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Filed: January 31, 2001

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8

9 IN THE UNITED STATES DISTRICT COURT
FOR THE TERRITORY OF GUAM
10

11 UNITED STATES OF AMERICA) CRIMINAL CASE NO. CR-01-0007
12)
Plaintiff,) **INDICTMENT**
13)
) **WIRE FRAUD**
) [18 U.S.C. §§ 1343, 1346, & 2]
14) **BRIBERY**
v.) [18 U.S.C. § 666(a)(1)(B)]
15) **CONSPIRACY TO RESTRAIN TRADE**
) [15 U.S.C. § 3, 18 U.S.C. § 2]
16) **MONEY LAUNDERING CONSPIRACY**
AUSTIN J. "SONNY" SHELTON,) [18 U.S.C. § 1956(h)]
17) **MONEY LAUNDERING**
Defendant.) [18 U.S.C. §§ 1957 & 2]
18) **FORFEITURE ALLEGATION**
) [18 U.S.C. § 982(a)(1)]
19

THE GRAND JURY CHARGES:

20 **COUNT ONE**

21 **WIRE FRAUD**
22 **[18 U.S.C. §§ 1343, 1346 & 2]**

23 **INTRODUCTION**

24 1. **AUSTIN J. SHELTON**, also known as **A.J. SONNY SHELTON**, also
25 known as **SONNY SHELTON (SHELTON)**, is indicted and made a Defendant herein.

26 2. Typhoon Paka struck Guam on the night of December 16-17, 1997,

1 causing extensive damage throughout the island. The federal government, through
2 the Federal Emergency Management Agency (FEMA), made in excess of \$70 million
3 in federal funds available for disaster relief in Guam.

4 3. Expecting that the Government of Guam would apply for and receive
5 federal reimbursement, the Legislature of Guam on December 18, 1997 made monies
6 from the Guam General Fund available so that the the Executive Branch could
7 immediately pay for the clean-up and repair of damage caused by Typhoon Paka
8 (“Typhoon Paka Projects”) (Bill No. 467.)

9 4. At all times relevant to this Indictment, the Department of Parks and
10 Recreation (DPR) was an agency of the Government of Guam, and Defendant
11 **SHELTON** was the Director of the DPR and an agent of the DPR. It was his duty,
12 among other things, to establish fees, rules, and regulations to accomplish the
13 purposes of the DPR; administer the DPR; prescribe the duties of assistants, deputies,
14 agents, and other persons employed by the DPR; and manage the Parks fund.

15 5. When the Governor of Guam declared a State of Emergency with regard
16 to DPR, he authorized DPR to spend from the General Fund. He also gave the
17 Defendant **SHELTON** authority to procure goods and services for Typhoon Paka
18 Projects outside of the normal procedures. (Executive Order 97-41.) Defendant
19 **SHELTON** was required to follow certain statutes and regulations in his
20 administration of DPR procurements for Typhoon Paka Projects. Those statutes and
21 regulations included a requirement that **SHELTON** solicit at least three price
22 quotations before awarding a project.

23 6. At a time when the people of Guam were suffering through an emergency,
24 and despite his duty to carry out his responsibilities with loyalty, honesty, integrity,
25 and faithfulness, Defendant **SHELTON** devised and carried out a corrupt scheme and
26 plan, as specified below in Paragraph Nine of this Count. Defendant **SHELTON** used

1 his position dishonestly and corruptly: he rigged the price quotation process for certain
2 Typhoon Paka Projects, and corruptly solicited, demanded, accepted and agreed to
3 accept cash payments totaling at least \$105,000.

4 7. After the Typhoon Paka Emergency, DPR, under Defendant **SHELTON**,
5 failed to provide the Government of Guam's Recovery Coordination Office (RCO) with
6 the documentation necessary for the RCO to request FEMA reimbursement for the
7 Paseo Light Tower, Wettengel Football Field, Ypao Beach Pavilion and Cabanas, and
8 Agaña Tennis Court / Paseo de Susanna Typhoon Paka Projects. Nonetheless, at all
9 times material to this Indictment, the DPR received federal benefits, in the form of
10 Typhoon Paka relief assistance from FEMA, and assistance from other federal sources,
11 that exceeded \$10,000 within any one year period.

