

documents entitled "Conflict of Interest Statement Policy" acknowledging his ethical obligation to avoid conflicts of interest. The policy required DISD employees to avoid any situation which would result in their having a pecuniary material interest in firms or corporations doing business with DISD.

MSE and Wong

D. Micro Systems Engineering, Inc., also known as Micro Systems Enterprises, Inc. (MSE), was a computer reseller that provided computer products and services to large corporations, and school districts, principally in the State of Texas. MSE's main corporate office was in Houston, Texas, and it maintained an office in Dallas, Texas.

E. Defendant, **Frankie Logyang Wong (Wong)**, co-owned and was the president of MSE.

Coleman

F. Defendant, **William Frederick Coleman, III (Coleman)**, who was employed at DISD as a Deputy Superintendent and the Chief Operating Officer at DISD from on or about August 30, 1999, through on or about September 15, 2000, was **Bohuchot's** friend. **Coleman** acted as a facilitator during discussions between **Wong** and **Bohuchot** about the Seat Management contract at DISD.

Seat Management Contract

G. A Seat Management contract was a type of agreement in which the customer made per-seat payments for desktop computers, purchasing the right to use the vendor's

computers and resources while the vendor continued to own and be responsible for the upkeep of the computers.

H. A Request for Proposals (RFP) was used by DISD in contract bidding to inform potential bidders of the scope, location and other requirements for projects.

I. In or about late 2001, **Bohuchot** expressed to a representative of MSE his interest in obtaining computers at DISD through a Seat Management contract.

J. In or about early 2002, a representative of MSE informed a company known to the Grand Jury that MSE wanted to partner with the company in responding to the upcoming Seat Management RFP at DISD.

K. On or about May 2, 2002, **Bohuchot, Wong and Coleman** traveled to Key West, Florida at the expense of MSE. They discussed an upcoming Seat Management contract at DISD.

L. The receipt of non-public information relating to the upcoming contract before the information was provided to other vendors assisted MSE and the said company known to the Grand Jury in submitting a winning bid proposal to DISD.

M. On or about May 7, 2002, an RFP for the Seat Management contract was published for viewing by all prospective vendors. The due date for responses was June 21, 2002.

N. On or about July 3, 2002, a DISD representative informed the said company known to the Grand Jury that DISD intended to award the Seat Management contract to

the company. MSE was a subcontractor for the company on the Seat Management contract.

O. As a subcontractor on the Seat Management contract, MSE contracted with the said company known to the Grand Jury to provide project-related services in support of the Seat Management project. These services included imaging, delivery, installation and providing technical support relating to desktop systems at DISD.

P. On or about August 28, 2002, DISD formally entered into the Seat Management contract with the said company known to the Grand Jury.

Q. From on or about January 27, 2003, through on or about July 11, 2005, MSE received at least \$4 million as a result of its participation in the DISD Seat Management contract.

Other Entities

R. On November 7, 2002, **Coleman** created a company called Kenbridge Consulting Services, Inc. (Kenbridge) for the purpose of receiving funds sent to him by MSE. The only funds received by Kenbridge were paid by MSE.

S. On or about October 17, 2002, **Wong** created and became the president of a company called Statewide Marketing, LLC (Statewide). The only funds received by Statewide were paid by MSE and another business entity, associated with MSE.

Yacht

T. On or about October 30, 2002, Statewide purchased a 46' Post motor yacht,

later named *Sir Veza*, for approximately \$305,000.

E-Rate

U. The Federal Telecommunications Act of 1996 authorized the Federal Communications Commission (FCC) to collect money from telephone users and to spend that money on a program, commonly known as "E-Rate", to provide affordable telecommunications and internet services to eligible schools and libraries. The E-Rate program provided schools and libraries with substantial discounts on telecommunication services, internet access, and internal connections. Eligible schools could apply for these discounts. The FCC utilized a nonprofit corporation, Universal Service Administrative Company (USAC), to administer the E-Rate program.

V. DISD applied for E-Rate funds in the sixth year of the E-Rate program, referred to herein as "E-Rate 6".

W. From in or about December 2002, through in or about January 2003, MSE and other companies formed a consortium (Consortium) in anticipation of submitting a bid proposal relating to the E-Rate 6 contract at DISD.

X. On or about December 17, 2002, the RFP for the DISD E-Rate 6 contract was published for viewing by all prospective vendors.

Y. On or about January 20, 2003, the Consortium submitted a bid proposal for E-Rate 6, and DISD representatives evaluated the proposal.

