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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

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UNITED STATES OF AMERICA,  
Plaintiff,

v.

HARRIS CORPORATION,  
JOHN D. IACOBUCCI, and  
RONALD L. SCHULTZ,  
Defendants

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**CRIMINAL NO.**

**VIOLATIONS: 18 U.S.C. § 371 — Conspiracy; 15 U.S.C. § 78dd-1(a)(3) — Bribery of Foreign Officials; 15 U.S.C. § 78m(b)(2)(A) — Making False Books and Records; 18 U.S.C. § 2 — Aiding and Abetting**

698.95

## INDICTMENT

Count One: (18 U.S.C. § 371)

The Grand Jury charges: THAT

A. At all times material to this Indictment:

1. The defendant HARRIS CORPORATION (HARRIS) was a Delaware corporation headquartered in Melbourne, Florida. Through its Digital Telephone Systems (DTS) division, located in Novato, California, the defendant HARRIS manufactured telephone switching systems.

2. The Foreign Corrupt Practices Act of 1977 (FCPA), as amended, 15 U.S.C. § 78dd, *et seq.*, was enacted by the Congress for the purpose of making it unlawful to pay, offer to pay, or promise to pay money or anything of value, or to authorize the payment of money or anything of value, to foreign government officials to obtain or retain business.

3. The defendant HARRIS CORPORATION was an issuer as that term is used in the FCPA, 15 U.S.C. § 78dd-1(a).

4. The defendant JOHN D. IACOBUCCI resided in Novato, California, and was a Vice President and General Manager of DTS. The defendant IACOBUCCI was an officer and employee of an issuer within the meaning of the FCPA, 15 U.S.C. § 78dd-1(a).

5. The defendant RONALD L. SCHULTZ resided in Novato, California, and, until about February 1, 1989, was Director of Human Relations and Facilities at DTS. On or about February 1, 1989, the defendant SCHULTZ became Director of Administration at DTS and, until about July 1, 1989, assumed additional responsibility for Contracts Administration. The defendant SCHULTZ was an employee of an issuer within the meaning of the FCPA, 15 U.S.C. § 78dd-1(a).

6. Robert D. O'Hara, an unindicted co-conspirator herein, was the President and sole stockholder of Polo Associates Corporation, Inc. (Polo). Polo was a Delaware corporation created by O'Hara to engage in the business of advising telecommunications companies of ways to obtain business in Latin American countries, particularly Colombia.

7. The Empress Nacional de Telecomunicaciones,

or Telecom, was an instrumentality of the Government of Colombia responsible for the operation of telex services, maritime communications, and long distance and international telephone and telegraph services within the country of Colombia. Telecom was an instrumentality of the Government of Colombia within the meaning of the FCPA, 15 U.S.C. § 78dd-1(a).

B. Beginning on or about January 13, 1989, and continuing at least through in or about June 1989, in the Northern District of California and elsewhere,

HARRIS CORPORATION,  
JOHN D. IACOBUCCI, and  
RONALD L. SCHULTZ,

defendants herein, did unlawfully, willfully, and knowingly combine, conspire, confederate, and agree together with each other, with Robert D. O'Hara, an unindicted co-conspirator herein, and with other individuals both known and unknown to the Grand Jury, to commit offenses against the United States, to wit:

1. To violate the Foreign Corrupt Practices Act by the use of means and instrumentalities of interstate commerce corruptly in furtherance of the payment and the authorization of the payment of money to Robert D. O'Hara, doing business as Polo, while knowing that a portion of such money would be offered, given, and promised, directly, and indirectly, to foreign officials, that is, officials of the Government of Colombia, for the purpose of influencing the acts and decisions of such foreign officials in their official capacities, and inducing them to use their influence with a foreign government and instrumentality, that is, the Government of Colombia and its instrumentality Telecom, to influence an act and decision of such foreign government and instrumentality, that is, the award of government telecommunications contracts, in order to assist the defendant HARRIS CORPORATION in obtaining and retaining business for and directing business to the defendant HARRIS CORPORATION, in violation of the FCPA.

2. To further violate the Foreign Corrupt Practices Act by failing to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflected the transactions and dispositions of the defendant HARRIS CORPORATION's assets, in violation of the FCPA.

C. Among the means and methods whereby the

defendants and co-conspirators carried out the objects of this conspiracy were the following:

1. It was part of the conspiracy that the defendant HARRIS CORPORATION, through its DTS division and the defendants JOHN D. IACOBUCCI and RONALD L. SCHULTZ, and Robert D. O'Hara, an unindicted co-conspirator, and others, would and did, directly and indirectly, authorize the payment of money to officials of the Government of Colombia to use their influence to obtain and retain for the defendant HARRIS, and to direct to the defendant HARRIS, certain telecommunications contracts with the Government of Colombia and its instrumentality Telecom.

