

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO**

**Criminal Case No. 10-cr-00155-WYD**

**UNITED STATES OF AMERICA,**

**Plaintiff,**

**v.**

**1. GEORGE GRUNDEN, SR.,**

**2. RENZA GRUNDEN,**

**Defendants,**

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**SUPERSEDING  
INDICTMENT**

**Title 18, United States Code, Section 1343  
Wire Fraud**

**Title 18, United States Code, Section 1031(a)(2)  
Major Fraud Act**

**Title 18, United States Code, Section 1001  
False Statement**

**Title 18, United States Code, Section 1516  
Obstruction of Federal Audit**

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**COUNTS 1 - 9**

The Grand Jury charges that:

**BACKGROUND**

1. At all times pertinent hereto, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, owned a trucking company, conducting business in the State of Colorado. In 2001 the DEFENDANTS used the business name of George and Renza Grunden. In 2003 the DEFENDANTS changed their business name to Choice One Freight, LLC and in

2006 the DEFENDANTS changed their business name to Colorado's Choice One Delivery Service, LLC. (Hereafter the companies will be Choice One.)

### **INTRODUCTION**

2. Beginning on or about June 16, 2003, and continuing thereafter to and on or about May 22, 2009, in the State and District of Colorado, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowingly and willfully devised a scheme to obtain money by means of false and fraudulent pretenses, representations and promises to the United States Postal Service ("Postal Service") and Choice One drivers.

3. On or about June 16, 2003, and continuing thereafter to on or about May 22, 2009, the DEFENDANTS entered into 8 Highway Contract Route (HCR) contracts with the Postal Service. The contracts required Choice One to load and transport mail from the Denver Processing and Distribution Center (P&DC) to outlying Post Offices; or from the Golden, Colorado, Post Office to outlying Post Offices. All contract work was within the state of Colorado. Each of the contracts in effect at the time are listed below:

### **CHOICE ONE HIGHWAY CONTRACT ROUTE CONTRACTS**

<b><u>ROUTE NUMBER</u></b>	<b><u>ROUTE DESCRIPTION</u></b>	<b><u>CONTRACT PERFORMANCE PERIOD</u></b>	<b><u>DATE SIGNED</u></b>	<b><u>SIGNED BY</u></b>	<b><u>ANNUAL CONTRACT VALUE</u></b>
80438	Golden to Hartsel	July 1, 2005 – June 30, 2007	May 24, 2005	George Grunden, SR.	\$114,000.00

<b>ROUTE NUMBER</b>	<b>ROUTE DESCRIPTION</b>	<b>CONTRACT PERFORMANCE PERIOD</b>	<b>DATE SIGNED</b>	<b>SIGNED BY</b>	<b>ANNUAL CONTRACT VALUE</b>
80434	Golden to Silver Plume	July 1, 2005 – June 30, 2009	May 8, 2005	George Grunden, SR.	\$68,000.00
80034	P&DC to Elbert	July 1, 2005 – June 30, 2009	May 8, 2005	George Grunden, SR.	\$186,916.53
80437	Golden to Broomfield	July 1, 2005 – June 30, 2009	May 8, 2005	George Grunden, SR.	\$56,500.00
80435	Golden to Indian Tree	July 1, 2005 – June 30, 2009	May 8, 2005	George Grunden, SR.	\$85,000.00
80432	Golden to Bailey	July 1, 2005 – June 30, 2009	May 8, 2005	George Grunden, SR.	\$300,000.00
80030	P&DC to Monument	July 1, 2003 – June 30, 2007	June 16, 2003	George Grunden, SR.	\$509,903.37
80030	P&DC to Monument	July 1, 2007 to June 30, 2011	July 2, 2007	George Grunden, SR.	\$655,081.87

4. After contract negotiations are completed and a final annual contract rate is determined, the Postal Service calculates the monthly payments by dividing the annual amount by twelve. Payment is made through automatic electronic wire funds transfers to the DEFENDANTS' business account. These payments continue unless performance on the contracts stops or does not meet the standards required in the contracts.

5. If a HCR contractor has more than one HCR contract, each of their contracts

monthly payments is bundled into one electronic wire funds transfer from the Postal Service paying office in St. Louis, Missouri, to a contractor's bank account.

