

FILED IN OPEN COURT

DATE: 7/12/07

TIME: 1:59 pm

INITIALS: JL

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TENNESSEE  
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

WARD CRUTCHFIELD,

Defendant.

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No. 05-CR-20204-B

STATEMENT OF FACTS

The United States of America and the defendant Ward Crutchfield ("Crutchfield") agree that, had this matter proceeded to trial, the United States would have proven the following beyond a reasonable doubt with competent and admissible evidence with respect to Count 2 of the Indictment in Case No. 05-CR-20204-B charging defendant Crutchfield with a violation of 18 U.S.C. § 371; conspiracy to violate Title 18 U.S.C. § 666.

**I.**

**BACKGROUND**

1. The legislative power of the State of Tennessee, under the Tennessee Constitution, is vested in the Tennessee General Assembly which consists of a Senate and House of Representatives.

2. The defendant, Crutchfield, was an elected member of the Tennessee State Senate, having been elected most recently in 2004 from the 10<sup>th</sup> Senate District to serve during the 103<sup>rd</sup> and 104<sup>th</sup> General Assemblies.

3. E-Cycle Management Inc., (hereinafter referred to as E-Cycle), was an undercover business operated by the Federal Bureau of Investigation to respond to allegations of corruption by elected officials. E-Cycle was purportedly in the business of obtaining and disposing of outdated electronic equipment, sending it to a place outside of the United States and salvaging it. E-Cycle's headquarters was represented to be in Atlanta, Georgia.

4. During the period from September 8, 2004, up until February 15, 2005, the defendant Crutchfield had occasion to meet on several occasions with co-defendant Charles Love and an individual known to him as Joe Carson. Carson was in fact an undercover employee working for the Federal Bureau of Investigation and posing as the president of E-Cycle.

5. During the course of these meetings, it was represented to defendant Crutchfield that E-Cycle wished to have a certain bill co-sponsored by the defendant Crutchfield in the Tennessee General Assembly. The bill pertained to the disposal of surplus electronic equipment by the State of Tennessee. It was represented to co-defendant Charles Love and defendant Crutchfield that the requested legislation would give E-Cycle a competitive advantage in dealing with the State of Tennessee in the disposal of outdated computers.

6. Prior to January 19, 2005, the defendant Crutchfield agreed to co-sponsor legislation which would benefit E-Cycle if passed.

7. On January 19, 2005, the defendant Crutchfield co-sponsored SB 0094 in the Tennessee Senate, which was the bill requested by E-Cycle.

8. From September 8, 2004, until February 15, 2005, the co-defendant Love had several meetings in Memphis, Tennessee in which the E-Cycle bill was discussed.

9. The State of Tennessee received in excess of \$10,000 dollars in federal funding

for matters related to the acquisition and disposal of computer equipment during the fiscal year 2004 and 2005.


10. The value and cost to the State of Tennessee of surplus computers and the disposal of surplus computers was in excess of \$5,000 dollars.

11. On February 15, 2005, Joe "Carson" accompanied by co-defendant Charles Love, met with the defendant Crutchfield in the defendant's Nashville, Tennessee Senate office and gave to him \$3,000 in cash which was understood to be a reward for the defendant Crutchfield's assistance in co-sponsoring and supporting SB 0094.

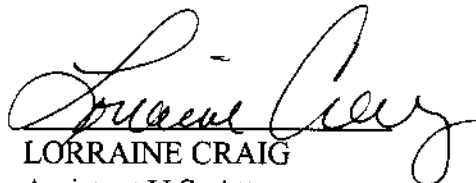
Respectfully submitted,

DAVID KUSTOFF  
UNITED STATES ATTORNEY

By:

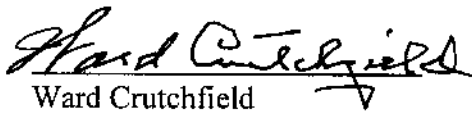
  
TIMOTHY R. DISCENZA  
Assistant U.S. Attorney

7/12/2007  
Date

  
LORRAINE CRAIG  
Assistant U.S. Attorney

7-12-07  
Date

The undersigned Defendant agrees and stipulates that this Statement of Facts is a true description of his criminal conduct; that this statement constitutes a sufficient factual basis to establish his guilt with respect to the charges to which he is pleading guilty; and that the factual admissions in this statement can be used in determining the final offense level.

  
Ward Crutchfield  
Defendant

7/12/2007  
Date

William A. Farmer  
William Farmer, Esq.  
Counsel for the Defendant

7/12/07  
Date