2. It was a further part of the conspiracy that defendants HARRIS CORPORATION and JOHN D. IACOBUCCI negotiated with and retained Robert D. O'Hara, doing business as Polo, as a consultant based upon the representation of O'Hara that he had connections with officials of the Government of Colombia that he would use to assist the defendant HARRIS in obtaining and retaining telecommunications contracts from the Government of Colombia and its instrumentality Telecom.

3. It was a further part of the conspiracy that the defendants HARRIS CORPORATION and JOHN D. IACOBUCCI would and did offer, promise, and agree to pay a commission to Robert D. O'Hara, doing business as Polo, equal to 10 percent of the value of any telecommunications contract entered into between the defendant HARRIS and the Government of Colombia or Telecom.

4. It was a further part of the conspiracy that the defendants HARRIS CORPORATION and JOHN D. IACOBUCCI would and did agree and authorize Robert D. O'Hara, doing business as Polo, to pay a portion of said commission referred to in paragraph 3, above, to a foreign official, that is, a member of the Camara de Representates (CDR), the national legislature of Colombia, to use his influence in order for the defendant HARRIS to obtain and retain certain telecommunications contracts with the Government of Colombia.

5. It was a further part of the conspiracy that the defendants HARRIS CORPORATION and JOHN D. IACOBUCCI would and did offer, promise, and agree to pay a commission to a local Colombian company

equal to 5 percent of the value of any telecommunications contract entered into between the defendant HARRIS and the Government of Colombia and its instrumentality Telecom, while knowing that the local Colombian company was owned in part by a foreign official, that is, a member of the CDR, and for that official's help in obtaining and retaining telecommunications business for the defendant HARRIS.

6. It was a further part of the conspiracy that the defendants HARRIS CORPORATION, JOHN D. IACOBUCCI, and RONALD L. SCHULTZ would and did authorize Robert D. O'Hara to offer, give, and promise to make payments of money to various officials of the Government of Colombia to use their influence in order for the defendant HARRIS to obtain and retain certain telecommunications contracts with the Government of Colombia.

7. It was a further part of the conspiracy that the defendants HARRIS CORPORATION, JOHN D. IACOBUCCI, and RONALD L. SCHULTZ, would and did make payments totalling \$22,845, to Robert D. O'Hara, doing business as Polo, knowing that a portion of such money would be offered, given, and promised, directly and indirectly, to various officials of the Government of Colombia to use their influence in order for the defendant HARRIS to obtain and retain certain telecommunications contracts with the Government of Colombia.

8. It was a further part of the conspiracy that defendants HARRIS CORPORATION, JOHN D. IACOBUCCI, and RONALD L. SCHULTZ, would and did falsely describe as "consultant retainer fees," "consultant expenses," and "incidental fees" the payments made by the defendant HARRIS to Robert D. O'Hara, doing business as Polo, set forth in paragraph 7, above, in order to conceal the fact that a portion of those payments was authorized to be offered, given, and promised to various officials of the Government of Colombia.

9. It was a further part of the conspiracy that defendants HARRIS CORPORATION, JOHN D. IACOBUCCI, and RONALD L. SCHULTZ would and did prepare and direct the preparation of false invoices, check request forms, and other internal documents of the defendant HARRIS in order that the books, records, and accounts of the defendant HARRIS would not accurately and fairly reflect that a portion of the money paid to Robert D. O'Hara, doing

business as Polo, was authorized to be offered, given, and promised, directly and indirectly, to various officials of the Government of Colombia.

D. In order to further the objects and purposes of the conspiracy, the defendants HARRIS CORPORATION, JOHN D. IACOBUCCI, RONALD L. SCHULTZ, and their co-conspirators Robert D. O'Hara and others, known and unknown to the Grand Jury, would and did commit and cause to be committed the following and other overt acts within the Northern District of California and elsewhere:

1. On or about January 13, 1989, the defendant JOHN D. IACOBUCCI met with Robert D. O'Hara in New York City and discussed the retention of O'Hara as a consultant for DTS and the use of his connections with officials of the Colombian government and the payment of money to government officials to assist the defendant HARRIS CORPORATION in obtaining telecommunications contracts with the Government of Colombia.

2. On or about January 16, 1989, in Novato, California, the defendant JOHN D. IACOBUCCI told a DTS employee that he had met with a man in New York who had "an in" with the Government of Colombia and said to the DTS employee that he would have to "look the other way."