6. Included in each of the DEFENDANTS' HCR contracts are the contract routes and schedules Choice One was required to perform. These schedules include starting and stopping points along designed routes; and specific arrival and departure times from each stopping point on the route. The schedules include the estimated annual miles to be driven and the estimated hours to complete the schedules per year. Each HCR schedule also identifies the size and quantity of vehicles required to complete the HCR contract. The contract contains all instructions and clauses required to perform the HCR contracts.

7. Included in each of the DEFENDANTS' official HCR contracts is paragraph B-6: Safety Requirements. This paragraph requires HCR contractors to conduct their operations in full compliance with Title 49, Code of Federal Regulations, Parts 390-397. Title 49 of the CFR identifies rules related to "Transportation" in the United States. Parts 390-397 specifically cover rules related to "Federal motor carrier safety regulations; general," "Qualifications of drivers," "Driving of commercial motor vehicles," "Parts and accessories necessary for safe operation," "Hours of service of drivers," "Inspection, repair, and maintenance," and "Transportation of hazardous materials; driving and parking rules."

8. Included in each of the DEFENDANTS' official HCR contracts is paragraph B-8: Additional Information. This paragraph requires contractors to include all elements of costs the supplier expects to incur in performing the service. This paragraph also identifies the

appropriate Department of Labor (DOL) Wage Determination in effect at the time the contracts were signed.

9. The DOL requires all contractors working on Government contracts, including the Postal Service HCR contracts, to pay their employees in accordance with a DOL Wage Determination. A Wage Determination sets the minimum prevailing wage and fringe benefits a contractor is required to pay their employees to perform work on Government contracts. The DOL also requires contractors working on government contracts to maintain a pay system that can be audited, to ensure employees are being paid the minimum prevailing wages and benefits.

10. The DEFENDANTS used a combination of Driver's Daily Logbooks, Bi-Weekly Time Sheets and route sheets to account for drivers' hours working on Postal Service HCR contracts.

11. As part of each contract negotiation the DEFENDANTS were required to prepare a Postal Service Form 7468A, Highway Transportation Contract – Cost Worksheets (PS Form 7468A), along with other contracting documents. Line 12 of the PS Form 7468A requires the DEFENDANTS to identify the minimum hourly rate of pay they will pay their drivers. The DEFENDANTS then sign the bottom of PS Form 7468A and along with other documents provided them to the Postal Service as part of their HCR contract proposal.

12. In 2005, the Postal Service stopped negotiating fuel costs on each HCR contract and began issuing Postal Service Voyager credit cards. These cards were only to be used by HCR contractors to purchase fuel for vehicles used in the delivery of U.S. Mail. The

DEFENDANTS were issued one Voyager credit card for each vehicle used in the completion of each HCR contract.

**EXECUTION OF THE SCHEME TO OBTAIN MONEY BY MEANS OF FALSE AND FRAUDULENT PRETENCES, REPRESENTATIONS AND PROMISES**

13. As part of the scheme to defraud the Postal Service and Choice One Drivers, on or about June 16, 2003, and continuing thereafter to on or about May 22, 2009, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowing and willfully submitted six PS Forms 7468A to the Postal Service during contract negotiations, and these forms contained materially false information. The DEFENDANTS indicated on line 12 of all six PS Form 7468A submitted to the Postal Service the correct minimum prevailing wage rate they would pay their drivers. Based on records reviews the DEFENDANTS were not paying the correct prevailing minimum wages in prior contracts and continued not paying the correct wages on contracts listed in paragraph 3 above.

14. As part of said scheme and in furtherance of the execution of the scheme, on or about June 16, 2003, and continuing thereafter to on or about May 22, 2009, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowingly and willfully provided falsified Driver's Daily Logbook entries to Choice One drivers to use as examples and directed Choice One drivers to make their Driver's Daily Logbook entries look like the examples provided, to wit; Choice One drivers created over 2142 false Driver's Daily Logbook entries.

15. The DEFENDANTS caused Choice One drivers to violate the DOT Hours-of-

Service rules. These violations include not allowing Choice One drivers to receive the required 10-hour break between shifts; causing the drivers to exceed 70-hours working in any 8-day period without a 36-hour break; and due to the DEFENDANTS providing falsified examples, Choice One drivers failed to document all hours worked, all in violation of Title 49, Code of Federal Regulations, Parts 390-397.