12 **THE DUTY OF HONEST SERVICES**

13 8. In 1996, the 23rd Guam Legislature passed "AN ACT TO PRESCRIBE
14 STANDARDS OF CONDUCT FOR ELECTED OFFICERS, APPOINTED OFFICERS
15 AND PUBLIC EMPLOYEES OF THE GOVERNMENT OF GUAM AND TO
16 ESTABLISH AN ETHICS COMMISSION BY ADDING A NEW CHAPTER 15 TO
17 TITLE 4, GUAM CODE ANNOTATED; AND TO AMEND 4 GCA §13101, RELATIVE
18 TO FINANCIAL DISCLOSURE REQUIREMENTS" (the Act). The Act established the
19 Guam Ethics Commission and required that the Act be liberally construed to promote
20 the highest standards of ethical conduct within the Territorial government. As
21 Director of the DPR, Defendant **SHELTON**:

22 a. Was subject to the provisions of the act prohibiting him from
23 soliciting, accepting or receiving, directly or indirectly, any gift valued
24 singly or in the aggregate from a single source in excess of \$200, whether
25 in the form of money, prize, service, loan, travel, entertainment,
26 hospitality, thing or promise, or in any other form, when a reasonable

1 person would infer that the gift was intended to influence him in the
2 performance of his official duties or was intended as a reward for any
3 official action on his part;

4 b. Was further subject to the provisions of the act prohibiting him
5 from using or attempting to use his official position to secure or grant
6 unwarranted privileges, exemptions, advantages, contracts, or treatment,
7 for himself or others by either accepting, receiving, or soliciting
8 compensation for the performance of official duties or responsibilities, or
9 soliciting, selling, or otherwise engaging in a financial transaction with
10 a subordinate or a person or business whom he inspects or supervises in
11 his official capacity; and,

12 c. Owed his employer, that is, the Government of the Territory of
13 Guam (Government of Guam) and its citizens, a general duty of loyalty,
14 honesty, integrity and faithfulness.

15 **THE SCHEME**

16 9. From sometime in about December 1997 until at least sometime in about
17 October 1998, within the District of Guam and elsewhere, Defendant **SHELTON** and
18 others known and unknown to the Grand Jury, did devise and intend to devise a
19 scheme and artifice to defraud the Government of Guam and the DPR and to obtain
20 money and property by means of materially false and fraudulent pretenses,
21 representations, and promises, and to deprive the Government of Guam, the DPR, and
22 the citizens of the Territory of Guam of their intangible right to the honest services of
23 Defendant **SHELTON**.

24 **THE PURPOSE OF THE SCHEME**

25 10. It was a purpose of the scheme and artifice to defraud and deprive (the
26 Scheme) to unlawfully enrich Defendant **SHELTON** through:

1 a. The personal exploitation of information by Defendant **SHELTON**
2 relating to the availability of DPR Typhoon Paka Projects, to which
3 information Defendant **SHELTON** was privy by virtue of his position as
4 Director of the DPR;

5 b. The unlawful solicitations and demands for the benefit of himself
6 and other persons, and the acceptance and agreements to accept, things
7 of value from companies and persons providing goods and services for
8 DPR Typhoon Paka Projects; and

9 c. The concealment by Defendant **SHELTON** of all of the above from
10 the Government of Guam and citizens of the Territory of Guam.

11 **MANNER AND MEANS OF EXECUTING THE SCHEME**

12 11. It was part of the Scheme that Defendant **SHELTON** would deceive the
13 DPR and the Government of Guam into believing that at least three authentic,
14 independent, competitive price quotations were being submitted for DPR Typhoon
15 Paka Projects, when, in fact, Defendant **SHELTON** knew that he was causing to be
16 submitted price quotations that were collusive, non-competitive, fraudulent, and
17 artificially high.

18 12. It was further part of the Scheme that Defendant **SHELTON** would
19 arrange artificially high prices for the DPR Typhoon Paka Projects based on those
20 collusive, non-competitive, fraudulent, and artificially high price quotations.

21 13. It was further part of the Scheme that Defendant **SHELTON** would
22 allocate to specified individuals DPR Typhoon Paka Projects.

23 14. It was further part of the Scheme that Defendant **SHELTON** would
24 award DPR Typhoon Paka Projects on the basis of collusive, non-competitive,
25 fraudulent, and artificially high price quotations.

26 15. It was further part of the Scheme that Defendant **SHELTON** would cause

1 work to be done in fulfillment of the DPR Typhoon Paka Projects.