Z. The Consortium bid proposal was approved by DISD representatives on

January 23, 2003, and by the DISD Board of Trustees on January 30, 2003.

AA. On or about November 21, 2002, **Wong** and others formed Acclaim Professional Services, Inc. (Acclaim). Funds to be paid to the Consortium for services performed on the E-Rate 6 contract were received by MSE and forwarded to Acclaim for disbursement to other Consortium members.

BB. MSE received at least \$35 million in aggregate revenue from DISD and USAC as a result of its participation in the DISD E-Rate-6 contract.

Use of Conduits to Conceal the Receipt of Funds

CC. A person known to the Grand Jury, referred to herein as "B.C.," was a relative of **Bohuchot**. **Bohuchot** used B.C. as a conduit to conceal **Bohuchot's** receipt of funds paid by MSE and Acclaim.

DD. A person known to the Grand Jury, referred to herein as "K.N.," was an employee of MSE. **Wong** used K.N. as a conduit to conceal **Wong's** receipt of funds paid by MSE.

Count One
Conspiracy
(Violation of 18 U.S.C. § 371)
(18 U.S.C. §§ 666 (a)(1)(B) and 666(a)(2))

A. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction of this indictment as if fully set forth herein.

B. Beginning, at least, in or about December 2001, and continuing through on or about January 24, 2007, in the Dallas Division of the Northern District of Texas, and elsewhere, defendants, **Ruben B. Bohuchot (Bohuchot), Frankie Logyang Wong (Wong), and William Frederick Coleman, III (Coleman)**, did knowingly and willfully combine, conspire, confederate, and agree with each other to commit the following offenses against the United States:

1. Bribery Concerning a Program Receiving Federal Funds, in violation of 18 U.S.C. § 666(a)(1)(B), that is, as an agent of an organization receiving benefits in excess of \$10,000 in a one-year period under a federal program involving a grant, to corruptly solicit, demand for the benefit of any person, accept, and agree to accept, things of value from a person, intending to be influenced and rewarded in connection with business, transactions, and a series of transactions of the organization involving things of value of \$5,000 or more; and

2. Bribery Concerning a Program Receiving Federal Funds, in violation of 18 U.S.C. § 666(a)(2), that is, to corruptly give, offer, and agree to give things of value to

a person, with intent to influence and reward an agent of an organization receiving benefits in excess of \$10,000 in a one-year period under a federal program involving a grant, in connection with business, transactions, and a series of transactions of the organization involving things of a value of \$5,000 or more.

Objects of the Conspiracy

C. Two objects of the conspiracy were: (1) that **Bohuchot** would solicit and accept things of value, and (2) that **Wong** and **Coleman** would cause things of value to be offered and provided to **Bohuchot**, his family and his friends in an attempt to influence and reward **Bohuchot** in connection with DISD technology contracts, thereby generating contract-related funds, which were then diverted for the conspirators' own use.

Manner and Means of the Conspiracy

D. The conspirators used the following manner and means, among others, to carry out the objects of the conspiracy:

1. **Bohuchot** would and did solicit and accept things of value;
2. **Wong** and **Coleman** would and did cause things of value to be provided to **Bohuchot**, his family, and his friends;
3. In an effort to ensure that MSE would receive payment as a result of the awarding of DISD contracts, **Bohuchot** would and did cause non-public information to be provided to **Wong** before the information was provided to competitors of MSE;
4. **Bohuchot** would and did sign documents authorizing DISD to enter into

contracts benefitting MSE;

5. As president of Statewide, **Wong** would and did cause Statewide to buy a yacht for the purpose of entertaining **Bohuchot**;

6. **Bohuchot** and **Wong** would and did cause MSE to hire a person known to the Grand Jury, referred to herein as “boat captain,” to manage and oversee daily upkeep and operations of the yacht used to entertain **Bohuchot**;

7. **Bohuchot** and **Wong** would and did cause MSE to pay for **Bohuchot**’s yacht-related expenses;

8. The conspirators would and did use false pretenses to conceal and disguise the true nature of their activities, specifically, the conspirators:

a. Would and did conceal **Coleman**’s role in the conspiracy by pretending that **Coleman** was an employee of DISD;

b. Would and did create and use companies, including Statewide and Kenbridge, to conceal the receipt and disbursement of funds obtained as a result of the DISD Seat Management contract;

c. Would and did pretend that Statewide and Kenbridge provided services to MSE by causing bogus invoices to be created;

d. Would and did use bogus invoices to create the appearance of legitimacy regarding payments of MSE funds to Statewide and Kenbridge;

e. Would and did disguise payments to B.C. from a company known

to the Grand Jury by causing checks to be issued which appeared to be drawn on the account of Acclaim;