16. The DEFENDANTS were required to prepare two documents to the DOL Wage and Hour division, as part of the DOL audit. One document prepared by the DEFENDANTS indicated each employee and the wages paid him for the period January 16, 2006, through January 15, 2008. The second document prepared by the DEFENDANTS indicated what the DEFENDANTS should have paid their drivers, if they followed the Wage Determination. The DEFENDANTS provided these documents to the DOL auditors and the second document had materially false information. The DEFENDANTS failed to pay their drivers \$379,261.98 in wages for work performed on Postal Service HCR contracts.

17. As part of said scheme, on or about January 7, 2008, the DEFENDANTS, knowingly and willfully provided documents to Federal auditors that contained materially false information about the total number of hours Choice One drivers worked on Postal Service contracts.

18. As part of said scheme, on or about January 7, 2008, the DEFENDANTS, knowingly and willfully failed to identify to Federal Auditors that Roger Schlesselman was a Choice One driver on Postal Service contracts. By improperly identifying Roger Schlesselman

as a non-driver, the DEFENDANTS were not required to pay him the minimum Wage Determination wages required by the DOL.

19. As part of said scheme, on or about April 21, 2008, the defendant, GEORGE GRUNDEN, SR., knowingly threatened Craig Masterson, a Choice One driver, that if Craig Masterson cooperated with Federal auditors, the defendant, GEORGE GRUNDEN, SR., would not release Craig Masterson's 401K contributions.

20. As part of said scheme, on or about April 23, 2005, and continuing thereafter to on or about April 11, 2009, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowingly and willfully used Postal Service issued Voyager credit cards in the States and Districts of Colorado, Arizona, Nevada, Utah and Wyoming, to make unauthorized fuel purchases exceeding \$1,000.00, to wit; over \$8,000.00.

21. As part of said scheme, on or about July 1, 2007, and continuing thereafter to on or about January 23, 2009, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowingly deviated from contract routes by failing to provide all mail transportation services as required by Highway Contract Route 80432, for the contract performance period of July 1, 2005, through June 30, 2009, to wit; Choice One thereby realized a savings of approximately \$58,346.77.

22. On or about the dates listed below, in the State and District of Colorado and elsewhere, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, having devised a scheme to obtain money by means of false and fraudulent pretenses, representations



and promises to the Postal Service, as described in paragraphs 1 through 21 above, knowingly and willfully caused the Postal Service to transmit by means of wire in interstate commerce, writings, signs, and signals for the purpose of executing such a scheme to wit: monthly electronic funds transfers (EFT) from the Postal Service paying office in St. Louis, Missouri, to the DEFENDANTS' Colorado Wells Fargo Bank, N.A., business account number 173-6247485 in the name of "Colorado's Choice One Delivery Service" for the purpose of executing said scheme, as set forth below:

<b>COUNT</b>	<b>DATE OF EFT</b>	<b>CONTRACT PAYMENTS INCLUDED IN EFT TRANSACTIONS</b>	<b>PAYMENT AMOUNT</b>	<b>EFT FROM AND TO</b>
1	09/29/2006	80438, 80434, 80034, 80437, 80435, 80432 and 80030	\$120,822.58	St. Louis, MO to Denver, CO
2	10/31/2006	80438.80434,80034, 80437, 80435, 80432, and 80030	\$124,576.43	St. Louis, MO to Denver, CO
3	11/30/2006	80438.80434,80034, 80437, 80435, 80432, and 80030	\$121,018.01	St. Louis, MO to Denver, CO
4	12/29/2006	80438.80434,80034, 80437, 80435, 80432, and 80030	\$125,051.94	St. Louis, MO to Denver, CO
5	01/31/2007	80438.80434,80034, 80437, 80435, 80432, and 80030	\$125,429.76	St. Louis, MO to Denver, CO
6	02/28/2007	80438.80434,80034, 80437, 80435, 80432, and 80030	\$113,365.20	St. Louis, MO to Denver, CO

<b>COUNT</b>	<b>DATE OF EFT</b>	<b>CONTRACT PAYMENTS INCLUDED IN EFT TRANSACTIONS</b>	<b>PAYMENT AMOUNT</b>	<b>EFT FROM AND TO</b>
7	10/31/2007	80438.80434,80034, 80437, 80435, 80432, and 80030	\$128,666.65	St. Louis, MO to Denver, CO
8	5/30/2009	80438.80434,80034, 80437, 80435, 80432, and 80030	127,282.90	St. Louis, MO to Denver, CO
9	02/27/2009	80438.80434,80034, 80437, 80435, 80432, and 80030	\$59,340.10	St. Louis, MO to Denver, CO

All in violation of Title 18, United States Code, Section 1343.