2 16. It was further part of the Scheme that Defendant **SHELTON** would
3 request, cause to be issued, obtain, and receive checks from the Government of Guam
4 which were payments for the DPR Typhoon Paka Projects.

5 17. It was further part of the Scheme that Defendant **SHELTON** would
6 convey, transmit, distribute, and cause to be conveyed, transmitted and distributed
7 checks from the Government of Guam which were payments for the DPR Typhoon
8 Paka Projects.

9 18. It was further part of the Scheme that Defendant **SHELTON** would
10 receive and accept cash representing a portion of the payments made by the
11 Government of Guam for the DPR Typhoon Paka Projects.

12 19. It was further part of the Scheme that Defendant **SHELTON** would, in
13 order to conceal the fraudulent Scheme described above, give and cause to be given
14 false and misleading information concerning the cost and status of the DPR Typhoon
15 Paka Projects.

16 **USE OF INTERSTATE WIRE FACILITIES**
17 **IN FURTHERANCE OF THE SCHEME**

18 20. On about the following date, in the District of Guam, Defendant
19 **SHELTON**, for the purpose of executing and attempting to execute the Scheme, did
20 transmit and cause to be transmitted in interstate and foreign commerce by means of
21 a wire communication, certain writings, signs, signals, and sounds: a facsimile
22 transmission accepting an offer to ship lighting equipment, sent on about February 5,
23 1998 from the offices of D.S. Corporation, doing business as Bunny Hardware, which
24 originated at or near Maite, Guam, to the offices of OSCAR Trading Co., located in
25 Compton, California.

26 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTIONS 1343,

1 1346 AND 2.

2 **COUNT TWO**

3 **WIRE FRAUD**
4 **[18 U.S.C. §§ 1343, 1346, 2]**

5 21. Paragraphs One through Nineteen of this Indictment are repeated and
6 realleged as if fully set forth in Count Two.

7 22. On about the following date, in the District of Guam, Defendant
8 **SHELTON**, for the purpose of executing and attempting to execute the Scheme, did
9 transmit and cause to be transmitted in foreign commerce by means of a wire
10 communication, certain writings, signs, signals, and sounds: a facsimile transmission
11 entitled "pro forma invoice" for roofing materials, sent on about February 12, 1998,
12 from the offices of ATCO, located at or near Tamuning, Guam to the offices of Tilling
13 Timber PTY, LTD., located in Australia, a foreign nation.

14 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTIONS 1343,
15 1346 AND 2.

16 **COUNTS THREE THROUGH EIGHT**

17 **BRIBERY**
18 **[18 U.S.C. § 666(a)(1)(B)]**

19 23. Paragraphs One through Seven of this Indictment are repeated and
20 realleged as if fully set forth in Counts Three through Eight.

21 24. All acts charged in Counts Three through Eight were conceived and carried
22 out, in whole or in part, within the District of Guam within five years preceding this
23 Indictment.

24 25. As specified below for Counts Three through Eight of this Paragraph, on or
25 about the dates set forth below in this Paragraph, in the District of Guam, Defendant
26 **SHELTON**, being an agent of a territorial government agency, which territorial

1 government agency received federal assistance in excess of \$10,000 in a one-year
 2 period, did corruptly solicit and demand for the benefit of any person, and accept and
 3 agree to accept, anything of value from any person, intending to be influenced and
 4 rewarded in connection with any business, transaction, and series of transactions of
 5 such territorial government agency involving anything of value of \$5,000 or more, to
 6 wit: Defendant **SHELTON**, being the Director of DPR, corruptly solicited, accepted,
 7 and agreed to accept things of value specified below in this Paragraph from the
 8 individuals specified below in this Paragraph, intending to be influenced and rewarded
 9 in connection with the Typhoon Paka Projects specified below in this Paragraph.

COUNT	TYPHOON PAKA PROJECT(S)	PAYOR	APPROXIMATE DATE	APPROXIMATE PAYMENT
3	Paseo Light Tower Q82599-055	Young Soo Yoon	Between February 1998 and July 1998	\$15,000 cash
4	Wettengel Football Field Q82599-051	Young Soo Yoon	Between February 1998 and July 1998	\$15,000 cash
5	Ypao Beach Pavilion and Cabanas Q82599-052	Young Soo Yoon	Between February 1998 and July 1998	\$25,000 cash
6	Ypao Beach Pavilion and Cabanas Q82599-052	Young Soo Yoon	Between February 1998 and July 1998	\$20,000 cash
7	Debris Removal / Heavy Equip. Rental Q82599-030 Q82599-032 Q82599-034 Q82599-048	Young Soo Yoon and an Associate	Between December 1997 and February 1998	\$10,000 cash
8	Agaña Tennis Court / Paseo de Susanna Q82599-020 Q82599-021	Primitivo Carlos	Between February 1998 and July 1998	\$25,000 (cash plus debt forgiveness)

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2 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION
3 666(a)(1)(B).

