alleges a criminal forfeiture
14 pursuant to 18 U.S.C. § 982(a)(1).

15 b. **Not to File Additional Charges:**

16 The United States Attorney's Office for the Eastern District of Washington
17 agrees not to bring any additional charges against the Defendant based upon
18 information in its possession at the time of this Plea Agreement and arising out of
19 the Defendant's conduct involving illegal activity charged in Indictment, unless
20 the Defendant breaches this Plea Agreement any time before or after sentencing.

21 8. Effect of Breach:

22 If the Defendant breaches this Plea Agreement, she agrees: that the
23 agreement is null and void; that she expressly waives the right to challenge the
24 initiation of additional charges against her for any criminal activity; and that the
25 United States may make derivative use of and may pursue any investigative leads
26 suggested by her. This agreement does not protect the Defendant from
27 prosecution for perjury, obstruction of justice, or any other offense should she
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2 commit any crime during her participation in any debriefing or while attempting to
3 provide "substantial assistance" pursuant to this agreement.

4 **9. United States Sentencing Guideline Calculations:**

5 The Defendant and the United States acknowledge that the final Sentencing
6 Guidelines calculations will be determined by the Court, with input from the
7 United States Probation Office. The Defendant and the United States reserve the
8 right to advise the Court and the United States Probation Office about the law and
9 facts applicable to any sentencing issues.

10 **a. Base Offense Level:**

11 The United States and the Defendant agree that the base offense level for
12 Conspiracy to Commit Wire/Mail Fraud is six (6). USSG § 2B1.1(a)(2).

13 **b. Specific Offense Characteristics:**

14 The Defendant and the United States also agree that the base offense level
15 should be increased based on the reasonably foreseeable loss resulting from the
16 Defendant's involvement in the conspiracy, which involvement began on
17 approximately January 1, 2002, and continued through August 11, 2005. See
18 USSG § 2B1.1(b)(1) and USSG § 1B1.3 (relevant conduct). The Defendant
19 acknowledges that the United States will argue at sentencing that the loss is
20 approximately \$2,464,191.60, which loss amount will result in a sixteen (16)-level
21 increase in the base offense level. See USSG § 2B1.1(b)(1)(I). The United States
22 acknowledges that the Defendant will argue at sentencing that the reasonably
23 foreseeable loss amount is less than \$2,464,191.60, which will result in a smaller
24 level increase in her base offense level, if any.

25 The Defendant acknowledges that the United States will argue that her base
26 offense level should be increased by an additional six (6) levels because the
27 conspiracy involved a scheme to defraud 250 or more victims. USSG §
28 2B1.1(b)(2)(C).

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2 The Defendant acknowledges that the United States will argue that her base
3 offense level should be increased by an additional two (2) levels because the
4 conspiracy involved misrepresentations that the Defendant was acting on behalf of
5 one or more educational institutions. USSG § 2B1.1(b)(8)(A).

6 **c. Adjusted Offense Level:**

7 The Defendant acknowledges that the United States will argue at sentencing
8 that the adjusted offense level for the wire/mail fraud conspiracy offense is 30.

9 **d. Acceptance of Responsibility:**

10 If the Defendant pleads guilty and demonstrates a recognition and an
11 affirmative acceptance of personal responsibility for her criminal conduct,
12 provides complete and accurate information during the sentencing process, and
13 does not commit any obstructive conduct, the United States will recommend a two
14 (2)-level reduction of her adjusted offense level for acceptance of responsibility
15 and move for a one (1)-level reduction for timely entering a plea of guilty. *See*
16 USSG § 3E1.1(a) and (b). As a condition of this recommendation, the Defendant
17 agrees to pay the \$100 mandatory special penalty assessment (*see* 18 U.S.C. §
18 3013(a)(2)(A)) to the Clerk of the Court for the Eastern District of Washington, at
19 or before sentencing, in accordance with paragraph 15 herein (*see infra*).
20 Furthermore, the Defendant and the United States agree that the United States
21 may, at its option and upon written notice to the Defendant, not recommend a
22 reduction for acceptance of responsibility if, prior to the imposition of sentence,
23 she is charged with or convicted of any criminal offense whatsoever and/or if she
24 tests positive for any controlled substance.

25 **e. Criminal History:**

26 The Defendant and the United States understand that her criminal history
27 computation will be determined by the Court, based on input from the United
28 States Probation Office and the Presentence Investigation Report. The Defendant

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2 and the United States acknowledge they have made no agreement and have made
3 no representations as to the Criminal History Category within which the
4 Defendant falls.

5 **10. Substantial Assistance:**

6 The United States agrees to furnish the Defendant an opportunity to earn a
7 "substantial assistance" departure, pursuant to USSG § 5K1.1, by providing
8 information and assistance in the investigation and prosecution of others. The
9 Defendant has provided a significant amount of information already through
10 multiple interviews with federal agents. The Defendant agrees to continue her
11 complete and truthful cooperation and to meet with federal and state law
12 enforcement agents in an effort to earn a substantial assistance departure. The
13 Defendant understands that whether any such information amounts to substantial
14 assistance is a determination left to the United States Attorney's Office.