**COUNTS 10 - 12**

The Grand Jury further charges:

23. The allegations in paragraphs 1 through 22 are realleged and incorporated herein by reference. On or about April 22, 2005, and continuing thereafter to on or about June 30, 2009, in the State and District of Colorado, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowingly and willfully executed said scheme with the intent to obtain money by means of false and fraudulent pretenses, representations and promises, in contacts for services for the United States in any procurement as a prime contractor on Postal Service Highway Contract Routes, each having individual contract values of over \$1,000,000.00 as set forth below:

<b>Count</b>	<b>Contract Number</b>	<b>Contract Performance Period</b>	<b>Contract Value</b>
10	80432	July 1, 2005 – June 30, 2009	\$1,200,000.00
11	80030	July 1, 2003 – June 30, 2007	\$2,039,613.48
12	80030	July1, 2007 – June 30, 2011	\$2,620,327.48

All in violation of Title 18, United States Code, Section 1031(a) (2).

### COUNTS 13 - 18

The Grand Jury further charges:

25. On or about April 21, 2005, and continuing thereafter to on or about May 22, 2009, in the State and District of Colorado, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, in any matter within the jurisdiction of the executive branch of the Government of the United States, knowingly and willfully made materially false and fraudulent statements and representations to the United States Postal Service, during contract negotiations by presenting materially false Postal Service Form 7468A (Highway Transportation Contract – Cost Worksheet), related to the minimum salary wages the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, would actually pay Choice One drivers, in violation of the United States Department of Labor Wage Determinations in effect at the time of negotiations.

26. The table below identifies the specific date, which type of form, the Defendant who signed the form, the contract number and the contract performance period, as set forth below:

<b>COUNT</b>	<b>DATE SIGNED</b>	<b>HOW PS FORM 7468A WAS PREPARED</b>	<b>DEFENDANT WHO SIGNED</b>	<b>CONTRACT NUMBER</b>	<b>PERFORMANCE PERIOD</b>
13	04/21/2005	Manually by Choice One	Renza Grunden	80432	07/01/2005 – 06/30/2009
14	05/08/2005	Postal Service	George Grunden SR.	80432	07/01/2005 – 06/30/2009
15	06/25/2007	Manually by Choice One	Renza Grunden SR.	80030	07/01/2007 – 06/30/2011
16	07/02/2007	Postal Service	George Grunden SR.	80030	07/01/2007 – 06/30/2011
17	04/21/2005	Manually by Choice One	Renza Grunden SR.	80034	07/01/2005 – 06/30/2009
18	05/08/2005	Postal Service	George Grunden SR.	80034	07/01/2005 – 06/30/2009

All in violation of Title 18, United States Code, Section 1001.

**COUNTS 19 - 24**

The Grand Jury further charges:

27. The allegations in paragraphs 1 through 26 are realleged and incorporated herein by reference.

28. On or about June 6, 2008, and continuing thereafter to on or about March 16, 2009, in the State and District of Colorado, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, knowingly and willfully made materially false and fraudulent statements

and representations to the U.S. Department of Transportation by directing Choice One drivers to falsify over 2142 Drivers' Daily Logbook pages as part of their time keeping system, by having the drivers falsify start or stop times, while working on Postal Service contracts, in violation of Title 49, Code of Federal Regulations, Parts 390-397, as set forth below:

<b>COUNT</b>	<b>ENCLUSIVE DATES</b>	<b>NUMBER OF FALSE ENTRIES</b>	<b>DRIVERS NAME</b>	<b>TYPE OF VIOLATIONS</b>
19	10/23/2008	1	Alan Coleman	False start & stop times.
20	01/15/2009	1	Alan Coleman	False start & stop times.
21	01/05/2009	1	Rick Oberembt	False start & stop times and working in excess of Hours-of-Service rules
22	01/06/2009	1	Rick Oberembt	False Start & stop times and working in excess of Hours-of-Service rules
23	12/04/2008	1	Michael Aragon	False start & stop times.
24	01/13/2009	1	Michael Aragon	False start & stop times.