4 **COUNTS NINE THROUGH ELEVEN**

5 **CONSPIRACY TO RESTRAIN TRADE**
6 **[15 U.S.C. § 3; 18 U.S.C. § 2]**

7 26. The allegations set forth in Paragraphs One through Seven of this
8 Indictment are repeated and realleged as if fully set forth in Counts Nine through
9 Eleven.

10 27. Description of the Offense.

11 a. During the periods specified below for Counts Nine through Eleven
12 in this Paragraph, the exact dates being unknown to the Grand Jury, Defendant
13 **SHELTON** and others entered into and engaged in combinations and
14 conspiracies, identified below in this Paragraph, to suppress and restrain
15 competition for Typhoon Paka Projects, in unreasonable restraint of territorial
16 trade and commerce, in violation of the Sherman Act, Title 15, United States
17 Code, Section 3.

18 b. The Defendant **SHELTON** aided, abetted, counseled, commanded,
19 induced, and procured each combination and conspiracy charged in Counts Nine
20 through Eleven, listed below in this Paragraph, and willfully caused others to
21 perform acts and make statements in furtherance of the charged combinations
22 and conspiracies, in violation of Title 18, United States Code, Section 2.

COUNT (SEPARATE COMBINATION AND CONSPIRACY)	TYPHOON PAKA PROJECTS SUBJECT TO COMBINATION AND CONSPIRACY, AND RIGGED CONTRACT AMOUNTS	TERM OF COMBINATION AND CONSPIRACY
9	Paseo Light Tower Q82599-055 \$134,000 Wettengel Football Field Q82599-051 \$126,000 Ypao Beach Pavilion and Cabanas Q82599-052 \$145,000	Beginning as early as December 1997 and lasting until at least July 1998
10	Agaña Tennis Court / Paseo de Susanna Q82599-020 Q82599-021 \$175,000	Beginning as early as December 1997 and lasting until at least July 1998
11	Paseo Billboard Q992500-102 \$13,750 Paseo Scoreboard Q992500-103 \$23,500 Paseo Flagpole Q992500-104 \$22,700	Beginning as early as April 1999 and lasting until at least October 1999

c. The combinations and conspiracies charged in Counts Nine through Eleven each consisted of an agreement, understanding, and concert of action among Defendant **SHELTON** and co-conspirators, the substantial terms of which were to rig price quotations offered for, and to allocate, Typhoon Paka Projects, as specified in this paragraph.

d. For the common purpose of forming and carrying out each

1 combination and conspiracy charged in Counts Nine through Eleven, Defendant
2 **SHELTON** and others conspired, among other things, to:

- 3 (1) allocate upcoming Typhoon Paka Projects to particular
4 persons;
- 5 (2) discuss price quotations on upcoming Typhoon Paka
6 Projects;
- 7 (3) agree on the price quotations they would submit for that
8 work;
- 9 (4) submit artificially high, non-competitive amounts in their
10 price quotations offered for that work;
- 11 (5) perform the work at artificially high, non-competitive
12 prices;
- 13 (6) submit to DPR invoices and other documents as required;
14 and
- 15 (7) receive compensation from DPR for the work.

16 28. Co-conspirators. Various individuals and corporations not made
17 defendants in this Indictment participated as co-conspirators in each combination and
18 conspiracy charged in Counts Nine through Eleven of this Indictment and performed
19 acts and made statements in furtherance of it.

20 29. Territorial commerce. During the periods covered by Counts Nine
21 through Eleven, each and every Typhoon Paka Project specified above in Counts Nine
22 through Eleven involved substantial trade and commerce in the Territory of Guam.
23 Price quotation, invoicing, work, and payment on each Typhoon Paka Project occurred
24 in the Territory of Guam.

