

TENDERED

Date: 4-9-04

LESLIE G. WHITMER
CLERK U.S. DISTRICT COURT

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
COVINGTON**

FILED

JUL - 7 2004

AT COVINGTON
LESLIE G WHITMER
CLERK U.S. DISTRICT COURT

**CRIMINAL ACTION NO. 03-24 (JBC)
UNITED STATES OF AMERICA**

PLAINTIFF

V.

PLEA AGREEMENT

TIMOTHY ALDRIDGE

DEFENDANT

* * * * *

1. Pursuant to Federal Rule of Criminal Procedure 11, the Defendant will enter a guilty plea to Count 1 of the Indictment, charging a violation of 29 U.S.C. §§ 501(c).

At sentencing, the government will move to dismiss Counts 2 through 4.

2. The essential elements are:

29 U.S.C. § 501(c):

(a) Defendant, being an officer of a labor union;

(b) Embezzled, stole or willfully and unlawfully converted or abstracted to his own use or use of another;

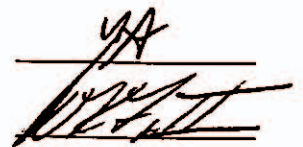
(c) Monies and funds of the labor union.

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OFFICE OF THE CLERK
EASTERN DISTRICT OF KENTUCKY
COVINGTON, KY
[Signature]

3. As to Count 1, the United States could prove the following facts that establish the essential elements of the offense beyond a reasonable doubt, and the Defendant admits these facts:

From approximately January, 2000, through January, 2002, Defendant served as the President of the Florence Steel Workers Union, Local 1 (the Union), a local union at Mubea, Inc. (Mubea) in Florence, Kentucky. The union had an executive board consisting of a president, vice-president, treasurer and recording secretary, all of which are part time positions. Officers earn monthly salaries of \$200.00, \$150.00, \$175.00 and \$100.00 respectively. Mubea manufactures spring products for the automotive industry and ships to a variety of customers across the United States and Canada. Defendant's duties as President included preparing and co-signing union checks and keeping and maintaining union financial records. All expenditures other than officer's salaries had to be approved by the membership of the union at a union meeting.

During the period in question the union had 2 checking accounts, both at the Huntington Bank. Both were opened by Aldridge and Treasurer, Paula Burns. 2 signatures were required to negotiate checks and Aldridge and Burns were the 2 authorized signatories. Members paid dues of \$5.00 per week through payroll deduction and Mubea sent the money to the union's bank account via direct deposit. The union's monthly expenses were the officer's salaries, cell phone charges, legal expenses and

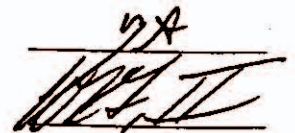
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bereavement gifts. There was little or no occasion for union officers to travel as it is an independent union.

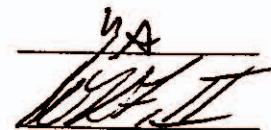
From approximately February, 2000, through January, 2002, Aldridge willfully embezzled or stole approximately \$112,525.27 in funds belonging to the union by writing union checks to himself without union knowledge or consent. He also deposited several of these checks into the checking account of his girlfriend. Aldridge concealed his actions by writing false purposes in the memo sections of most of the checks and by withholding union financial records from the new officers of the union after he left office.

Analysis of the union's bank records for both checking accounts revealed the following:

During the relevant time period, Aldridge wrote at least 52 checks naming himself as the payee. The checks ranged in value from \$75.00 to \$7,200.00 and were written on both of the union's accounts. 34 of the checks were over \$1,000.00 and no original or back-up documentation was found justifying any of the checks in question. The amount of the checks written totaled \$135,025.50. Credits were given for various legitimate union expenses including officer's salaries, attorney's fees, transfers and cell phone charges regardless of whether original or back-up documentation existed resulting in a total of \$112,525.27 missing.

