

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
FILED

UCT 22 1982

JESSE E. CLARK, CLERK  
BY DEPUTY:



UNITED STATES OF AMERICA )

v. )

CRAWFORD ENTERPRISES, INC. )  
DONALD G. CRAWFORD )  
WILLIAM E. HALL )  
MARIO SERGIO GONZALEZ )  
RICARDO GARCÍA BELTRAN )  
ANDRES I. GARCIA )  
GEORGE S. MCLEAN )  
LUIS A. URIARTE )  
AL LEE EYSTER )  
JAMES R. SMITH, )

Defendants )

CR. NO. H 82 224

INDICTMENT

The Grand Jury charges:

COUNT ONE

INTRODUCTION

1. At all times material herein, Petroleos Mexicanos (hereinafter "Pemex") was the national oil company wholly owned by the Government of the Republic of Mexico and was responsible for the exploration and production of all of the oil and natural gas resources of Mexico and for acquiring the equipment, including compression equipment systems, necessary for such exploration and production. At all times material herein, Pemex obtained a portion of the money used to purchase such equipment from the

Export-Import Bank of the United States. Pemex was an instrumentality of a foreign government as that term is used in 15 U.S.C. §78dd-1(b) and §78dd-2(d)(2).

2. At all times material herein, \_\_\_\_\_, also known as \_\_\_\_\_, (hereinafter \_\_\_\_\_) was the subdirector of Pemex responsible for the purchase of goods and equipment on behalf of Pemex, and Jesus Chavarria, also known as Jesse Chavarria, (hereinafter "Chavarria") was the subdirector of Pemex responsible for the exploration and production of Mexican oil and natural gas. \_\_\_\_\_ and Chavarria were, as officers and employees of a foreign government instrumentality, foreign officials as that term is defined in 15 U.S.C. §78dd-1(b) and §78dd-2(d)(2).

3. At all times material herein, defendant CRAWFORD ENTERPRISES, INC. (hereinafter "CEI") was a corporation organized under the laws of Texas with its principal offices in Houston, Texas, and was engaged in, among other things, the business of selling compression equipment systems to Pemex for use in the exploration, production and transmission of Mexican oil and natural gas. At times material hereto, defendant CEI owned and controlled Crawford International, Inc., Crawford DISC, and International Process Fabricators. Defendant CEI was a domestic concern as that term is defined in 15 U.S.C. §78dd-2(d)(1).

4. At all times material herein, defendant DONALD G. CRAWFORD (hereinafter "CRAWFORD") was chairman of the board, sole shareholder, and, until September, 1979, the president of defendant CEI. In such capacities, he was responsible for the operation of defendant CEI and its subsidiaries.

5. At times material herein, defendant WILLIAM E. HALL (hereinafter "HALL") was executive vice president of defendant CEI from May, 1978 until September, 1979, at which time he became president. In such capacities, Hall was responsible for, among other things, the negotiation, pricing and administration of contracts obtained from Pemex.

6. At times material herein, Gary D. Bateman (hereinafter "Bateman") was an employee of defendant CEI, responsible for, among other things, the negotiation, pricing and administration of contracts obtained from Pemex.

7. At all times material hereto, defendant RICARDO GARCIA BELTRAN (hereinafter "BELTRAN") was president and majority shareholder of Grupo Industrial Delta, S.A. (hereinafter "Grupo Delta"), a Mexican corporation with its principal offices in Mexico City, Mexico.

8. At all times material herein, defendant MARIO S. GONZALEZ (hereinafter "GONZALEZ"), the brother-in-law of \_\_\_\_\_, assisted Grupo Delta and defendants CEI and CRAWFORD as a channel of communication with Chavarria and \_\_\_\_\_.

9. At all times material herein, defendant ANDRES I. GARCIA (hereinafter "GARCIA") assisted Grupo Delta and defendants CEI and CRAWFORD as a channel of communication with Chavarria and \_\_\_\_\_.

10. At all times material herein, Solar Turbines International with principal offices in San Diego, California was a division of International Harvester Company (hereinafter "Solar"), a corporation organized under the laws of Illinois. Solar was

engaged in, among other things, the manufacture and sale of turbine compression equipment.

11. At all times material herein, defendant GEORGE S. MCLEAN (hereinafter "MCLEAN") was a vice president of Solar and was responsible for, among other things, sales of compression equipment made by Solar to Pemex and defendant CEI.

12. At all times material herein, defendant LUIS A. URIARTE (hereinafter "URIARTE") was the Latin American regional manager of Solar and was responsible for, among other things, bids and sales of compression equipment made by Solar to Pemex and defendant CEI.

13. At all times material herein, Ruston Gas Turbines, Inc. (hereinafter "Ruston") was a corporation organized under the laws of Texas with principal offices in Houston, Texas, and was engaged in, among other things, the manufacture and sale of turbine compression equipment.

14. At times material herein, defendant AL LEE EYSTER (hereinafter "EYSTER") was the president of Ruston and was responsible for, among other things, sales of compression equipment by Ruston to Pemex.

15. At all times material herein, defendant JAMES R. SMITH (hereinafter "SMITH") was vice president of Ruston and was responsible for, among other things, bids and sales of compression equipment by Ruston to Pemex.

16. At all times material hereto, Charles E. Miller (hereinafter "Miller") was president, majority shareholder and chairman of the board of C.E. Miller Corporation (hereinafter "Cemco"), a corporation organized under the laws of California

with principal offices in Irvine, California. Cemco was engaged in, among other things, the business of designing and constructing a portion of the compression equipment systems being sold to Pemex.