25 30. Jurisdiction and venue. Each combination and conspiracy charged in
26 Counts Nine through Eleven was planned, discussed, and implemented, among other

1 places: where the work was to occur and did occur; in Defendant **SHELTON's** office
2 at Paseo de Susanna; and in the offices of co-conspirators and those whom Defendant
3 **SHELTON** aided and abetted, all in the Territory of Guam, within the five years
4 preceding the return of this Indictment.

5 ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 3, AND
6 TITLE 18, UNITED STATES CODE, SECTION 2.

7 **COUNT TWELVE**

8 **MONEY LAUNDERING CONSPIRACY**
9 **[18 U.S.C. §1956(h)]**

10 **INTRODUCTION**

11 31. Paragraphs One through Seven of this Indictment are repeated and
12 realleged as if fully set forth in Count Twelve.

13 32. Among the DPR Typhoon Paka Projects were the Paseo Light Tower and
14 Ypao Beach Pavilion and Cabanas.

15 **CONSPIRACY**

16 33. Beginning as early as about December 17, 1997, a more exact date being
17 unknown to the Grand Jury, and continuing thereafter to about May 26, 1998, in the
18 District of Guam and elsewhere, Defendant **SHELTON** did conspire, confederate and
19 agree with others known and unknown to the Grand Jury, to commit certain offenses
20 under Title 18, United States Code, Section 1957, as follows:

- 21 a. to knowingly engage and attempt to engage in monetary
22 transactions, affecting interstate and foreign commerce, in criminally
23 derived property that was of a value greater than \$10,000, such property
24 having been derived from specified unlawful activity, that is wire fraud,
25 a violation of Title 18, United States Code, Section 1343.

26 **MANNER AND MEANS OF THE CONSPIRACY**

1 The objects of the conspiracy were to be accomplished and were accomplished
2 as follows:

3 34. It was part of the conspiracy that Defendant **SHELTON** would benefit
4 from the wire fraud activity.

5 35. It was further part of the conspiracy that on about January 12, 1998
6 Defendant **SHELTON**, on behalf of DPR, accepted two artificially high, non-
7 competitive price quotations for the Paseo Light Tower project. Each of these two
8 price quotations was dated December 31, 1997.

9 36. It was further part of the conspiracy that on about January 12, 1998
10 Defendant **SHELTON**, on behalf of DPR, accepted a third artificially high, non-
11 competitive price quotation for the Paseo Light Tower project that was lower than
12 the other two price quotations, and designated by a co-conspirator to win the
13 contract at an artificially high price of \$134,000. This price quotation was dated
14 January 12, 1998.

15 37. It was further part of the conspiracy that on about January 15, 1998
16 Defendant **SHELTON**, on behalf of DPR, awarded the Paseo Light Tower project to
17 the designated contractor.

18 38. It was further part of the conspiracy that on about January 15, 1998
19 Defendant **SHELTON** signed and dated a Government of Guam Requisition
20 document authorizing the Paseo Light Tower project in the amount of \$134,000.

21 39. It was further part of the conspiracy that on about February 12, 1998
22 Defendant **SHELTON** accepted a billing invoice from a co-conspirator requesting
23 partial payment in the amount of \$85,500 on the Paseo Light Tower project.

24 40. It was further part of the conspiracy that on about February 20, 1998
25 Defendant **SHELTON** caused the Government of Guam to prepare and distribute a
26 check made payable to the project contractor in the amount of \$85,500 in partial

1 payment for work on the Paseo Light Tower project, which monies were proceeds of
2 the wire fraud activity.

3 41. It was further part of the conspiracy that on about February 26, 1998
4 the project contractor utilized a portion of the check funds to purchase a cashier's
5 check in the amount of \$70,000 made payable to a co-conspirator.

6 42. It was further part of the conspiracy that on about February 27, 1998
7 the co-conspirator caused the cashier's check, in the amount of \$70,000 to be
8 deposited into a bank account that did not belong to him but to which he had
9 access.

10 43. It was further part of the conspiracy that on about February 20, 1998
11 Defendant **SHELTON** solicited a bribe from a co-conspirator to compensate him for
12 his role in fraudulently awarding the government contract for the Paseo Light
13 Tower project. Defendant **SHELTON** specified that his bribe be paid to him in the
14 form of cash.

15 44. It was further part of the conspiracy that on about March 3, 1998,
16 Defendant **SHELTON** accepted a bribe in the amount of \$15,000 in cash from a co-
17 conspirator in connection with the Paseo Light Tower project.