9. The conspirators would and did engage in sham monetary transactions to conceal the true nature of their activities, specifically:

a. the conspirators would and did cause funds obtained by MSE as a result of the Seat Management and E-Rate contracts to be paid to Statewide and to be used for the purpose of entertaining **Bohuchot**, his family and his friends;

b. the conspirators would and did cause funds obtained by MSE as a result of the DISD Seat Management contract to be paid to B.C., through Kenbridge, disguised as a loan;

c. the conspirators would and did disguise the true nature of a \$50,000 payment from Acclaim to B.C. by calling the payment a loan;

d. the conspirators would and did disguise the true nature of payments to B.C. by calling them paychecks;

e. **Bohuchot** would and did cause B.C. to pay **Bohuchot**'s credit card bill with funds B.C. had received from Acclaim;

f. **Bohuchot** would and did cause B.C. to pay cash to **Bohuchot** with funds B.C. had received from Acclaim;

g. **Wong** would and did disguise payments from MSE to himself by (i) causing the MSE funds to be paid as "commissions" to K.N. and (ii) causing K.N. to

pay him (**Wong**) part of those funds in cash;

h. **Coleman** would and did disguise payments from Kenbridge to himself by calling them loans;

10. The conspirators would and did create bogus and backdated loan documents to mislead federal law enforcement agents and the Grand Jury about the true nature of payments; and

11. The conspirators would and did cause false information and documents to be provided to federal law enforcement agents and to the Grand Jury investigating their activities.

Overt Acts

E. In furtherance of the conspiracy and to effect the objects thereof, **Bohuchot**, **Wong**, and **Coleman** committed, and caused to be committed, the following overt acts, among others, within the Dallas Division of the Northern District of Texas, and elsewhere:

1. In or about late 2001, the exact date being unknown to the Grand Jury, **Bohuchot** told a person known to the Grand Jury that he (**Bohuchot**) was interested in Seat Management;

2. In or about December 2001, the exact date being unknown to the Grand Jury, **Bohuchot** told others that **Coleman** was then an employee of DISD;

3. On or about May 2, 2002, **Wong** caused MSE funds to be used to pay

for **Bohuchot, Coleman**, and their wives to join **Wong** for a trip to Key West, Florida;

4. On or about May 2, 2002, **Bohuchot, Wong**, and **Coleman** discussed the upcoming Seat Management contract;

5. On or about August 16, 2002, **Bohuchot** signed a DISD document authorizing DISD to enter into a contract with a company known to the Grand Jury for Seat Management contract services;

6. In or about October 2002, the exact date being unknown to the Grand Jury, **Bohuchot** asked the boat captain to advise him (**Bohuchot**) regarding the purchase of a boat;

7. In or about October 2002, the exact date being unknown to the Grand Jury, **Bohuchot** caused the boat captain to have a yacht inspected;

8. In or about October 2002, the exact date being unknown to the Grand Jury, **Bohuchot** told the boat captain that **Wong** was his (**Bohuchot's**) business partner;

9. On or about October 30, 2002, **Wong** caused Statewide to buy a yacht;

10. In or about October 2002, the exact date being unknown to the Grand Jury, **Bohuchot** caused the boat captain to hire a company to change the lettering on the yacht to reflect the yacht's new name, "Sir Veza";

11. In or about October or November 2002, the exact date being unknown to the Grand Jury, **Wong** caused cash from MSE to be used by the boat captain for yacht-related expenses;

12. In or about June 2003, the exact date being unknown to the Grand Jury, **Bohuchot** indicated to the boat captain that he (**Bohuchot**) would talk to **Wong** to help the boat captain obtain a credit card from MSE to pay for yacht-related expenses;

13. On or about May 16, 2003, **Wong** told the boat captain to keep **Bohuchot** happy, because **Wong** had no use for the yacht if **Bohuchot** did not want to use it;

14. On four separate occasions, from in or about May 2002, to in or about July 2005, **Wong** used MSE funds to entertain **Bohuchot** in Key West, Florida;

15. On multiple occasions, from on or about October 20, 2002, through on or about August 16, 2005, **Wong** caused bogus Statewide invoices, each reflecting a "marketing and consulting fee", to be prepared;