17. From approximately December 19, 1977 until approximately May, 1980, within the Southern District of Texas and elsewhere, the defendants

CRAWFORD ENTERPRISES, INC.

DONALD G. CRAWFORD

WILLIAM E. HALL

MARIO SERGIO GONZALEZ

RICARDO GARCIA BELTRAN

ANDRES I. GARCIA

GEORGE S. MCLEAN

LUIS A URIARTE

AL LEE EYSTER

JAMES R. SMITH

did unlawfully, knowingly and willfully combine, conspire, confederate and agree together, and with each other, and with other persons known and unknown to the grand jury, to commit offenses against the United States, that is, to use the means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money to:

- (a) foreign officials Chavarria and ; and
- (b) a person, Grupo Delta, knowing that all or a portion of such money would be offered, given

or promised directly or indirectly, to foreign officials, namely Chavarria and , for the purpose of influencing the acts and decisions of Chavarria and in their official capacity, and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to assist defendant CRAWFORD ENTERPRISES, INC., the other defendants and coconspirators in obtaining and retaining business with Pemex, in violation of Title 15, United States Code, Sections 78dd-2(a)(1) and (3), and 78dd-2(b).

PURPOSES OF THE CONSPIRACY

18. The purposes of the conspiracy were:

- (a) to bribe Pemex officials Chavarria and in order to obtain from Pemex purchase orders for turbine compression systems and related equipment; and
- (b) to obtain from Pemex the money to fund the bribe payments to Chavarria and .

MANNER AND MEANS

19. It was a part of the conspiracy that defendant CEI and CRAWFORD would and did offer, agree to pay and pay to Chavarria and bribes equalling approximately 4.5% of each Pemex purchase order for compression equipment systems in which defendant CEI participated .

20. It was further a part of the conspiracy that defendants CEI and CRAWFORD would and did arrange with defendants BELTRAN, GONZALEZ and GARCIA that Grupo Delta would:

- (a) hold itself out as the Mexican agent of defendant CEI, while in truth acting primarily as the conduit for the bribe payments;
- (b) disguise the bribe payments as "commissions" due by providing to defendant CEI false and fictitious invoice for each payment received; and
- (c) provide defendants GONZALEZ and GARCIA with a base of operations from which to perform their function as middlemen and channels of communication between the coconspirators and Chavarria and .

21. It was further a part of the conspiracy that the defendants and coconspirators would use the term "folks" as a code word for Chavarria and in order to conceal from others their true identities as Pemex officials and the existence of the bribe scheme.

22. It was further a part of the conspiracy that in order to create a pool of money with which to pay bribes, defendant CEI along with Cemco, Solar and Ruston, submitted to Pemex bids which were inflated to include a 4.5% markup for the "folks".

23. It was further a part of the conspiracy that in order to create a facade of competitiveness and to conceal their participation in the bribe scheme, defendant CEI, along with Solar, Ruston and Cemco

- (a) permitted defendants CRAWFORD and HALL, along with others, to calculate all final bid prices to be submitted by them to Pemex;
- (b) received these bids through their officers, employees and agents, including defendants SMITH and URIARTE; and
- (c) submitted only these prearranged bids to Pemex.

24. It was further a part of the conspiracy that defendant CEI, along with Solar, Cemco and Ruston, would and did receive purchase orders from Pemex for compression equipment systems in the total approximate amount of \$225,429,592.80.

25. It was further a part of the conspiracy that defendants CEI, CRAWFORD and HALL, assisted by Cemco, defendants EYSTER and SMITH for Ruston, defendants MCLEAN and URIARTE for Solar, and defendants GONZALEZ and GARCIA, would and did transmit and cause to be transmitted approximately \$9,960,432.40 in bribe money to Grupo Delta and to defendant BELTRAN for payment to Chavarria and

#### OVERT ACTS

In order to further the objects and purposes of this conspiracy, the defendants and coconspirators did commit and cause to be committed the following and other overt acts within the Southern District of Texas and elsewhere:

1. On or about January 8, 1978, defendants CRAWFORD and SMITH travelled via commercial airline from Houston, Texas to Mexico City, Mexico relative to a bid for six



compression equipment system units to be submitted by Ruston to Pemex (hereinafter "Job #119).

2. On or about January 8, 1978, defendant CRAWFORD computed the final pricing for Ruston's bid to Pemex for Job #119 which pricing included approximately \$517,382 for the "folks".
3. On or about January 10, 1978, defendant GONZALEZ, along with coconspirators Miller and Bateman, met in Mexico City with Chavarria to discuss Ruston's bid to Pemex on Job #119, in which they learned that the job would be awarded to Ruston.
4. On or about January 13, 1978, defendants CEI and CRAWFORD received from Pemex a check in the amount of \$7,197,891 payable to defendant CEI in payment for three compression equipment systems supplied by defendant CEI under a previous contract (hereinafter "Job #112") which payment included \$360,000 for the "folks".
5. On or about January 11, 1978, defendants CEI and CRAWFORD received from Pemex a check in the amount of \$854,614 payable to defendant CEI for Job #112.
6. On or about January 17, 1978, defendant CEI issued check #104 in the amount of \$350,000 to Grupo Delta as partial payment to the "folks" for Job #112.
7. On or about January 19, 1978, defendant URIARTE informed Miller that Solar would bid to Pemex the prices given to it by defendants CEI and CRAWFORD.