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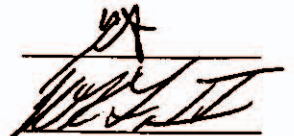
Further analysis revealed that the transfers involved partial or split deposits of 3 of the checks in question to the union's other checking account. The checks and deposits were a \$6,000.00 check dated 10/11/00 and a partial deposit of \$1,000.00; a \$3,300.00 check dated 12/01/00 and a partial deposit of \$1,200.00 and a \$4,800.00 check and a partial deposit of \$3,000.00. Credits were given for the monies deposited into union accounts. Additionally, union checks numbered 1219, 1221, 1231, 1273 and 1283 totaling \$8,200.00 were deposited or split-deposited into a bank account belonging to Aldridge's girlfriend. His girlfriend would testify that Aldridge used her checking account as his own and deposited his paychecks into it. She would further testify that she had no idea he had put this money into her account. Analysis also showed that many of the checks contained false purposes in the memo lines. Officers who replaced Aldridge and others reviewed the checks and would testify that checks which were written for leased vehicles, union jackets, investments, computers and a Christmas party were false because the union didn't have any of these items or events during the relevant time period. They would also testify that Aldridge mislead the union membership at meetings by stating that the union's bank balance was in the thousands when the true balance was a few hundred dollars. The proof would show that at a membership meeting in the summer of 2001, Aldridge told the membership that he had obtained the books from the union's

A handwritten signature in black ink, appearing to be 'T. Aldridge', written over a horizontal line.

Treasurer, Paula Burns. The proof would further show that on numerous occasions, specifically, twice in December, 2001 and in January, 2002; the acting President of the union, the union's attorney and a former Vice-President of the union requested the records from Aldridge. In all cases, he said he would do so but did not.

Finally, during the relevant time period, it was determined that from January, 2000 through March, 2001, the union's Treasurer, was embezzling money from the union as well. In March, 2001, the Treasurer left work on disability and did not return to work. During this time period she wrote 49 checks to herself or to cash which she endorsed totaling \$40,238.73. The last check was written on March 31, 2001, for \$500.00. None of these checks were attributed to Aldridge and none are reflected in the total loss figure of \$112,254.27.

By signing this agreement defendant admits the above facts are true. He admits that during the time period set forth above he embezzled or stole a total of \$112,525.27 from the Florence Steel Workers Union, Local 1. He further admits that he did so intentionally and knew that the expenditures in question were not made for the legitimate benefit of the union. He is pleading guilty of his own free will and admits that he knew when committing the crimes charged that his conduct was illegal.

A handwritten signature in black ink, appearing to read "Timothy Aldridge", is written over a horizontal line. The signature is stylized and somewhat cursive.

These facts accurately represent the Defendant's offense conduct and establish the essential elements of the offense to which he is entering a plea of guilty.

4. The maximum statutory punishment is imprisonment for Count 1 is not more than 5 years, a fine of not more than \$250,000.00, or both, and a term of supervised release of not more than 3 years. A special assessment of \$100.00 is applicable and Defendant will pay this assessment to the U.S. District Court Clerk at the time of the entry of the plea.

5. The United States and the Defendant recommend the following sentencing guidelines calculations, and they may object to other calculations. This recommendation does not bind the Court.

(a) United States Sentencing Guidelines (U.S.S.G.), November 1, 2001, manual, will determine the Defendant's guideline range.

(b) Pursuant to U.S.S.G. § 1B1.3, the Defendant's relevant conduct includes \$112,525.27.

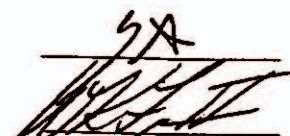
(c) Pursuant to U.S.S.G. § 2B1.1 (a), the base offense level is 6 because Defendant's conduct involved embezzlement or theft.

(d) Pursuant to U.S.S.G. § 2B1.1 (b) (1) (E), increase the offense level by 8 levels for amount of the loss, \$112,525.27.

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(e) Pursuant to U.S.S.G. § 3B1.3, increase the offense level by 2 levels for abuse of a position of trust.