16. On multiple occasions, from on or about October 30, 2002, through on or about August 19, 2005, **Wong** caused MSE to make payments totaling approximately \$1,972,200 to Statewide;

17. From in or about October 2002, through at least, in or about July 2005, **Wong** caused approximately \$300,000 of Statewide funds to be paid for yacht-related expenses;

18. In or about March 2003, the exact date being unknown to the Grand Jury, **Wong** told **Coleman** it was time for **Coleman** to send an invoice to MSE;

19. On multiple occasions, from in or about March 2003, the exact date

being unknown to the Grand Jury, through on or about September 2, 2004, **Coleman** caused bogus invoices to be sent to MSE, reflecting that Kenbridge had provided “sales planning and marketing consulting services” for MSE in 2003 and 2004;

20. On or about March 4, 2003, **Coleman** opened a bank account for Kenbridge for the purpose of receiving funds from MSE;

21. From on or about January 15, 2003, through on or about October 27, 2004, **Wong** caused MSE checks, totaling approximately \$256,850, and made payable to Kenbridge, to be sent to **Coleman**;

22. From on or about May 23, 2003, through on or about March 1, 2006, **Coleman** withdrew approximately \$189,000 from the Kenbridge bank account by drawing checks payable to himself;

23. On or about May 27, 2003, **Coleman** gave B.C. a \$10,000 check drawn on the Kenbridge bank account;

24. In or about May 2003, the exact date being unknown to the Grand Jury, **Bohuchot** told B.C. not to worry about repaying funds he (B.C.) had received from **Coleman**;

25. On or about September 25 and 26, 2003, **Coleman** paid a total of approximately \$2,995 for B.C. to take a technology course;

26. On or about January 23, 2003, **Bohuchot** signed a DISD document that authorized DISD to enter into a contract with the Consortium for E-Rate 6;

27. In or about May 2004, the exact date being unknown to the Grand Jury, **Bohuchot** told B.C. that he (**Bohuchot**) would make arrangements for B.C. to be paid \$50,000 by Acclaim;

28. On or about May 5, 2004, **Wong** caused \$50,000 to be paid from Acclaim to B.C.;

29. In or about June 2004, the exact date being unknown to the Grand Jury, **Bohuchot** asked B.C. to pay his (**Bohuchot's**) credit card bill;

30. In or about June 2004, the exact date being unknown to the Grand Jury, **Bohuchot** made arrangements for B.C. to pay him (**Bohuchot**) \$2,500 per month;

31. In or about July 2005, the exact date being unknown to the Grand Jury, **Bohuchot** asked B.C. to pay **Bohuchot** \$5,000;

32. In or about February 2005, the exact date being unknown to the Grand Jury, **Bohuchot** made arrangements with **Wong** for MSE to pay \$12,000 to B.C. so the money could be paid to **Bohuchot**;

33. On or about February 3, 2005, **Bohuchot** asked B.C. to give **Bohuchot** cash;

34. Between in or about September 2006, and on or about January 24, 2007, the exact date being unknown to the Grand Jury, **Bohuchot** asked B.C. to tell federal law enforcement agents and the Grand Jury that funds B.C. had paid to **Bohuchot** were repayments of living expenses;

35. On or about October 25, 2006, **Coleman** executed three backdated promissory notes reflecting that funds paid to him by Kenbridge were paid as the result of loans;

36. On or about January 8, 2007, **Coleman** created a letter addressed to B.C. requesting repayment of \$10,000, which **Coleman** had paid to B.C. in 2003;

37. On multiple occasions, from on or about January 2004, through in or about January 2007, **Wong** caused MSE to make large payments to K.N., based on commissions earned by others;

38. On multiple occasions, from on or about January 15, 2004, through on or about December 29, 2006, **Wong** caused K.N. to provide funds to him (**Wong**) through wire transfers, checks and deliveries of envelopes filled with cash;

39. On or about October 25, 2006, **Coleman** testified before a federal Grand Jury that payments he received from Kenbridge were loans;

40. On or about October 25, 2006, **Coleman** presented copies of backdated loan documents to an agent of the Federal Bureau of Investigation in response to a Grand Jury subpoena for documents;

41. On or about December 18, 2006, **Coleman** provided original backdated loan documents to an agent of the Federal Bureau of Investigation in response to a Grand Jury subpoena;

42. On or about January 24, 2007, **Coleman** testified that a payment of

Kenbridge funds to B.C. was a loan;

43. In or about February 2004, the exact date being unknown to the Grand Jury, **Bohuchot** directed the boat captain to remove the guest registry book from a yacht due to an investigation at DISD; and

44. The Grand Jury hereby adopts, realleges and incorporates herein all offenses set forth in Counts Two through Nine, inclusive, Counts Eleven through Fifteen, inclusive, and Overt Acts 1 through 32, inclusive, in Count Ten of this indictment as additional overt acts in furtherance of the conspiracy.