8. On or about January 25, 1978, defendant GARCIA picked up in Mexico City Pemex Purchase Order (hereinafter "P.O.") #800-11-80049 in the amount of \$8,241,558 issued to Ruston for Job #119.
9. On or about January 26, 1978, defendant GONZALEZ had a conversation with Bateman in Houston, Texas concerning Chavarria's desire to issue contracts in the names of different companies to avoid arousing suspicion.
10. On or about January 27, 1978, coconspirator Miller travelled from Los Angeles, California to Houston, Texas via commercial airline in order to assist in the preparation of bids to be made by defendant CEI and by Solar and Ruston to Pemex.
11. On or about January 27, 1978, in Houston, Texas, defendant CEI issued check #6119 in the amount of \$10,000 to Grupo Delta as final payment to the "folks" for Job #112.
12. On or about January 28, 1978, defendant CRAWFORD met with Miller, Bateman, and others in Houston, Texas to prepare pricing computations to be submitted to Pemex by defendant CEI and by Solar and Ruston for five jobs:
  - (a) a twelve unit compression equipment system bid (hereinafter "Job #133");
  - (b) an eighteen unit compression equipment system bid (hereinafter "Job #135");
  - (c) an eight unit compression equipment system bid (hereinafter "Job #136");

(d) a five unit compression equipment system bid (hereinafter "Job #140"); and

(e) a four unit compression equipment system bid (hereinafter "Job #141").

13. On or about January 29, 1978, defendant URIARTE travelled via commercial airline from Houston, Texas, to Mexico City, Mexico relative to the bids to be submitted later that week to Pemex by defendant CEI and by Solar.
14. On or about January 30, 1978, defendant CRAWFORD met with Miller, Bateman and others in Mexico City, Mexico to prepare final pricing computations to be submitted to Pemex by Ruston and by defendant CEI and by Solar for Jobs #133, #135, #136, #140 and #141. Each of these pricing computations included a 4.5% markup for the "folks".
15. On or about January 30, 1978, in Mexico City, Mexico, defendant CRAWFORD communicated to defendant SMITH and to an agent of Solar the prices to be bid to Pemex by Solar and Ruston for Jobs #133, #135, #136, #140 and #141.
16. On or about January 31, 1978, defendant CEI, along with Solar and Ruston, submitted to Pemex their separate bids for Jobs #133, #135, #136, #140 and #141 in total amounts identical to the prices communicated to them by defendant CRAWFORD the day before. Each bid price included a hidden 4.5% markup for the "folks".

17. On or about January 31, 1978, coconspirator Ruston sent a letter from Houston, Texas to Pemex in Mexico City advising that additional equipment was necessary to complete Job #119.
18. On or about February 16, 1978, coconspirator Bateman had a telephone conversation in Mexico City with the Mexico City agent of Solar concerning pricing for ten water flood units (hereinafter "Job #149").
19. On or about February 16, 1978, defendant CEI and Solar each submitted a bid to Pemex for Job #149. These bids contained a hidden 4.5% markup for the "folks".
20. On or about February 16, 1978, coconspirator Cemco submitted to Pemex its bid in the amount of \$1,397,447 for the additional process equipment described in Overt Act 17 above (hereinafter "Job #119-A") which bid included 4.5% for the "folks".
21. On or about March 1, 1978, defendant GARCIA picked up in Mexico City two Pemex purchase orders:
  - (a) P.O. #800-11- 80049A in the amount of \$1,397,447 issued to Cemco for Job #119-A;  
and
  - (b) P.O. #800-11-8-80147 in the amount of \$19,521,558 issued to defendant CEI for Job #133.
22. On or about March 16, 1978, defendant GARCIA picked up in Mexico City two Pemex purchase orders issued in the name of defendant CEI:

- (a) P.O. #800-11-8-80202 in the amount of \$31,629,960 for Job #135; and
  - (b) P.O. #800-11-8-80203 in the amount of \$12,263,412 for Job #136.
- 23. On or about March 22, 1978, defendant CRAWFORD in Houston, Texas had a conversation with Bateman concerning obtaining future business from Pemex for Ruston.
- 24. On or about March 22, 1978, the defendants CRAWFORD and MCLEAN, along with others, met in Las Vegas, Nevada to discuss Pemex business.
- 25. On or about March 30, 1978, defendant CRAWFORD in Houston, Texas had a telephone conversation with Bateman in Mexico City, Mexico concerning various jobs to be awarded by Pemex.
- 26. On or about March 31, 1978, Solar, through its Mexico City agent, picked up Pemex P.O. #800-11-8-80204 in the amount of \$5,409,853 to Solar for Job #140.
- 27. On or about April 2, 1978, coconspirator Ruston received \$1,236,233 from Pemex as a progress payment for Job #119.
- 28. On or about April 3, 1978, Solar, through its Mexico City agent, picked up Pemex P.O. #800-11-8-80201 in the amount of \$7,366,850.80 issued to Solar for Job #141.

29. On or about April 4, 1978, defendant URIARTE and Bateman in Houston, Texas had a conversation concerning prices for bids to be made by defendant CEI and by Solar to Pemex for 24 additional units.
30. On or about April 6, 1978, in Houston, Texas, defendant CRAWFORD, on behalf of defendant CEI, signed an Export-Import Bank Suppliers Certificate in the amount of \$854,000 relating to Job #112, in which he falsely certified that only ordinary agent's commissions had been paid by defendant CEI on that job.
31. On or about April 7, 1978, defendant URIARTE and Bateman met in Houston to discuss pricing for bids to be made by defendant CEI and by Solar to Pemex for nine water flood system units (hereinafter "Job #148").
32. On or about April 10, 1978, defendant CEI and Solar each submitted to Pemex agreed upon bids for Job #148, both of which included money for the "folks".
33. On or about April 17, 1978, in Houston, Texas, coconspirator Bateman prepared, at the request of defendants CRAWFORD and CEI, two separate profit memos for each of Jobs #119, #119-A, #133, #135, #136, #140 and #141, one showing the amount of the bribe money included for the "folks", the other hiding the bribe money as a payment to a Mexican agent.
34. On or about April 19, 1978, defendants CRAWFORD, SMITH and EYSTER met at Ruston's offices in Houston, Texas.