3. In or about early February 1989, in Sausalito, California, the defendant JOHN D. IACOBUCCI and another DTS employee met with Robert D. O'Hara at a restaurant and discussed O'Hara's using his connections with various officials of the Colombian government to obtain contracts for the defendant HARRIS CORPORATION.

4. On or about February 23, 1989, in Novato, California, the defendant JOHN D. IACOBUCCI and other DTS employees met with Robert D. O'Hara.

5. On or about February 28, 1989, Robert D. O'Hara telefaxed a copy of a memorandum from New York City to the defendant JOHN D. IACOBUCCI in Novato, California, which memorandum contained the terms of a consulting agreement between defendant HARRIS CORPORATION and O'Hara that had been discussed at their January 13, 1989, meeting,

6. On or about March 8, 1989, Robert D. O'Hara telefaxed a memorandum and invoices from

New York City to defendant JOHN D. IACOBUCCI in Novato, California, which memorandum stated that O'Hara would not travel to Bogota, Colombia "WITHOUT cash in hand," including \$5,500 in incidental fees.

7. On or about March 8, 1989, in Novato, California, defendant JOHN D. IACOBUCCI gave to defendant RONALD L. SCHULTZ a copy of the memorandum and attached invoices referenced in Overt Act 6, above.

8. On or about March 8, 1989, Robert D. O'Hara telephoned the defendant RONALD L. SCHULTZ in Novato, California, from Brooklyn, New York, and discussed the payment of \$5,500 to various officials of the Government of Colombia in order to get the bid specifications changed on certain contracts in which the defendant HARRIS CORPORATION was interested.

9. On or about March 8, 1989, in Novato, California, the defendant RONALD L. SCHULTZ prepared a handwritten note during his telephone conversation with O'Hara referenced in Overt Act 8, above, in which note SCHULTZ stated that the \$5,500 requested by Robert D. O'Hara was for a "bribe."

10. On or about March 8, 1989, in Novato, California, defendant RONALD L. SCHULTZ signed a DTS check request in the amount of \$9,500 for payment to Polo, including the \$5,500 referenced in Overt Act 8, above.

11. On or about March 8, 1989, in Novato, California, defendant JOHN D. IACOBUCCI signed and caused the DTS check request referenced in Overt Act 10, above, to be presented to the DTS Controller for payment.

12. On or about March 9, 1989, in Novato, California, and elsewhere, defendant HARRIS CORPORATION authorized and directed the wire transfer of \$9,500 from a defendant HARRIS CORPORATION account at National City Bank, Cleveland, Ohio, to Manufacturers Hanover Trust Co., Brooklyn, New York, for deposit to an account controlled by Robert D. O'Hara.

13. In or about April 1989, Robert D. O'Hara telefaxed a handwritten memorandum from New York City to a DTS employee in Novato, California,

requesting payment of \$13,345 in "revised fees and expenses" for services rendered in March 1989, including \$3,000 in incidental fees.

14. On or about April 19, 1989, at the direction of a DTS employee, Robert D. O'Hara telefaxed a typewritten memorandum from New York City to Novato, California, with a modified invoice again requesting \$13,345, including \$3,000 in incidental fees.

15. On or about April 26, 1989, at the direction of a DTS employee, Robert D. O'Hara telefaxed a memorandum from New York City to Novato, California, with another modified invoice again requesting \$13,345, including \$3,000 in incidental fees.

16. On or about May 1, 1989, in Novato, California, defendants JOHN D. IACOBUCCI and RONALD L. SCHULTZ signed and caused a DTS check request in the amount of \$13,345 for payment to Polo, including \$3,000 in incidental fees, to be presented to the DTS Controller for payment.

17. On May 1, 1989, in Novato, California, and elsewhere, the defendant HARRIS CORPORATION authorized and directed to wire transfer of \$13,345 from a defendant HARRIS account at National City Bank, Cleveland, Ohio, to Manufacturers Hanover Trust Co., Brooklyn, New York, for deposit to an account controlled by Robert D. O'Hara.

All in violation of Title 18, United States Code, Section 371.

**Count Two: (15 U.S.C. § 78dd-1(a)(3) and § 78ff(c)(1) and (2); 18 U.S.C. § 2)**

The Grand Jury further charges: THAT

1. Paragraphs A.1-7 and D.1-17 of Count One of this Indictment are hereby incorporated by reference and realleged as though set forth in full herein.