All in violation of 18 U.S.C. § 371 [18 U.S.C. §§ 666(a)(1)(B) and 666(a)(2)].

Count Two
Bribery Concerning Programs Receiving Federal Funds
and Aiding and Abetting
(Violations of 18 U.S.C. §§ 666(a)(1)(B) and 2)

A. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction and in Paragraphs C, D, and E of Count One of this indictment as if fully set forth herein.

B. In the one-year period ending June 30, 2003, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **Ruben B. Bohuchot**, an agent of DISD, an organization which received benefits in excess of \$10,000 under a federal program involving a grant, did corruptly solicit, demand for the benefit of himself and other persons, accept and agree to accept, things of value from a person, intending to be influenced and rewarded in connection with business, transactions, and a series of transactions of DISD, involving things of a value of \$5,000 or more.

C. Defendants, **Frankie Logyang Wong** and **William Frederick Coleman, III**, did aid, abet, counsel, command, induce, and procure the commission of the offense set forth in Paragraph B.

In violation of 18 U.S.C. §§ 666(a)(1)(B) and 2.

Counts Three through Five
Bribery Concerning Programs Receiving Federal Funds
and Aiding and Abetting
(Violations of 18 U.S.C. §§ 666(a)(1)(B) and 2)

A. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction and in Paragraphs C, D, and E of Count One of this indictment as if fully set forth herein.

B. In each one-year period identified below, for each count identified below, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **Ruben B. Bohuchot**, an agent of DISD, an organization which received benefits in excess of \$10,000 under a federal program involving a grant, did corruptly solicit, demand for the benefit of himself and other persons, accept and agree to accept, things of value from a person, intending to be influenced and rewarded in connection with business, transactions, and a series of transactions of DISD, involving things of a value of \$5,000 or more.

<u>Count</u>	<u>One-year Period Ending</u>
3	June 30, 2004
4	June 30, 2005
5	June 30, 2006

C. Defendant, **Frankie Logyang Wong**, did aid, abet, counsel, command, induce, and procure the commission of the offense set forth in Paragraph B.

Each count in violation of 18 U.S.C. §§ 666(a)(1)(B) and 2.

Count Six
Bribery Concerning Programs Receiving Federal Funds
and Aiding and Abetting
(Violations of 18 U.S.C. §§ 666(a)(2) and 2)

A. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction and in Paragraphs C, D, and E of Count One of this indictment as if fully set forth herein.

B. In the one-year period ending June 30, 2003, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **Frankie Logyang Wong**, did corruptly give, offer, and agree to give things of value to **Ruben B. Bohuchot** (**Bohuchot**) and others, with intent to influence and reward **Bohuchot**, an agent of DISD, an organization which received benefits in excess of \$10,000 under a federal program involving a grant, in connection with business, transactions, and a series of transactions of DISD, involving things of a value of \$5,000 or more.

C. Defendants, **Bohuchot** and **William Frederick Coleman, III**, did aid, abet, counsel, command, induce, and procure the commission of the offense set forth in Paragraph B.

In violation of 18 U.S.C. §§ 666(a)(2) and 2.

Counts Seven through Nine
Bribery Concerning Programs Receiving Federal Funds
and Aiding and Abetting
(Violations of 18 U.S.C. §§ 666(a)(2) and 2)

A. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction and in Paragraphs C, D, and E of Count One of this indictment as if fully set forth herein.

B. In each one-year period identified below, for each count identified below, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **Frankie Logyang Wong**, did corruptly give, offer, and agree to give things of value to **Ruben B. Bohuchot (Bohuchot)** and others, with intent to influence and reward **Bohuchot**, an agent of DISD, an organization which received benefits in excess of \$10,000 under a federal program involving a grant, in connection with business, transactions, and a series of transactions of DISD, involving things of a value of \$5,000 or more.

<u>Count</u>	<u>One-year Period Ending</u>
7	June 30, 2004
8	June 30, 2005
9	June 30, 2006

C. Defendant, **Bohuchot**, did aid, abet, counsel, command, induce, and procure the commission of the offense set forth in Paragraph B.