35. On or about April 19, 1978, defendants CRAWFORD and SMITH met with an officer of Cemco at Ruston's offices in Houston, Texas concerning distribution of money for Jobs #119 and #119-A.
36. On or about April 28, 1978, Solar, through its Mexico City agent, picked up Pemex P.O. #800-11-8-80395 in the amount of \$5,885,490 issued to Solar for Job #149.
37. On or about May 11, 1978, in Houston, Texas, defendant CEI issued check #7472 in the amount of \$17,707 to Grupo Delta for work related to Job #112.
38. Between approximately May 16 and May 18, 1978, coconspirator Ruston transferred, through an intermediary, to defendant CEI in Houston, Texas \$612,000, a portion of which was bribe money for the "folks".
39. On or about May 18, 1978, defendant GONZALEZ had a conversation with Bateman in Mexico City concerning the fact that Pemex would issue Job #148 to Solar, which received a purchase order in the amount of \$2,011,302 for that job on May 29, 1978.
40. On or about May 18, 1978, in Houston, Texas, defendant CEI transmitted check #776 in the amount of \$261,615.13 to Grupo Delta via air courier from Houston, Texas to Mexico City, Mexico, which money, being part of the \$612,000 described in Overt Act 38 above, included money for the "folks" for Job #119.

41. On or about May 23, 1978, defendant CEI sent a telex from Houston, Texas to Pemex in Mexico City to confirm prices for its bids on eighteen compression equipment system units (hereinafter "Job #150") and on six compression equipment system units (hereinafter "Job #151").
42. On or about May 26, 1978, coconspirator Miller prepared a memo for defendant CRAWFORD concerning the computation of payments to the "folks".
43. On or about June 2, 1978, defendant GARCIA picked up two purchase orders issued in the name of defendant CEI: P.O. #800-11-8-80479 in the amount of \$31,629,960 (Job #150) and P.O. #800-11-8-80478 in the amount of \$9,197,559 (Job #151).
44. On or about June 7, 1978, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the \$360,000 received from defendant CEI for the "folks" as described in Overt Acts 6 and 11 above.
45. On or about June 7, 1978, defendant CEI received from Pemex a partial payment in the amount of \$2,445,282.15 in payment for Job #118.
46. On or about June 15, 1978, defendant CEI received from Pemex a progress payment in the amount \$7,808,620 for Job #133.
47. On or about June 15, 1978, in Houston, Texas, defendant HALL signed, on behalf of defendant CEI, Exim Bank Suppliers Certificates for \$1,200,000 and for



\$3,600,000 for Job #136 in which he falsely certified that only ordinary agent's commission had been paid by defendant CEI on that job.

48. On or about June 19, 1978, defendant CEI issued check #2793 in the amount of \$1,733,806 to Grupo Delta for Jobs #118, #133, #135 and #136.
49. On or about July 13, 1978, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the \$1,733,806 payment described in Overt Act 48 above.
50. On or about July 16, 1978, coconspirator Miller calculated prices for Job #151 for defendant CEI in response to a request by Pemex for changes in this job.
51. On or about July 17, 1978, defendant CEI submitted to Pemex a revised pricing proposal in the amount of \$10,427,366 for Job #151, which was accepted by Pemex on September 14, 1978.
52. On or about August 1, 1978, defendant CEI issued two checks to Grupo Delta for Job #118 and work related to that job:
  - (a) check #103 in the amount of \$59,525;
  - and
  - (b) check #104 in the amount of \$61,350.
53. On or about August 7, 1978 defendant CEI transmitted via air courier from Houston, Texas to New York, New York an invoice in the amount of \$7,358,048 to Pemex for Job #136.

54. On or about August 17, 1978, defendant GARCIA picked up Pemex P.O. #800-11-8-80609 issued to defendant CEI in the amount of \$3,707,856 for ten water injection units (hereinafter "Job #155").
55. On or about August 17, 1978, defendant CEI transmitted via air courier from Houston, Texas to New York, New York an invoice in the amount of \$11,712,938 to Pemex for Job #133.
56. On or about August 24, 1978, coconspirator Bateman met with \_\_\_\_\_ and Chavarria in Mexico City to discuss progress payments.
57. On or about September 1, 1978, coconspirator Miller prepared pricing sheets for defendant CEI and Solar relative to their bids to Pemex for 36 compression equipment system units (hereinafter "Job #171").
58. On or about September 15, 1978, defendant CEI transmitted via air courier from Houston, Texas to New York, New York an invoice in the amount of \$492,971 to Pemex for Job #151.
59. On or about September 22, 1978, defendant CEI received \$3,679,023.60 from Pemex as partial payment for Job #151.
60. On or about September 25, 1978, defendant CEI issued check #112 in the amount of \$449,951 to Grupo Delta for Job #136.
61. On or about September 25, 1978, defendant CEI received a progress payment in the amount of \$11,712,930 from Pemex for Job #133.