6. No agreement exists about the Defendant's criminal history category pursuant to U.S.S.G. Chapter 4.
7. No agreement exists regarding the application of U.S.S.G. §§ 3C1.1 and 3B1.1.
8. The Defendant will not file a motion for a decrease in the offense level based on a mitigating role pursuant to U.S.S.G. § 3B1.2 or a departure motion pursuant to U.S.S.G. Chapter 5, Parts H or K.
9. The Defendant waives the right to appeal and the right to attack collaterally the guilty plea and conviction, and any order of restitution.
10. If the Defendant is unable to pay a fine, a mandatory special assessment, or restitution immediately, the Defendant will complete and sign a Form OBD-500 (Financial Statement of Debtor), or will submit to a Deposition in Aid of Collection, or both, at times and places that the United States directs.
11. The Defendant agrees that an order of restitution in the amount of \$112,525.27 to the Florence Steel Workers Union, Local 1 or the bonding or insurance company which paid for any part of the loss is appropriate.

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12. The government agrees that it will not pursue any further charges against the Defendant for failing to appear in this matter.

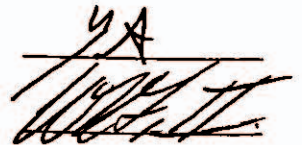
13. If the Defendant violates any part of this Agreement, the United States may void this Agreement and seek an indictment for any violations of federal laws, and the Defendant waives any right to challenge the initiation of additional federal charges.

14. This document contains the complete and only Plea Agreement between the United States Attorney for the Eastern District of Kentucky and the Defendant. The United States has not made any other promises to the Defendant.

15. This Agreement does not bind the United States Attorney's Offices in other districts, or any other federal, state, or local prosecuting authorities.

16. Defendant understands that he has the following rights and that he is giving up these and other rights by pleading guilty:

- presumption of innocence;
- trial by a jury of his peers;
- present a defense;
- have the charges presented to a grand jury;
- cross examine government witnesses;
- remain silent and not testify;
- call witnesses in his behalf;



Defendant also understands that by pleading guilty he is giving up certain valuable civil rights such as the right to vote, serve on a jury, possess a firearm or hold public office.

He agrees that he has read the Indictment and had it explained to him and understands that by signing this plea agreement and pleading guilty he is giving up these and any and all other constitutional rights which have been explained to him and admitting that he is guilty.

17. The Defendant and the Defendant's attorney acknowledge that the Defendant understands this Agreement, that the Defendant's attorney has fully explained this Agreement to the Defendant, and that the Defendant's entry into this Agreement is voluntary.

GREGORY F. VAN TATENHOVE
UNITED STATES ATTORNEY

Date: *April 9, 2004* By: *Fred A. Stine, V*
Fred A. Stine, V
Assistant United States Attorney

Date:

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GA
[Signature]

Date: 4-2-04

X Timothy X Aldridge
Timothy Aldridge
Defendant

Date: 4/2/04

X William K. Fulmer II
William K. Fulmer, II
Attorney for Defendant

APPROVED, this the 7th day of July, 2004.

Jennifer B. Coffman
Jennifer B. Coffman, Judge
United States District Court
Eastern District of Kentucky

YA
William K. Fulmer II

UNITED STATES DISTRICT COURT

EASTERN

District of

KENTUCKY

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE

V.

TIMOTHY ALDRIDGE

Case Number:

2:03-CR-24-JBC

USM Number:

09633-032

William Fulmer

Defendant's Attorney

THE DEFENDANT:

pleaded guilty to count(s) 1

pleaded nolo contendere to count(s) _____
which was accepted by the court.

was found guilty on count(s) _____
after a plea of not guilty.

Eastern District of Kentucky

FILED

The defendant is adjudicated guilty of these offenses:

Title & Section
29 USC §501(c)

Nature of Offense
Embezzlement

JUL 09 2004

AT LEXINGTON
LESLIE G WHITMER
CLERK U S DISTRICT COURT

Offense
01/02

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Count

The defendant is sentenced as provided in pages 2 through _____ of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

The defendant has been found not guilty on count(s) _____

Count(s) 2-4 is are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

June 7, 2004

Date of Imposition of Judgment

Jennifer B. Coffman
Signature of Judge

NOTICE IS HEREBY GIVEN OF THE
ENTRY OF THIS ORDER OR JUDGMENT
ON 7-13-04

LESLIE G WHITMER, CLERK
BY: *Leslie G Whitmer* S.C.

Jennifer B. Coffman, U.S. District Judge
Name and Title of Judge

7/8/04
Date

DEFENDANT: TIMOTHY ALDRIDGE
CASE NUMBER: 2:03-CR-24-JBC

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of: **33 MONTHS**

The court makes the following recommendations to the Bureau of Prisons:
That the defendant complete the 500-hour Residential Substance Abuse Treatment Program offered through the Bureau of Prisons, if eligible.