Each count in violation of 18 U.S.C. §§ 666(a)(2) and 2.

Count Ten
Conspiracy to Launder Monetary Instruments
(Violation of 18 U.S.C. § 1956(h))

A. The Grand Jury hereby adopts, realleges and incorporates by reference herein all allegations set forth in the Introduction, in Paragraphs C, D, and E of Count One, and in Counts Two through Nine and Eleven through Fifteen of this indictment as if fully set forth herein.

The Conspiracy

B. Beginning, at least, on or about October 12, 2002, and continuing through on or about January 24, 2007, in the Dallas Division of the Northern District of Texas, and elsewhere, defendants, **Ruben B. Bohuchot (Bohuchot), Frankie Logyang Wong (Wong) and William Frederick Coleman, III (Coleman)**, did knowingly and unlawfully combine, conspire, confederate, and agree with each other to: (1) unlawfully, knowingly, and with intent to promote the carrying on of specified unlawful activity, that is, bribery concerning programs receiving federal funds, conduct and attempt to conduct financial transactions affecting interstate commerce, by and through financial institutions, involving the proceeds of the specified unlawful activity, in violation of 18 U.S.C. § 1956(a)(1)(A)(i); and (2) unlawfully, knowingly, and with intent to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of specified unlawful activity, that is, bribery concerning programs receiving federal funds, conduct and attempt to conduct financial transactions affecting interstate commerce, by

and through financial institutions, involving the proceeds of the specified unlawful activity, in violation of 18 U.S.C. §1956(a)(1)(B)(i).

Object of the Conspiracy

C. It was an object of the conspiracy for the conspirators to engage in financial transactions involving the proceeds of bribery, to promote bribery and to disguise the true source and nature of payments to themselves and others.

Manner and Means of the Conspiracy

D. It was part of the conspiracy that the conspirators would and did:

1. Create and use companies, including Statewide and Kenbridge, to conceal the receipt and disbursement of funds obtained by MSE as a result of DISD contracts;
2. Use bogus invoices to create the appearance of legitimacy regarding payments of MSE funds to Statewide and Kenbridge;
3. Cause funds obtained by MSE as a result of DISD contracts to be paid to Statewide and Kenbridge;
4. Use MSE's credit card to pay for entertainment expenses of **Bohuchot**;
5. Disguise the true nature of payments to B.C. by calling them paychecks;
6. Cause payments to be made to B.C. from three companies even though he did not perform work for all three companies;
7. Pay B.C. with funds from the account of a company known to the Grand

Jury by using fraudulent checks purporting to be drawn on the account of Acclaim;

8. Disguise the true nature of a payment from Acclaim to B.C. by calling the payment a loan;

9. Conceal payments to themselves by diverting the payments through others;

10. Conceal the receipt of funds by causing B.C. to pay a bill for

Bohuchot;

11. Create bogus and backdated loan documents to mislead federal law enforcement agents and a federal Grand Jury about the true nature of payments; and

12. Promote bribery by making ongoing payments that benefitted

Bohuchot.

Overt Acts

E. In furtherance of the conspiracy and to effect the objects thereof, **Bohuchot**, **Wong**, and **Coleman** committed, and caused to be committed, the following overt acts, among others, in the Dallas Division of Northern District of Texas, and elsewhere:

1. On or about October 17, 2002, **Wong** created Statewide;

2. On or about November 7, 2002, **Coleman** created Kenbridge;

3. On multiple occasions, from on or about October 20, 2002, through on or about August 16, 2005, **Wong** caused Statewide invoices reflecting "marketing and consulting fee" to be created;

4. On multiple occasions, from on or about October 30, 2002, through on or about August 19, 2005, **Wong** caused MSE funds to be paid to Statewide;

5. In or about March 2003, the exact date being unknown to the Grand Jury, **Wong** told **Coleman** that it was time for **Coleman** to send an invoice to MSE;

6. On multiple occasions, from in or about March 2003, the exact date being unknown to the Grand Jury, through on or about September 2, 2004, **Coleman** created invoices reflecting that Kenbridge had provided "sales planning and marketing consulting services" to MSE in 2003 and 2004;

7. On or about March 4, 2003, **Coleman** opened a bank account for Kenbridge for the purpose of receiving funds from MSE;

8. On multiple occasions, from on or about January 15, 2003, through on or about October 27, 2004, **Wong** caused MSE to pay funds to Kenbridge;