62. On or about October 2, 1978, defendant CEI issued the following checks to Grupo Delta:
  - (a) check #113 in the amount of \$721,004 for Job #133; and
  - (b) check #114 in the amount of \$224,975.60 for Job #151.
63. On or about October 6, 1978, coconspirator Bateman had a conversation with Chavarria in Mexico City in which he learned that Chavarria had authorized the purchase of 36 units (Job #171) from defendant CEI, which received a purchase order from Pemex in the amount of \$66,759,784.56 for this job on October 27, 1978.
64. On on about October 9, 1978, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the \$449,951 payment described in Overt Act 60 above.
65. On or about October 6, 1978, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the two payments totalling \$945,979.60 described in Overt Act 62 above.
66. On or about October 11, 1978, defendant CEI received a progress payment from Pemex for Job #150 in the amount of \$12,651,997.
67. On or about October 18, 1978, defendant CEI issued check #116 in the amount of \$960,550 to Grupo Delta for Jobs #150 and #151.

68. On or about October 25, 1978, defendant CEI issued check #118 in the amount of \$388,208 to Grupo Delta for Job #135.
69. On or about October 27, 1978, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the \$960,550 payment described in Overt Act 67 above.
70. On or about November 2, 1978, in Houston, Texas, defendant HALL prepared handwritten notes concerning pricing for Job #151.
71. On or about November 6, 1978, defendant CEI transmitted via air courier from Houston, Texas to New York, New York an invoice in the amount of \$6,325,992 to Pemex for Job #135.
72. On or about November 9, 1978, in Houston, Texas, defendant HALL prepared memoranda concerning the receipt and disbursement of funds for Jobs #133, #135, #136 and #151.
73. On or about November 15, 1978, defendant CEI issued two checks to Grupo Delta:
  - (a) check #123 in the amount of \$163,232 for Job #135; and
  - (b) check #121 in the amount of \$111,000 for Job #171.
74. On or about November 15, 1978, defendant HALL met with Miller and Bateman in Houston, Texas concerning a pricing error on Job #151.

75. On or about November 16, 1978, defendant CEI issued check #126 in the amount of \$60,817.73 to Grupo Delta for Job #171, in response to an invoice for that amount issued by Grupo Delta on November 6, 1978.
76. On or about November 20, 1978, defendant CEI sent a telex from Houston, Texas to Solar in San Diego, California concerning pricing on Jobs #150, #151, #155, and #171.
77. On or about November 21, 1978, defendant CEI issued check #128 in the amount of \$124,668.40 to Grupo Delta for Job #151.
78. On or about November 21, 1978, defendant CEI issued an invoice in the amount of \$3,389,526 to Pemex for Job #155.
79. On or about November 28, 1978, defendant CEI issued check #131 in the amount of \$31,000 to Grupo Delta for Job #140.
80. On or about November 30, 1978, defendant BELTRAN caused Grupo Delta to issue defendant CEI an invoice in the amount of \$787,128.40 to cover the payments for Jobs #135, #151 and #171 described in Overt Acts 68, 73 and 77 above.
81. On or about December 4, 1978, defendant CEI transmitted via air courier from Houston, Texas to New York, New York an invoice to Pemex in the amount of \$26,703,913.82 for Job #171, which money was received by defendant CEI from Pemex on or about February 2, 1979.

82. On or about December 7, 1978, defendant CEI transmitted to Pemex via air courier from Houston, Texas to New York, New York documents relating to defendant CEI's claim for payment for Job #135.
83. On or about December 7, 1978, defendant CEI issued check #145 in the amount of \$758,949 to Grupo Delta for Jobs #141, #148 and #149.
84. On or about December 14, 1978, defendant BELTRAN caused Grupo Delta to issue an invoice in the amount of \$789,949 to defendant CEI to cover the payments described in Overt Acts #79 and #83 above.
85. On or about December 18, 1978, defendant CEI issued check #154 in the amount of \$42,772 to Grupo Delta for work related to Job #118.
86. On on or about December 22, 1978, defendant CEI transmitted to Pemex via air courier from Houston, Texas to New York, New York an invoice in the amount of \$6,325,992 for Job #150.
87. On or about January 5, 1979, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the \$42,772 payment described in Overt #85 above.
88. On or about January 18, 1979, defendant CEI transmitted to Pemex via air courier from Houston, Texas to New York, New York an invoice in the amount of \$318,330 for Job #155.
89. On or about January 24, 1979, defendants CRAWFORD, HALL, URIARTE and MCLEAN, along with others, met in San

Diego, California to discuss obtaining additional business from Pemex.

90. On or about January 25, 1979, defendant CEI issued check #184 in the amount of \$597,440 to Grupo Delta for Jobs #135 and #155.
91. On or about January 26, 1979, defendants CRAWFORD and HALL met with Miller and others in Las Vegas, Nevada to discuss continued business dealings between defendant CEI and Cemco.
92. On or about February 3, 1979, defendants CRAWFORD, HALL and GONZALEZ, along with others, met at the residence of defendant GONZALEZ in Houston, Texas to discuss Pemex business.
93. On or about February 5, 1979, defendant CEI transmitted check #198 in the amount of \$1,869,274 to Grupo Delta for Job #171.
94. On or about February 6, 1979, defendant CEI transmitted via air courier from Houston, Texas to New York, New York an invoice to Pemex in the amount of \$12,651,984 for Job #150, which money was received from Pemex on or about March 22, 1979.
95. On or about February 9, 1979, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to cover the \$597,440 payment described in Overt Act 90 above.
96. On or about February 21, 1979, defendant BELTRAN caused Grupo Delta to issue an invoice to defendant CEI to

cover the \$1,869,274 payment described in Overt Act 93 above.