The defendant is remanded to the custody of the United States Marshal.

The defendant shall surrender to the United States Marshal for this district:

at _____ a.m. p.m. on _____

as notified by the United States Marshal.

The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

before 2 p.m. on _____

as notified by the United States Marshal.

as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____

a _____, with a certified copy of this judgment.

UNITED STATES MARSHAL

By - _____
DEPUTY UNITED STATES MARSHAL

DEFENDANT: TIMOTHY ALDRIDGE
CASE NUMBER: 2:03-CR-24-JBC

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of: **3 YEARS**

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.

- The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- The defendant shall not possess a firearm, destructive device, or any other dangerous weapon. (Check, if applicable.)
- The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)
- The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

DEFENDANT: TIMOTHY ALDRIDGE
CASE NUMBER: 2:03-CR-24-JBC

SPECIAL CONDITIONS OF SUPERVISION

The defendant shall participate in a substance abuse treatment program and shall submit to periodic drug and alcohol testing at the direction and discretion of the probation officer during the term of supervision. The defendant shall pay for the cost of treatment to the extent he is able as determined by the probation officer. However, the court directs that restitution shall be paid before payment toward drug treatment.

The defendant shall refrain from the use of alcohol.

The defendant shall provide the probation officer with access to any requested financial information due to the nature of this crime.

The defendant shall not incur new credit charges or open additional lines of credit without the approval of the probation officer unless he is in compliance with the installment payment schedule.

The defendant shall pay restitution in the amount of \$112,525.27 to the Florence Steelworkers Union, Local 1. Restitution shall be paid during the defendant's term of incarceration in minimum quarterly installments of \$25.00. A payment schedule will be set during a hearing following the defendant's release from imprisonment in regards to any outstanding balance owed upon commencement of supervision.

ACKNOWLEDGMENT

Upon a finding of a violation of probation or supervised release, I understand that the Court may (1) revoke supervision, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

These conditions have been read to me. I fully understand the conditions and have been provided a copy of them.

(Signed) _____
(Defendant)

_____ Date

DEFENDANT: TIMOTHY ALDRIDGE
CASE NUMBER: 2:03-CR-24-JBC

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 100.00	\$ -0-	\$ 112,525.27

- The determination of restitution is deferred until _____. An Amended Judgment in a Criminal Case (AO 245C) will be entered after such determination.
- The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
Florence Steelworkers Union, Local 1 c/o A. Dennis Miller Droder & Miller Co., LPA 125 West Central Parkway Cincinnati, Ohio 45202	\$112,525.27	\$112,525.27	

TOTALS	\$ <u>112,525.27</u>	\$ <u>112,525.27</u>
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- Restitution amount ordered pursuant to plea agreement \$ _____
- The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- The court determined that the defendant does not have the ability to pay interest and it is ordered that:
 - the interest requirement is waived for the fine restitution.
 - the interest requirement for the fine restitution is modified as follows:

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: TIMOTHY ALDRIDGE
CASE NUMBER: 2:03-CR-24-JBC

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A Lump sum payment of \$ 100.00 due immediately, balance due
 - not later than _____, or
 - in accordance C, D, E, or F below; or
- B Payment to begin immediately (may be combined with C, D, or F below); or
- C Payment in equal quarterly (e.g., weekly, monthly, quarterly) installments of \$ 25.00 over a period of _____ (e.g., months or years), to commence 30 days (e.g., 30 or 60 days) after the date of this judgment; or
- D Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E Payment during the term of supervised release will commence within _____ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F Special instructions regarding the payment of criminal monetary penalties:
Payment to be made to: U.S. District Court Clerk, P.O. Box 1073, Covington, KY 41012-1073
Restitution shall be paid during the defendant's term of incarceration in minimum quarterly payments of \$25.00. A payment schedule will be set during a hearing following the defendant's release from imprisonment in regards to any outstanding balance owed upon commencement of supervision.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

The defendant shall pay the cost of prosecution.

The defendant shall pay the following court cost(s):

The defendant shall forfeit the defendant's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.