15 a. The Defendant must provide information and assistance in the
16 federal or state investigation and prosecution of others who have the same as or
17 greater involvement than the Defendant's involvement in violations of the law.

18 b. The Defendant understands and agrees to participate in full
19 debriefings by federal and local investigative agencies about the Defendant's
20 knowledge of illegal conduct, at times and places to be decided by these agencies.
21 The Defendant agrees to provide complete, accurate, and truthful information
22 during the debriefings. Such debriefings may involve the use of a polygraph, if
23 requested by the agencies. It is understood that the Defendant may have an
24 attorney present at the debriefings. The Defendant also agrees to participate in any
25 future court proceeding involving any named or unnamed coconspirators and any
26 other persons involved in criminal activity, by testifying completely and truthfully.
27 Such court proceedings include grand jury proceedings, pretrial hearings, trials,
28 and sentencing hearings.

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2 c. The Defendant agrees that the United States may, at its option
3 and upon written notice to the Defendant, withdraw from this Plea Agreement or
4 modify its recommendation for sentence if the Defendant fails to provide truthful,
5 complete and honest information during debriefings, testimony before the grand
6 jury, or any court proceedings.

7 d. The Defendant understands this agreement does not protect her
8 from prosecution for perjury, obstruction of justice, or any other offense should
9 the Defendant commit any crime during the Defendant's cooperation under this
10 agreement.

11 e. The Defendant understands further that, if the United States
12 determines the Defendant has provided "substantial assistance" and a motion is
13 made, the Court will be free to impose any sentence. If a "substantial assistance"
14 motion is filed, both the United States and the Defendant will be free to make a
15 specific recommendation with respect to any reduction of sentence. It is
16 understood that the United States will inform the sentencing judge about the
17 timing and extent of the Defendant's cooperation.

18 f. The Defendant understands that, if the United States files a
19 motion indicating the Defendant has provided "substantial assistance," the
20 appropriate reduction shall be determined by the Court for reasons including
21 consideration of the following: (1) the Court's evaluation of the significance and
22 usefulness of the Defendant's assistance, taking into consideration the United
23 States' evaluation of the assistance rendered; (2) the truthfulness, completeness,
24 and reliability of any information or testimony provided by the Defendant; (3) the
25 nature and extent of the Defendant's assistance; (4) any injury suffered, or any
26 danger or risk of injury to the Defendant or the Defendant's family resulting from
27 the Defendant's assistance; and (5) the timeliness of the Defendant's assistance.

28 *See* USSG § 5K1.1(a)(1)-(5).

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2 g. The Defendant and the United States agree to file a joint motion
3 with the Court to continue the imposition of judgment and sentence, if necessary,
4 so that the Defendant may complete her substantial assistance to law enforcement
5 authorities and so that the United States may present the Court with appropriate
6 information about the nature, quality, and value of the Defendant's cooperation.
7 The parties understand that the Court will determine, in the exercise of its
8 discretion, whether or not to grant any motion for a continuance of the sentencing
9 hearing.

10 11. Incarceration:

11 a. **Length of Imprisonment**

12 The Defendant understands that the United States will recommend that the
13 Court impose a sentence of imprisonment within the applicable advisory
14 Guidelines sentencing range. *Cf.* USSG § 5G1.1. If, however, the United States
15 files a motion for a downward departure / variance based on "substantial
16 assistance" and if the Court grants such a motion, the United States and the
17 Defendant will be free to make whatever recommendation they believe is
18 appropriate based on the nature, quality, and value of the Defendant's assistance.
19 *See* USSG § 5K1.1 and 18 U.S.C. § 3553. The Defendant has provided a
20 significant amount of information already through multiple interviews with federal
21 agents.

22 b. **Notification of Safety Concerns**

23 If the Court imposes a term of incarceration, the United States Attorney's
24 Office for the Eastern District of Washington agrees to notify the United States
25 Bureau of Prisons and to request that, in the interest of safety, the Defendant be
26 incarcerated separately and apart from any known co-conspirator or any other
27 person about whom she provides information.

28 12. Criminal Fine:

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2 The Defendant and the United States are free to make whatever
3 recommendation concerning the imposition of a criminal fine that they believe is
4 appropriate.