97. On or about March 13, 1979, defendant CEI issued check #423 in the amount of \$1,015,547.80 to Grupo Delta for Jobs #140, #150 and #171.
98. On or about March 20, 1979, defendant CEI transmitted to Pemex an invoice in the amount of \$6,257,991.40 for Job #151.
99. On or about March 29, 1979, defendant CEI issued the following checks to Grupo Delta:
  - (a) check #450 in the amount of \$255,768 for Job #171; and
  - (b) check #451 in the amount of \$889,376.60 for Job #140, #150, and #171.
100. On or about April 10, 1979, defendant CEI received the following money from Pemex:
  - (a) \$6,325,992 as final payment for Job #150; and
  - (b) \$26,703,913.82 as partial payment for Job #171.
101. On or about April 10, 1979, defendant CEI issued the following Exim Bank Suppliers Certificates:
  - (a) for Job #171 in the amount of \$26,703,913.82;
  - (b) for Job #150 in the amount of \$6,325,992; and
  - (c) for Job #150 in the amount of \$12,651,984.

In each of these Suppliers Certificates, defendant CEI falsely certified that only ordinary agent's commissions had been paid.



102. On or about April 17, 1979, defendant BELTRAN caused Grupo Delta to issue an invoice in the amount of \$918,922.89 to defendant CEI for Jobs #140, #150 and #171.
103. On or about May 15, 1979, defendant CEI issued check #517 in the amount of \$603,098 to Grupo Delta for Job #171.
104. On or about June 4, 1979, defendant CEI issued check #551 in the amount of \$544,234 to Grupo Delta for Jobs #150, #151, #155 and #171.
105. On or about June 27, 1979, defendant CEI issued check #571 in the amount of \$382,307 to Grupo Delta for Job #171.
106. On or about January 17, 1980, defendant HALL transmitted from Houston, Texas to Grupo Delta in Mexico City, a summary of money forwarded by defendant CEI to Grupo Delta, which summary was falsified to conceal the payment of money, including bribe money for the "folks", to Grupo Delta for those Pemex contracts issued to Solar and Ruston.
107. On or about March 10, 1980, defendant BELTRAN had a conversation with an employee of defendant CEI concerning payment of \$500,000 to a Pemex official.
108. On or about April 21, 1980, defendant BELTRAN had a conversation with an employee of defendant CEI concerning payment of money to a Pemex official.

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

COUNTS TWO and THREE

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following specified dates, in the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

MARIO SERGIO GONZALEZ

a domestic concern,

ANDRES I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

an agent of a domestic concern,

aided and abetted by each other, used and caused the use of a means and instrumentality of interstate commerce, that is, the interstate and foreign bank processing channels, to transfer the indicated amounts of money by means of the specified company checks between Houston, Texas and Mexico City, Mexico corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money, that is, the equivalent of approximately four and one half percent (4.5%) of the price of Pemex purchase orders for turbine compression systems to:

(a) foreign officials Chavarria and ; and  
(b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given, promised, directly and indirectly to foreign officials Chavarria and ,  
for the purpose of influencing the acts and decisions of Chavarria and in their official capacity and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems for defendant CRAWFORD ENTERPRISES, INC.:

<u>COUNT</u>	<u>DATE</u>	<u>CEI CHECK NUMBER</u>	<u>PAYEE</u>	<u>AMOUNT TRANSFERRED</u>
2	1/17/78	104	Grupo Delta	\$350,000.00
3	1/ 27/78	6119	Grupo Delta	10,000.00

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

COUNTS FOUR THROUGH TWENTY-FOUR

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following specified dates, in the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

WILLIAM E. HALL

an officer of a domestic concern and a domestic concern,

MARIO SERGIO GONZALEZ

a domestic concern,

ANDRÉS I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

an agent of a domestic concern,

AL LEE EYSTER

an officer of a domestic concern,

JAMES R. SMITH

an officer of a domestic concern,

aided and abetted by each other and by defendants

GEORGE S. MCLEAN

LUIS A. URIARTE

used and caused the use of a means and instrumentality of interstate commerce, that is, the interstate and foreign bank processing channels, to transfer the indicated amounts of money by means of the specified company checks between Houston, Texas and Mexico City, Mexico corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money, that is, the equivalent of approximately four and one half percent (4.5%) of the price of Pemex purchase orders for turbine compression systems, to:

(a) foreign officials Chavarria and ; and  
(b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given, promised, directly and indirectly to foreign officials Chavarria and , for the purpose of influencing the acts and decisions of Chavarria and in their official capacity and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems for defendant CRAWFORD ENTERPRISES, INC. and International Harvester Company (Solar Division) and Ruston:

<u>COUNTS</u>	<u>DATE</u>	<u>CEI CHECK NUMBER</u>	<u>PAYEE</u>	<u>AMOUNT TRANSFERRED</u>
4	5/11/78	7472	Grupo Delta	\$ 17,707.00
5	5/18/78	776	Grupo Delta	261,615.13
6	6/19/78	2793	Grupo Delta	1,733,806.00
7	8/1/78	103	Grupo Delta	59,525.00
8	8/1/78	104	Grupo Delta	61,350.00
9	9/25/78	112	Grupo Delta	449,951.00
10	10/2/78	113	Grupo Delta	721,004.00
11	10/2/78	114	Grupo Delta	224,975.60
12	10/18/78	116	Grupo Delta	960,550.00
13	10/25/78	118	Grupo Delta	388,208.00
14	11/15/78	121	Grupo Delta	111,000.00
15	11/15/78	123	Grupo Delta	163,232.00
16	11/21/78	128	Grupo Delta	124,688.40
17	11/28/78	131	Grupo Delta	31,000.00