All in violation of Title 18, United States Code, Section 1001.

### **COUNT 25**

The Grand Jury further charges:

The allegations in paragraphs 1 through 28 are realleged and incorporated herein by reference.

29. On or about April 21, 2008, in the State and District of Colorado, the

DEFENDANT, GEORGE GRUNDEN, SR., with the intent to deceive and defraud the United States, endeavored to influence, obstruct, or impede a Federal auditor in the performance of official duties by threatening Craig Masterson, a Choice One driver, to not fully cooperate with the Department of Labor Auditors or risk losing his 401K investments, as they related to Postal Service Highway Contract Route contract 80432, for the contract performance period of July 1, 2005, through June 30, 2009, with an annual contract value of \$300,000,00.

All in violation of Title 18, United States Code, Section 1516.

**COUNT 26**

The Grand Jury further charges:

31. The allegations in paragraphs 1 through 30 are realleged and incorporated herein by reference.

32. On or about January 7, 2008, in the State and District of Colorado, the DEFENDANTS, GEORGE GRUNDEN, SR. and RENZA GRUNDEN, with the intent to deceive and defraud the United States, endeavored to influence, obstruct, and impede a Federal auditor in the performance of official duties by providing to the Department of Labor Auditor two spreadsheets that failed to indicate Roger Schlesselman as a Choice One driver on Postal Service HCR contract 80432, for the contract performance period of July 1, 2007, through June 30, 2011, with an annual contract value of \$655,081.87.

All in violation of Title 18, United States Code, Section 1516.

### FORFEITURE NOTICE

33. The allegations contained in paragraphs 1 through 32 of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461.

34. Upon conviction of the violations alleged in counts 1 through 9 of this Indictment involving Wire fraud, Title 18, United States Code, Section 1343, DEFENDANTS GEORGE GRUNDEN, SR. AND RENZA GRUNDEN shall forfeit to the United States, pursuant to Title 18 United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c) any and all of the DEFENDANTS' right, title and interest in all property constituting and derived from any proceeds the DEFENDANTS obtained directly and indirectly as a result of such offense, including, but not limited to:

A money judgment in the amount of proceeds obtained as a result of the offenses, for which the DEFENDANTS are joint and severally liable.

35. If any of the property described in the paragraphs above, as a result of any act or omission of the DEFENDANTS:

- a) cannot be located upon the exercise of due diligence;
- b) has been transferred or sold to, or deposited with, a third party;
- c) has been placed beyond the jurisdiction of the Court;
- d) has been substantially diminished in value; or

- e) has been commingled with other property which cannot be subdivided without difficulty;

36. It is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said DEFENDANTS up to the value of the forfeitable property.

A TRUE BILL

Ink signature on file in the Clerk's Office  
FOREPERSON

DAVID GAOUETTE  
United States Attorney

By: s/ Joseph Mackey  
JOSEPH MACKEY  
Assistant United States Attorney  
1225 Seventeenth Street, Suite 700  
Denver, Colorado 80202  
Telephone: 303-454-0100  
Facsimile: 303-454-0404  
Email: Joseph.Mackey@usdoj.gov  
Attorney for United States



**INFORMATION SHEET**

**DEFENDANT:**        **GEORGE GRUNDEN, SR.**

**YEAR OF BIRTH:**    1965

**ADDRESS (CITY/STATE):**        Arvada, Colorado

**COMPLAINT FILED?**    \_\_\_\_\_ YES      X   NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER: \_\_\_\_\_

**HAS DEFENDANT BEEN ARRESTED ON COMPLAINT?**    \_\_\_\_\_ YES      X   NO

IF NO, A NEW WARRANT IS REQUIRED

**OFFENSES:**    **COUNT ONE THROUGH NINE:**

Title 18, United States Code, Section 1343  
Fraud by Wire

**COUNTS TEN THROUGH TWELVE:**

Title 18, United States Code, Section 1031(a)(2)  
Major Fraud Act

**COUNTS THIRTEEN THROUGH TWENTY-FOUR:**

Title 18, United States Code, Section 1001  
False Statement

**COUNTS TWENTY-FIVE AND TWENTY-SIX:**

Title 18, United States Code, Section 1516  
Obstruction of Federal Audit

**NOTICE OF FORFEITURE:**

**LOCATION OF OFFENSE (COUNTY/STATE):**    Jefferson County, Colorado

**PENALTIES:**    **COUNT ONE THROUGH NINE:**

NMT 20 years imprisonment, NMT the greater of twice the gross gain or twice the gross loss fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee.