9. On multiple occasions, from on or about May 23, 2003, through on or about March 1, 2006, **Coleman** drew checks from the Kenbridge bank account made payable to himself;

10. On or about October 25, 2006, **Coleman** signed backdated promissory notes reflecting loans to himself from Kenbridge;

11. On or about May 27, 2003, **Coleman** paid \$10,000 to B.C. from the Kenbridge bank account;

12. In or about May 2003, **Bohuchot** told B.C. not to worry about repaying

funds he (B.C.) had received from **Coleman**;

13. On or about September 25 and 26, 2003, **Coleman** paid a total of \$2,995 from the Kenbridge bank account for B.C. to take a technology course;

14. In or about May 2004, the exact date being unknown to the Grand Jury, **Bohuchot** told B.C. that he (**Bohuchot**) would make arrangements for B.C. to be paid \$50,000 by Acclaim;

15. On or about May 5, 2004, **Wong** caused \$50,000 to be paid from Acclaim to B.C.;

16. On multiple occasions, from on or about May 5, 2004, through on or about January 31, 2006, **Wong** caused Acclaim funds to be paid to B.C.;

17. On or about June 15, 2004, **Wong** caused a check purporting to be drawn on the account of Acclaim to be paid to B.C.;

18. On or about June 2, 2004, **Bohuchot** caused B.C. to pay his (**Bohuchot's**) credit card bill;

19. In or about June 2004, **Bohuchot** made arrangements for B.C. to pay him (**Bohuchot**) \$2,500 per month;

20. From in or about May 2004, through in or about July 2005, the exact dates being unknown to the Grand Jury, **Bohuchot** caused B.C. to make monthly payments to **Bohuchot**;

21. In or about July 2005, the exact date being unknown to the Grand Jury,

Bohuchot asked B.C. to pay **Bohuchot** \$5,000;

22. In or about February 2005, the exact date being unknown to the Grand Jury, **Bohuchot** made arrangements with **Wong** for MSE to pay \$12,000 to B.C. so the money could be paid to **Bohuchot**;

23. On multiple occasions, from on or about May 7, 2004, through July 21, 2005, **Bohuchot** caused B.C. to give **Bohuchot** cash;

24. Between in or about September 2006, and on or about January 24, 2007, the exact date being unknown to the Grand Jury, **Bohuchot** asked B.C. to tell federal law enforcement agents and the federal Grand Jury that funds B.C. had paid to **Bohuchot** were repayments of living expenses;

25. On or about October 25, 2006, **Coleman** executed three backdated promissory notes reflecting that funds paid to him by Kenbridge were paid as the result of loans;

26. On or about January 8, 2007, **Coleman** created a letter addressed to B.C. requesting repayment of \$10,000, which **Coleman** had paid to B.C. in 2003;

27. On multiple occasions, from at least in or about January 2004, the exact date being unknown to the Grand Jury, through on or about December 29, 2006, **Wong** caused MSE to make large payments to K.N., based on commissions earned by others;

28. On multiple occasions, from on or about January 15, 2004, through on or about December 29, 2006, **Wong** caused K.N. to make payments to him (**Wong**),

through wire transfers, checks, and deliveries of envelopes filled with cash;

29. On or about October 25, 2006, **Coleman** testified before a federal Grand Jury that payments he received from Kenbridge were loans;

30. On or about October 25, 2006, **Coleman** presented copies of backdated loan documents to an agent of the Federal Bureau of Investigation in response to a Grand Jury subpoena for documents;

31. On or about December 18, 2006, **Coleman** provided original backdated loan documents to an agent of the Federal Bureau of Investigation in response to a Grand Jury subpoena;

32. On or about January 24, 2007, **Coleman** testified that a payment of Kenbridge funds to B.C. was a loan; and

33. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in Counts Two through Nine and Eleven through Fifteen of this indictment as additional overt acts in furtherance of the conspiracy.

All in violation of 18 U.S.C. § 1956(h) [18 U.S.C. § 1956(a)(1)].

Count Eleven
Obstructing and Impeding an Official Proceeding
(Violation of 18 U.S.C. § 1512(c))

1. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction, in Paragraphs C, D, and E of Counts One, and in Counts Two, Six and Ten of this indictment as if fully set forth herein.

2. On or about October 25, 2006, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **William Frederick Coleman, III (Coleman)**, did corruptly obstruct, influence and impede an official proceeding, to wit: a federal Grand Jury investigation, and did attempt to do so, by preparing, signing and producing to an agent of the Federal Bureau of Investigation, in response to a Grand Jury subpoena for documents, three backdated documents purporting to be genuine promissory notes reflecting loans from Kenbridge to **Coleman**.