18 45. It was further part of the conspiracy that on about April 7, 1998
19 Defendant **SHELTON** accepted a billing invoice from a co-conspirator requesting
20 final payment in the amount of \$48,500 on the Paseo Light Tower project.

21 46. It was further part of the conspiracy that on about May 26, 1998
22 Defendant **SHELTON** caused the Government of Guam to prepare and distribute a
23 check made payable to the project contractor in the amount of \$48,500 in final
24 payment for work on the Paseo Light Tower project, which monies were proceeds of
25 the wire fraud activity.

26 47. It was further part of the conspiracy that on or about May 26, 1998 the

1 project contractor utilized a portion of the check funds to purchase a cashier's check
2 in the amount \$19,640 made payable to a business entity as designated by a co-
3 conspirator.

4 48. It was further part of the conspiracy that on or about May 26, 1998 the
5 co-conspirator caused the cashier's check, in the amount of \$19,640 to be deposited
6 into a bank account that did not belong to him but to which he had access.

7 49. It was further part of the conspiracy that on about December 30, 1997
8 Defendant **SHELTON**, on behalf of DPR, accepted two artificially high, non-
9 competitive price quotations for the Ypao Beach Pavilion and Cabanas project.

10 50. It was further part of the conspiracy that on about December 30, 1997
11 Defendant **SHELTON**, on behalf of DPR, accepted an artificially high, non-
12 competitive price quotation for the Ypao Beach Pavilion and Cabanas project that
13 was lower than the other two price quotations, was designated by a co-conspirator
14 to win the contract at an artificially high price of \$145,000, and was supported by
15 other artificially high, non-competitive price quotations.

16 51. It was further part of the conspiracy that on about December 30, 1997
17 Defendant **SHELTON** solicited a bribe from the co-conspirator to compensate him
18 for his role in fraudulently awarding the government contract for the Ypao Beach
19 Pavilion and Cabanas project. Defendant **SHELTON** and the co-conspirator
20 agreed to the bribe amount of \$45,000. Defendant **SHELTON** specified that his
21 bribe be paid to him in the form of cash.

22 52. It was further part of the conspiracy that on about January 14, 1998
23 Defendant **SHELTON**, on behalf of DPR, awarded the Ypao Beach Pavilion and
24 Cabanas project to the designated contractor co-conspirator.

25 53. It was further part of the conspiracy that on about January 14, 1998
26 Defendant **SHELTON** signed and dated a Government of Guam Requisition

1 document authorizing the Ypao Beach Pavilion and Cabanas project in the amount
2 of \$145,000.

3 54. It was further part of the conspiracy that on about February 12, 1998
4 Defendant **SHELTON** accepted a billing invoice for an amount of \$101,500 from a
5 co-conspirator requesting partial payment on the Ypao Beach Pavilion and Cabanas
6 project.

7 55. It was further part of the conspiracy that on about February 20, 1998
8 Defendant **SHELTON** caused the Government of Guam to prepare and distribute a
9 check made payable to the project contractor in the amount of \$101,500 in partial
10 payment for work on the Ypao Beach Pavilion and Cabanas project, which monies
11 were proceeds of the wire fraud activity.

12 56. It was further part of the conspiracy that on about February 26, 1998
13 the project contractor co-conspirator prepared and issued checks in amounts of
14 \$26,951, \$12,746, \$9,552.20 and \$8,750.80 payable to two business entities and an
15 individual for the benefit of Defendant **SHELTON** and a co-conspirator. The co-
16 conspirator utilized these funds to obtain cash which would be used, in part, to pay
17 Defendant **SHELTON** the bribe that he requested.

18 57. It was further part of the conspiracy that beginning on about March 3,
19 1998 and then within several days following Defendant **SHELTON** accepted bribes
20 aggregating \$45,000, in cash, from a co-conspirator in connection with the Ypao
21 Beach Pavilion and Cabanas project.

22 58. It was further part of the conspiracy that on about April 9, 1998
23 Defendant **SHELTON** accepted a billing invoice for an amount of \$43,500 from a
24 co-conspirator requesting final payment on the Ypao Beach Pavilion and Cabanas
25 project.

26 59. It was further part of the conspiracy that on about May 26, 1998

1 Defendant **SHELTON** caused the Government of Guam to prepare and distribute a
2 check made payable to the project contractor co-conspirator in the amount of
3 \$43,500 in final payment for work on the Ypao Beach Pavilion and Cabanas project,
4 which monies were proceeds of the wire fraud activity.