5 13. Supervised Release:

6 The Defendant and the United States agree to recommend that the Court
7 impose a three (3)-year term of supervised release to include the following special
8 conditions, in addition to the standard conditions of supervised release:

9 a. that the Defendant's person, residence, office, vehicle, and
10 belongings are subject to search at the direction of the Probation Officer;

11 b. that the Defendant provide financial information, provide
12 copies of Federal income tax returns, and allow credit checks, at the direction of
13 the Probation Officer;

14 c. that the Defendant shall disclose all assets and liabilities to the
15 Probation Officer and shall not transfer, sell, give away, or otherwise convey or
16 secret any asset, without the advance approval of the Probation Officer;

17 d. that the Defendant be prohibited from incurring any new debt,
18 opening new lines of credit, or entering any financial contracts or obligations
19 without the prior approval of the Probation Officer;

20 e. that the Defendant be prohibited from working in the
21 educational field; and

22 f. that the Defendant allow the Probation Officer or designee to
23 conduct random inspections, including retrieval and copying of data from any
24 computer, and any personal computing device that the Defendant possesses or has
25 access to, including any internal or external peripherals. This may require
26 temporary removal of the equipment for a more thorough inspection. The
27 Defendant shall not possess or use any data encryption technique or program. The
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2 Defendant shall purchase and use such hardware and software systems that
3 monitor the Defendant's computer usage, if directed by the Probation Officer.

4 14. Restitution:

5 The Defendant and the United States agree that the Court should order
6 restitution to the victims of the wire/mail fraud conspiracy offense, pursuant to 18
7 U.S.C. §§ 3663, 3663A and 3664, in an amount to be determined by the Court at
8 sentencing. The Defendant understands that the United States will argue that the
9 amount of restitution is \$2,464,191.60. The Defendant understands that she may
10 be held jointly and severally liable for the full amount of any order of restitution
11 entered by the Court.

12 15. Mandatory Special Penalty Assessment:

13 The Defendant agrees to pay the \$100 mandatory special penalty assessment
14 to the Clerk of Court for the Eastern District of Washington, at or before
15 sentencing, pursuant to 18 U.S.C. § 3013, and shall provide a receipt from the
16 Clerk to the United States before sentencing as proof of this payment.

17 16. Payments While Incarcerated:

18 If the Defendant lacks the financial resources to pay any monetary
19 obligations imposed by the Court, and if the Defendant is incarcerated, she agrees
20 to participate in the Bureau of Prisons' Inmate Financial Responsibility Program.

21 17. Additional Violations of Law Can Void Plea Agreement:

22 The Defendant and the United States agree that the United States may at its
23 option and upon written notice to the Defendant, withdraw from this Plea
24 Agreement or modify its recommendation for sentence if, prior to the imposition
25 of sentence, the Defendant is charged or convicted of any criminal offense
26 whatsoever or if the Defendant tests positive for any controlled substance.

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18. Appeal Rights:

Nothing in this Plea Agreement shall preclude the United States from opposing any motion for reduction of sentence or other attack of the conviction or sentence, including but not limited to proceedings pursuant to 28 U.S.C. § 2255 (Writ of Habeas Corpus). Should the conviction be set aside, reversed, or vacated, this Plea Agreement is null and void and the United States may institute or re-institute any charges against the Defendant and make derivative use of any statements or information she has provided.

19. Integration Clause:

The United States and the Defendant acknowledge that this document constitutes the entire Plea Agreement between the United States and the Defendant, and no other promises, agreements, or conditions exist between the United States and the Defendant concerning the resolution of the case. This Plea Agreement is binding only upon the United States Attorney's Office for the Eastern District of Washington, and cannot bind other federal, state or local

1
2 authorities. The United States and the Defendant agree that this agreement cannot
3 be modified except in a writing that is signed by the United States and the
4 Defendant.

5 Approvals and Signatures

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7 Agreed and submitted on behalf of the United States Attorney's Office for
8
9 the Eastern District of Washington.

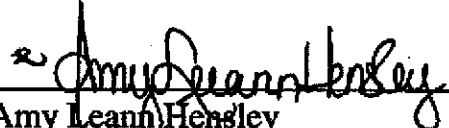
10 James A. McDevitt
11 United States Attorney

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13 George J. C. Jacobs, III
14 Assistant U.S. Attorney



4/30/07
Date

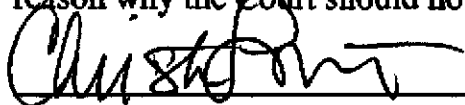
15 I have read this Plea Agreement and have carefully reviewed and discussed
16 every part of the agreement with my attorney. I understand and voluntarily enter
17 into this Plea Agreement. Furthermore, I have consulted with my attorney about
18 my rights, I understand those rights, and I am satisfied with the representation of
19 my attorney in this case. No other promises or inducements have been made to
20 me, other than those contained in this Plea Agreement, and no one has threatened
21 or forced me in any way to enter into this Plea Agreement. I am agreeing to plead
22 guilty because I am guilty.
23

24 
25 Amy Leann Hensley
26 Defendant

30 April 07
Date

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I have read the Plea Agreement and have discussed the contents of the agreement with my client. The Plea Agreement accurately and completely sets forth the entirety of the agreement between the parties. I concur in my client's decision to plead guilty as set forth in the Plea Agreement. There is no legal reason why the Court should not accept the Defendant's plea of guilty.



Christina L. Hunt
Attorney for the Defendant

4/30/07

Date