18	12/7/78	145	Grupo Delta	758,949.00
19	12/18/78	154	Grupo Delta	42,772.00
20	1/25/79	184	Grupo Delta	597,440.00
21	2/5/79	198	Grupo Delta	1,869,274.00
22	3/13/79	423	Grupo Delta	1,015,547.80
23	3/29/79	450	Grupo Delta	255,768.00
24	3/29/79	451	Grupo Delta	899,376.60

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

COUNTS TWENTY-FIVE and TWENTY-SIX

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following specified dates, in the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

MARIO SERGIO GONZALEZ

a domestic concern,

ANDRES I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

an agent of a domestic concern,

AL LEE EYSTER

an officer of a domestic concern,

JAMES R. SMITH

an officer of a domestic concern,

aided and abetted by each other, used and caused the use of a means and instrumentality of interstate commerce, that is, a commercial airline, to travel between the specified cities corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money, that is the equivalent of approximately four and one half percent (4.5%) of the price of Pemex purchase orders for turbine compression systems, to:

- (a) foreign officials Chavarria and ; and
- (b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given promised, directly and indirectly to foreign officials Chavarria and ,

for the purpose of influencing the acts and decisions of Chavarria and in their official capacity and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems for Ruston:

<u>COUNT</u>	<u>Date</u>	<u>Person Travelling</u>	<u>From</u>	<u>To</u>
25	1/8/78	SMITH	Houston, Texas	Mexico City, Mexico
26	1/8/78	CRAWFORD	Houston, Texas	Mexico City, Mexico

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

COUNTS TWENTY-SEVEN THROUGH THIRTY-THREE

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following specified dates, in the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

MARTO SERGIO GONZALEZ

a domestic concern,

ANDRES I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

an agent of a domestic concern,

AL LEE EYSTER

an officer of a domestic concern,

JAMES R. SMITH

an officer of a domestic concern,



aided and abetted by each other and by defendants

GEORGE S. MCLEAN

LUIS A. URIARTE

used and caused the use of a means and instrumentality of interstate commerce, that is, a commercial airline, to travel between the specified cities corruptly in furtherance of an offer, payment, promise, to pay and authorization of the payment of money, that is, the equivalent of approximately four and one half (4.5%) of the price of Pemex purchase orders for turbine compressions systems, to:

(a) foreign officials Chavarria and ; and

(b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given, promised, directly and indirectly to foreign officials Chavarria and ,

for the purpose of influencing the acts and decisions of Chavarria and in their official capacity and inducing them to use their influence with Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems, for defendant CRAWFORD ENTERPRISES, INC. and International Harvester (Solar Division) and Ruston:

<u>COUNT</u>	<u>DATE</u>	<u>PERSON TRAVELLING</u>	<u>FROM</u>	<u>TO</u>
27	1/27/78	Miller	Los Angeles, California	Houston, Texas
28	1/29/78	URIARTE	Houston, Texas	Mexico City, Mexico
29	2/7/78	Bateman	Houston, Texas	Mexico City, Mexico
30	2/27/78	Bateman	Houston, Texas	San Diego, California

31	3/2/78	SMITH	Houston, Texas	Mexico City, Mexico
32	3/2/78	EYSTER	Houston, Texas	Mexico City, Mexico
33	4/9/78	Bateman	Houston, Texas	Mexico City, Mexico

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

COUNTS THIRTY-FOUR and THIRTY-FIVE

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following specified dates, in the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

WILLIAM E. HALL

an officer of a domestic concern and a domestic concern,

MARIO SERGIO GONZALEZ

a domestic concern,

ANDRES I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

a domestic concern,

AL LEE EYSTER

an officer of a domestic concern, and

JAMES R. SMITH

an officer of a domestic concern,

aided and abetted by each other and by defendants

GEORGE S. MCLEAN

LUIS A. URIARTE

used and caused the use of a means and instrumentality of interstate commerce, that is, a commercial airline, to travel between the specified cities corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money, that is, the equivalent of approximately four and one half percent (4.5%) of the price of Pemex purchase orders for turbine compression systems, to:

- (a) foreign officials Chavarria and ; and
- (b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given, promised, directly and indirectly to foreign officials Chavarria and ,

for the purpose of influencing the acts and decisions of Chavarria and in their official capacity and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems for defendant CRAWFORD ENTERPRISES, INC. and International Harvester Company (Solar Division) and Ruston:

<u>COUNT</u>	<u>DATE</u>	<u>PERSON TRAVELLING</u>	<u>FROM</u>	<u>TO</u>
34	7/16/78	Bateman	Houston, Texas	Mexico City, Mexico
35	12/18/78	Bateman	Houston, Texas	Mexico City, Mexico

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

COUNTS THIRTY-SIX THROUGH FORTY-FOUR

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following dates, in the the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

WILLIAM E. HALL

an officer of a domestic concern and a domestic concern,

MARIO SERGIO GONZALEZ,

a domestic concern,

ANDRES I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

an agent of a domestic concern,

AL LEE EYSTER

an officer of a domestic concern,

JAMES R. SMITH

an officer of a domestic concern,

aided and abetted by each other and by defendants

GEORGE S. MCLEAN

LUIS A. URIARTE

used and caused the use of a means and instrumentality of interstate commerce, that is, a commercial air courier service, to transport invoices and related documents between the indicated locations/ corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money, that is the equivalent of approximately four and one half percent (4.5%) of the price of Pemex purchase orders for turbine compression systems, to:

- (a) foreign officials Chavarria and ; and
- (b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given, promised, directly and indirectly, to foreign officials Chavarria and ,

for the purpose of influencing the acts and decisions of Chavarria and .. in their official capacity and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems, for defendant CRAWFORD ENTERPRISES, INC. and Internatinal Harvester Company (Solar Division):

<u>COUNT</u>	<u>DATE</u>	<u>COURIER SERVICE</u>	<u>FROM</u>	<u>TO</u>
36	8/7/78	Air Courier International	Houston, Texas	New York, New York
37	8/17/78	Air Courier International	Houston, Texas	New York, New York
38	9/15/78	Air Courier International	Houston, Texas	New York, New York
39	11/6/78	Air Courier International	Houston, Texas	New York, New York
40	12/4/78	Air Courier International	Houston, Texas	New York, New York
41	12/7/78	Air Courier International	Houston, Texas	New York, New York
42	12/22/78	Air Courier International	Houston, Texas	New York, New York
43	1/18/79	Air Borne	Houston, Texas	New York, New York
44	2/6/79	Air Borne	Houston, Texas	New York, New York

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

COUNTS FORTY-FIVE THROUGH FORTY-EIGHT

1. Paragraphs 1 through 16 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.

2. On or about the following dates, in the Southern District of Texas, defendants

CRAWFORD ENTERPRISES, INC.

a domestic concern,

DONALD G. CRAWFORD

an officer and stockholder of a domestic concern and a domestic concern,

WILLIAM E. HALL

an officer of a domestic concern,

MARIO SERGIO GONZALEZ

a domestic concern,

ANDRES I. GARCIA

a domestic concern,

RICARDO GARCIA BELTRAN

an agent of a domestic concern,

AL LEE EYSTER

an officer of a domestic concern,

JAMES R. SMITH

an officer of a domestic concern,

aided and abetted by each other and by defendants

GEORGE S. MCLEAN

LUIS A. URIARTE

used and caused the use of a means and instrumentality of interstate commerce, that is, wire communications facilities to communicate written and verbal information between the specified locations and the identified parties corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money, that is, the equivalent of approximately four and one half percent (4.5%) of the price of Pemex purchase orders for turbine compression systems, to:

(a) foreign officials Chavarria and ; and

(b) a person, that is Grupo Delta, while knowing that all or a portion of such money would be offered, given, promised, directly and indirectly, to foreign officials Chavarria and ,

for the purpose of influencing the acts and decisions of Chavarria and in their official capacity and inducing them to use their influence with Pemex so as to affect and influence the acts and decisions of Pemex in order to obtain and retain Pemex purchase orders for turbine compression systems, for defendant CRAWFORD ENTERPRISES, INC. and International Harvester Company (Solar Division):

<u>COUNT</u>	<u>Date</u>	<u>Means</u>	<u>Parties and Location</u>	
			<u>From</u>	<u>To</u>
45	3/30/78	Telephone	Bateman in Mexico	CRAWFORD in Texas
46	5/23/78	Telex	CEI in Texas	Pemex in Mexico
47	11/20/78	Telex	CEI in Texas	Solar in Californi
48	11/20/78	Telex	Solar in Texas	Solar in Californi

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

COUNT FORTY-NINE

1. Paragraphs 3, 4 and 5 of Count One of this Indictment are incorporated by reference and hereby realleged as though set forth in full herein.



2. At all times material hereto, Grand Jury 79-7, a Grand Jury of the United States of America, duly empanelled and sworn on April 1, 1979 in the United States District Court for the District of Columbia, was conducting an investigation to determine whether certain violations of federal law, namely, the conspiracy (18 U.S.C. 371), false statement (18 U.S.C. 1001), mail fraud (18 U.S.C. 1341) and bribery of foreign officials (15 U.S.C. 78dd-1 and 78dd-2) statutes, had occurred in the District of Columbia.

3. On or about April 17, 1979, defendant CEI was served with a federal grand jury subpoena duces tecum requiring the production to Grand Jury 79-7 of certain corporate business records of said defendant for the purpose of examination by said grand jury during the course of the investigation described in the preceding paragraph.

4. On or before May 2, 1979, defendants CEI, CRAWFORD and HALL had knowledge of the aforesaid investigation and of the grand jury subpoena duces tecum served upon defendant CEI.

5. On or about May 2, 1979, in Houston, Texas, and within the Southern District of Texas, defendants CRAWFORD ENTERPRISES, INC., DONALD G. CRAWFORD, and WILLIAM E. HALL, aided and abetted by each other did corruptly influence, obstruct and impede, and endeavor to influence, obstruct and impede the due administration of justice in that said defendants would and did destroy and cause to be destroyed certain documents and materials previously removed from the files of defendant CRAWFORD ENTERPRISES, INC. which documents were subject to and under the subpoena duces

tecum served upon defendant CRAWFORD ENTERPRISES, INC. and were material and relevant to the investigation being conducted by Grand Jury 79-7.

All in violation of Title 18, United States Code, Sections 1503 and 2.

A TRUE BILL:



FOREMAN

OCTOBER 20, 1982

Daniel K. Hedges  
DANIEL K. HEDGES  
United States Attorney

William F. Pendergast  
William F. Pendergast  
United States Department of Justice  
Criminal Division  
Fraud Section

Barbara E. Nicastro  
Barbara E. Nicastro  
United States Department of Justice  
Criminal Division  
Fraud Section