**COUNTS TEN THROUGH TWELVE:**

NMT 10 years imprisonment, NMT \$250,000 fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee.

**COUNTS THIRTEEN THROUGH TWENTY-FOUR:**

NMT 5 years imprisonment, NMT \$250,000 fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee.

**COUNTS TWENTY-FIVE AND TWENTY-SIX:**

NMT 5 years imprisonment, NMT \$250,000 fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee

**FORFEITURE:**

Pursuant to Title 18, United States Code, Section 981(a)(1)(C), incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said DEFENDANTS up the value of the forfeitable property.

AGENT: Wayne M. Leaders, Special Agent  
United States Postal Service, Office of Inspector General.  
Joe O'Haver, Special Agent  
United States Department of Transportation, Office of Inspector General

AUTHORIZED BY: Joseph Mackey, Assistant United States Attorney

ESTIMATED TIME OF TRIAL:

     five days or less      X   over five days         other

THE GOVERNMENT

     will seek detention in this case      X   will not seek detention in this case

The statutory presumption of detention **is not** applicable to this defendant.

OCDETF CASE:         Yes      X   No

**INFORMATION SHEET**

**DEFENDANT:**        **RENZA GRUNDEN**

**YEAR OF BIRTH:**    1967

**ADDRESS (CITY/STATE):**        Arvada, Colorado

**COMPLAINT FILED?**    \_\_\_\_\_ YES      X   NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER: \_\_\_\_\_

**HAS DEFENDANT BEEN ARRESTED ON COMPLAINT?**    \_\_\_\_\_ YES      X   NO

IF NO, A NEW WARRANT IS REQUIRED

**OFFENSES:**    **COUNT ONE THROUGH NINE:**

Title 18, United States Code, Section 1343

Fraud by Wire

**COUNTS TEN THROUGH TWELVE:**

Title 18, United States Code, Section 1031(a)(2)

Major Fraud Act

**COUNTS THIRTEEN THROUGH TWENTY-FOUR:**

Title 18, United States Code, Section 1001

False Statement

**COUNT TWENTY-SIX:**

Title 18, United States Code, Section 1516

Obstruction of Federal Audit

**NOTICE OF FORFEITURE:**

**LOCATION OF OFFENSE (COUNTY/STATE):**    Jefferson County, Colorado

**PENALTIES:**    **COUNT ONE THROUGH NINE:**

NMT 20 years imprisonment, NMT the greater of twice the gross gain or twice the gross loss fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee.

**COUNTS TEN THROUGH TWELVE:**

NMT 10 years imprisonment, NMT \$250,000 fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee.

**COUNTS THIRTEEN THROUGH TWENTY-FOUR:**

NMT 5 years imprisonment, NMT \$250,000 fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee.

**COUNT TWENTY-SIX:**

NMT 5 years imprisonment, NMT \$250,000 fine, or both; NMT 3 years supervised release; \$100 Special Assessment fee

**FORFEITURE:**

Pursuant to Title 18, United States Code, Section 981(a)(1)(C), incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said DEFENDANTS up the value of the forfeitable property.

AGENT: Wayne M. Leaders, Special Agent  
United States Postal Service, Office of Inspector General.  
Joe O'Haver, Special Agent  
United States Department of Transportation, Office of Inspector General

AUTHORIZED BY: Joseph Mackey, Assistant United States Attorney

ESTIMATED TIME OF TRIAL:

     five days or less      X   over five days         other

THE GOVERNMENT

     will seek detention in this case      X   will not seek detention in this case

The statutory presumption of detention **is not** applicable to this defendant.

OCDETF CASE:         Yes      X   No