5 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 1956(h).

6 **COUNTS THIRTEEN AND FOURTEEN**

7 **ENGAGING IN MONETARY TRANSACTIONS**
8 **IN PROPERTY DERIVED FROM SPECIFIED UNLAWFUL ACTIVITY**
9 **[18 U.S.C. §§1957 and 2]**

10 60. Paragraphs One through Seven of this Indictment are repeated and
11 realleged as if fully set forth in Counts Thirteen and Fourteen.

12 61. As specified in Counts Thirteen and Fourteen below, on about the
13 dates set forth below, in the District of Guam and elsewhere, the Defendant
14 **SHELTON**, did knowingly engage, attempt to engage, cause to engage and attempt
15 to cause to engage in monetary transactions, affecting interstate and foreign
16 commerce, in criminally derived property that was of a value greater than \$10,000,
17 that is deposits of funds and monetary instruments in the amounts set forth below,
18 such property having been derived from specified unlawful activity, that is wire
19 fraud, a violation of Title 18, United States Code, Section 1343:

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COUNT	ACCOUNT NAME	BANK NAME	DATE OF DEPOSIT	CHECK AMOUNT
13	Lee Yoon	Oceanic Bank	February 27, 1998	\$70,000
14	Guam Korean Television	Bank of Guam	February 27, 1998	\$26,951

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2 ALL IN VIOLATION OF TITLE 18 UNITED STATES CODE, SECTIONS 1957
3 AND 2.

4 **FORFEITURE ALLEGATION**

5 **MONEY LAUNDERING FORFEITURE**

6 62. Beginning as early as about December 17, 1997, a more exact date
7 being unknown to the Grand Jury, and continuing to about May 26, 1998, in the
8 District of Guam and elsewhere, Defendant **SHELTON** did knowingly and willfully
9 commit violations of Title 18, United States Code, Sections 1956 and 1957, as
10 alleged in Counts Twelve, Thirteen and Fourteen of this Indictment, which are
11 incorporated by reference herein.

12 63. Pursuant to Title 18, United States Code, Section 982(a)(1), upon
13 conviction, Defendant **SHELTON** shall forfeit to the United States all right, title,
14 and interest in any and all property involved in said transactions in violation of
15 Title 18, United States Code, Sections 1956 and 1957, and all property traceable to
16 such property, including the following: 1) all money or other property that was the
17 subject of each transaction; 2) all commissions, fees and other property constituting
18 proceeds obtained as a result of those violations; and 3) all property used in any
19 manner or part to commit or to facilitate the commission of those violations, as to
20 which properties Defendant **SHELTON** is jointly and severally liable.

21 64. The United States intends to forfeit property of Defendant **SHELTON**
22 including, but not limited to, the following:

23 a. The sum of money equal to the sum involved in the violations
24 set forth in Counts Twelve, Thirteen and Fourteen;

25 b. All property involved in the violations set forth in Counts
26 Twelve, Thirteen, and Fourteen of this Indictment, and all property

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traceable thereto;
c. All other property of Defendant **SHELTON**, up to the value of any property described in subparagraphs a. and b. above, if by any act or omission of Defendant **SHELTON** said property, or any portion thereof, cannot be located upon the exercise of due diligence; has been transferred, sold to or deposited with a third party; 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 divided without difficulty, in which case such other property shall

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1 be substituted and forfeited to the United States pursuant to Title 21,
2 United States Code, Section 853(p), as incorporated by Title 18, United
3 States Code, Section 982(b).

4 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 982(a)(1).

6 A TRUE BILL.

8 "/s/"
[REDACTED TEXT]
9 Forepeson

11 "/s/"
12 John M. Nannes
Acting Assistant Attorney General

"/s/"
Christopher S Crook
Chief, San Francisco Field Office

14 "/s/"
15 James M. Griffin
Deputy Assistant Attorney General

"/s/"
Richard B. Cohen
Trial Attorney

16 "/s/"
17 Scott D. Hammond
Director of Criminal Enforcement

"/s/"
Matthew D. Segal
Trial Attorney

18 Antitrust Division
19 United States Department of Justice

Antitrust Division
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450 Golden Gate Avenue
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San Francisco, California 94102
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21 "/s/"
22 Frederick A. Black
United States Attorney
23 Districts of Guam and NMI