2. On or about March 8, 1989, in the Northern District of California and elsewhere,

HARRIS CORPORATION,  
JOHN D. IACOBUCCI, and  
RONALD L. SCHULTZ,

defendants herein, used and caused the use of a means

and instrumentality of interstate commerce, that is, an interstate wire communication, corruptly in furtherance of the payment and authorization of the payment of money to Robert D. O'Hara, doing business as Polo, while knowing that a portion of such money would be offered, given, and promised, directly and indirectly, to various foreign officials, that is, to officials of the Government of Colombia, for the purpose of influencing the acts and decisions of such foreign officials in their official capacity and inducing them to sue their influence with the Government of Colombia and its instrumentality Telecom, so as to affect and influence the acts and decisions of said government and instrumentality in order to assist the defendant HARRIS in obtaining and retaining certain telecommunications contracts with the Government of Colombia and to direct business to the defendant HARRIS.

All in violation of Title 15, United States Code, Sections 78dd-1(a)(3) and 78ff(c)(1) and (2); Title 18, United States Code, Section 2.

**Counts Three and Four: (15 U.S.C. § 78dd-1(a)(3) and § 78ff(c)(1) and (2); 18 U.S.C. § 2)**

The Grand Jury further charges: THAT

1. Paragraphs A.1-7 and D.1-17 of Count one of this Indictment are hereby incorporated by reference and realleged as though set forth in full herein.

2. On or about the dates specified below, in the Northern District of California and elsewhere,

HARRIS CORPORATION,  
JOHN D. IACOBUCCI, and  
RONALD L. SCHULTZ,

defendants herein, used and caused the use of a means and instrumentality of interstate commerce, that is, the interstate banking processing channels, to transfer the amounts of money indicated below by means of the specified bank wire transfers in the amounts indicated below between Cleveland, Ohio, and Brooklyn, New York, corruptly in furtherance of the payment and authorization of the payment of money to Robert D. O'Hara, doing business as Polo, while knowing that a portion of such money would be offered, given, and promised, directly and indirectly, to various foreign officials, that is, officials of the Government of Colombia, for the purpose of influencing the acts and

decisions of such foreign officials in their official capacity and inducing them to use their influence with the Government of Colombia, for the purpose of influencing the acts and decisions of such foreign officials in their official capacity and inducing them to use their influence with the Government of Colombia

and its instrumentality Telecom, so as to affect and influence the acts and decisions of said government and instrumentality in order to assist the defendant HARRIS in obtaining and retaining certain telecommunications contracts with the Government of Colombia and to direct business to the defendant HARRIS:

Count	Date	Wire Transfer Amount	Payee	Amount Transferred
3	3/9/89	From National City Bank, Cleveland, Ohio, to Manufacturers Hanover Bank, Brooklyn, N.Y.	Polo	\$9,500
4	5/1/89	From National City Bank, Cleveland, Ohio, to Manufacturers Hanover Bank, Brooklyn, N.Y.	Polo	\$13,345

All in violation of Title 15, United States Code, Sections 78dd-1(a)(3) and 78ff(c)(1) and (2); and Title 18, United States Code, Section 2.

Count Five: (15 U.S.C. § 78m(b)(2)(A) and § 78ff(a); 18 U.S.C. § 2)

The Grand Jury further charges: THAT

1. Paragraphs A.1-7 and D.1-17 of Count One are hereby incorporated by reference and realleged as though set forth in full herein.

2. From on or about March 8, 1989, through on or about June 1, 1989, in the Northern District of California and elsewhere,

**HARRIS CORPORATION,  
JOHN D. IACOBUCCI, and  
RONALD L. SCHULTZ,**

defendants herein, willfully and knowingly, directly and indirectly, falsified and caused to be falsified various books, records, and accounts of the defendant

HARRIS, which had a class of securities registered pursuant to Section 12(g) of the Securities Exchange Act of 1934, 15 U.S.C. § 78l(g), and was an issuer within the meaning of the FCPA, 15 USC § 78dd-1(a) and as that term is used in 15 U.S.C. § 78m(b)(2), and caused said corporation to fail to keep books, records, and accounts which, in reasonable detail, fairly and accurately reflected the transactions and disposition of \$22,845 of the assets of said corporation, to wit: the defendants caused the creation of certain check request forms and wire transfer and expense journal entries, which falsely represented that the defendant HARRIS would pay and had paid retainer and expense money to its consultant, Robert D. O'Hara, doing business as Polo, in connection with its efforts to obtain business with the Government of Colombia, when, in truth and in fact, the defendant HARRIS had authorized O'Hara to pay a portion of such funds to officials of the Government of Colombia and had paid such funds to the said O'Hara, doing business as Polo, for that purpose.

All in violation of Title 15, United States Code, Sections 78m(b)(2)(A) and 78ff(a); Title 18, United States Code, Section 2.

Dated:

A TRUE BILL.

FOREPERSON

William T. McGivern, Jr. /s/  
United States Attorney

Judith B. Wish /s/

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