In violation of 18 U.S.C. § 1512(c).

Count Twelve
Obstructing and Impeding an Official Proceeding
(Violation of 18 U.S.C. § 1512(c))

1. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction and in Paragraphs C, D, and E of Count One and in Counts Two through Eleven of this indictment as if fully set forth herein.

2. On or about January 8, 2007, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **William Frederick Coleman, III (Coleman)**, did corruptly obstruct, influence and impede an official proceeding, to wit: a federal Grand Jury investigation, and did attempt to do so, by preparing, signing and sending to B.C. a letter requesting repayment of funds paid by Kenbridge to B.C.

In violation of 18 U.S.C. § 1512(c).

Count Thirteen
Obstructing and Impeding an Official Proceeding
(Violation of 18 U.S.C. § 1512(c))

1. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction and in Paragraphs C, D, and E of Count One and in Counts Three through Five and Seven through Ten of this indictment as if fully set forth herein.

2. Between on or about September 1, 2006, and on or about January 24, 2007, the exact date being unknown to the Grand Jury, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **Ruben B. Bohuchot (Bohuchot)**, did corruptly obstruct, influence and impede an official proceeding, to wit: a federal Grand Jury investigation, and did attempt to do so, by asking B.C. to falsely testify before the federal Grand Jury that funds paid by B.C. to **Bohuchot** were repayments of living expenses.

In violation of 18 U.S.C. § 1512(c).

Counts Fourteen and Fifteen
False Statement on a Tax Return
(Violation of 26 U.S.C. § 7206(1))

1. The Grand Jury hereby adopts, realleges and incorporates herein all allegations set forth in the Introduction, in Paragraphs C, D, and E of Count One, and in Counts Three, Four, Seven, Eight, and Ten of this indictment as if fully set forth herein.

2. On or about the date listed below, for each count listed below, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant, **Ruben B. Bohuchot (Bohuchot)**, did willfully make and subscribe a U.S. Tax Return 1040 (tax return) for the tax year identified below, which was verified by a written declaration that it was made under the penalties of perjury, and was filed with the Internal Revenue Service, which said tax return he did not believe to be true and correct as to every material matter in that the tax return reported total income in the amount listed below, whereas, as **Bohuchot** then and there well knew and believed, he received income in addition to the amount reported.

<u>Count</u>	<u>Date</u>	<u>Tax Year</u>	<u>Total Reported Income</u>
14	4/11/2005	2004	\$145,647
15	2/22/2006	2005	\$148,626

Each count in violation of 26 U.S.C. § 7206(1).

Count 16
Forfeiture Allegation
(18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461)
(18 U.S.C. § 982(a)(1))

Upon conviction of any of the offenses alleged in Counts One through Nine of this Indictment and pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, the respective defendant(s) named in the Count(s), defendants, **Ruben B. Bohuchot (Bohuchot)**, **Frankie Logyang Wong (Wong)** and **William Frederick Coleman, III (Coleman)**, shall forfeit to the United States of America any and all property constituting or derived from proceeds traceable to the respective offense.

Upon conviction of the offense alleged in Count Ten of this Indictment, and pursuant to 18 U.S.C. § 982(a)(1), **Bohuchot, Wong, and Coleman**, shall forfeit to the United States of America any and all property involved in, or traceable to property involved in, the respective offense.

The above-referenced property subject to forfeiture concerning the previously-mentioned defendants includes, but is not limited to, the following:

Personal Property

1. 1996 Viking Motor Yacht named *Rehab* (formerly known as *Sir Veza II*), hull number VKY50823J596, official number 1038392.
2. \$39,000,000 in United States currency, which represents, at the least, the proceeds of the offense (as to Count One only).
3. \$2,452,300 in United States currency, which represents, at the least, the property

involved in the offense (as to Count Ten only).

Substitute Assets

Pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b), if any of the above-described real and/or personal property subject to forfeiture pursuant to 18 U.S.C. § 982(a)(1) and/or 18 U.S.C. § 981(a)(1)(C) in combination with 28 U.S.C. § 2461, as a result of any act or omission of any of the previously-mentioned defendants, cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third person; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be subdivided without difficulty, it is the intent of the United States of America to seek forfeiture of any other property of any of the previously-mentioned defendants up to the value of the above-described property subject to forfeiture.

A TRUE BILL


FOREPERSON

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