

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.  
:   
v. : Crim. No. 20-  
:   
: 18 U.S.C. §§ 981(a)(1)(C), 1343, 1346, and 1349;  
MALIK FREDERICK : 26 U.S.C. § 7206(1); and  
a/k/a “J. Malik A. Frederick” : 28 U.S.C. § 2461(c)

**INFORMATION**

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

**COUNT 1**

(Conspiracy to Defraud Newark and the NCEDC of Public Officials’ Honest Services by Directly and Indirectly Soliciting, Demanding, Accepting and Agreeing to Give and Accept Concealed Bribes and Kickbacks Funded by Businesses, Facilitated by Interstate Wire Communications)

***Defendant and other Individuals and Entities***

1. From at least in or about July 2014 to in or about January 2020, defendant MALIK FREDERICK (a/k/a “J. Malik A. Frederick”) (“defendant FREDERICK”) was the President, Chief Executive Officer, and Director of Legal and Business Affairs for International Association of Business Consultants, Inc. (“IABC”) (also known as “Global City Strategies” or “GCS”), a limited liability company that he established in New Jersey. The stated business purpose of IABC was to consult private individuals, companies, organizations, or business entities in international business transactions, contract negotiations, entertainment and law, and to engage in any legal business that the company saw fit.

2. At times relevant to Count 1 of this Information:
- A. There was an individual (“Co-Conspirator 1”) who was an elected member of the Municipal Council for the City of Newark, New Jersey (the “City Council”) since in or about July 2014, and since in or about 2014, has served on the Board of Directors of the Newark Community Economic Development Corporation (the “NCEDC”) (now known as “Invest Newark”).
  - B. There was an individual (“Co-Conspirator 2”) who was Executive Vice President of the NCEDC from in or about 2016 to in or about April 2017 and Deputy Mayor for Economic Development for the City of Newark from in or about September 2017 to in or about August 2018.
  - C. The NCEDC was an Internal Revenue Code § 501(c)(3) organization whose stated purpose was to retain, attract and grow businesses, enhance small and minority business capacity, and spur real estate development within Newark. The NCEDC served as the lead developer and project manager on development projects in Newark. It was renamed “Invest Newark,” in or about 2019. As Invest Newark, its mission was to advance Newark’s global competitiveness by growing a strong economy, building vibrant communities, and increasing economic prosperity for all Newarkers, and focused on business development, land banking, real estate development and equitable economic growth. It had a Board of Directors, a President and CEO, and other officers.
  - D. There was a contracting and construction company (the “Contracting Company”) that retained IABC as part of its efforts to obtain construction-related contracts in Newark, including the West Ward of Newark.
  - E. There was a company that was in the business of providing modular housing units (the “Modular Home Company”). The Modular Home Company was headquartered in New Jersey and sold modular homes that were built in Pennsylvania.
  - F. There was a developer (“Developer 1”) who was the president of a company that was located in Newark (“Developer 1’s Company”).
  - G. There was another developer (“Developer 2”) who co-owned a development company (“Developer 2’s Company”) located in West Orange, New Jersey that sought to purchase and otherwise acquire real estate, and engage in development in Newark (collectively, Developer 2’s Company, Developer 1’s Company, and the Modular Home Company are referred to herein as the “Companies”).

- H. There was an individual who owned and operated certain businesses in Newark who was attempting to sell certain lots in the West Ward in Newark (the “Seller”).

***The City of Newark’s and the NCEDC’s Right to, and Co-Conspirator 1’s and Co-Conspirator 2’s Duty of, Honest Services***

3. At all times relevant to Count 1 of this Information, the City of Newark and the NCEDC had an intangible right to the honest services of its officials. As Newark and NCEDC officials, Co-Conspirator 1 and Co-Conspirator 2 owed the City of Newark and the NCEDC a duty to refrain from seeking, demanding, accepting and agreeing to accept bribes and kickbacks in exchange for their action and assistance as officials for the City of Newark and the NCEDC and for their violation of their official duties in connection with the affairs of the City of Newark and the NCEDC.

***Conspiracy to Defraud the City of Newark and the NCEDC of the Right to the Honest Services of Public Officials, Facilitated by Interstate Wire Communications***

4. From at least in or about April 2017 to in or about January 2020, in Essex County, in the District of New Jersey, and elsewhere, defendant

MALIK FREDERICK  
a/k/a “J. Malik A. Frederick”

Co-Conspirator 1, Co-Conspirator 2, and others knowingly and intentionally conspired and agreed to devise a scheme and artifice to defraud the City of Newark and the NCEDC of the right to the honest services of Co-Conspirator 1 and Co-Conspirator 2, in the affairs of the City of Newark and of the NCEDC, facilitated by the use of interstate wire communications, contrary to Title 18, United States Code, Sections 1343 and 1346.

### ***Object of the Conspiracy***

5. The object of the conspiracy was for defendant FREDERICK to directly and indirectly solicit, demand, accept, and agree to accept payments from developers and others seeking contracts and approvals principally related to development, construction, and real estate projects and deals in Newark, including the Companies, that would be used, in part, to pay concealed bribes and kickbacks for the benefit of Co-Conspirator 1 and Co-Conspirator 2, in exchange for their official actions and assistance and the violation of their duties in the affairs of the City of Newark and the NCEDC as specific opportunities arose.

### ***Methods and Means of the Conspiracy***

6. To carry out the conspiracy and to effect its unlawful object, while in New Jersey and elsewhere, defendant FREDERICK, Co-Conspirator 1, Co-Conspirator 2, and others executed and attempted to execute a plan (described by defendant FREDERICK as the “playbook”) to obtain payments from the Companies and others that would fund bribes and kickbacks earmarked for Co-Conspirator 1 and Co-Conspirator 2. This so-called “playbook” included the following:

- A. Defendant FREDERICK would solicit developers, representatives of contracting companies, and others interested in contracts, real estate deals, and projects in Newark (particularly in the West Ward) to engage and pay IABC or GCS for what he would describe to these developers and other businesses as “access,” “information,” “guidance” or “consultancy.”
- B. Defendant FREDERICK would speak of Co-Conspirator 1 to the representative of the particular developer, company representative, or other as the Councilman who was behind the particular project or initiative of interest to the developer, company representative, or other and promise the support of Co-Conspirator 1 if IABC or GCS was retained by them as a consultant.

- C. Once retained, defendant FREDERICK obtained payments (including payments to cover expenses for foreign travel) from the particular developer, company representative, or other, which FREDERICK planned to share and did share with Co-Conspirator 1, and on certain occasions, Co-Conspirator 2.
- D. In exchange for these bribes and kickbacks, Co-Conspirator 1 and Co-Conspirator 2 would provide and attempt to provide official assistance to these developers, companies, and others who were willing to pay IABC or GCS.
- E. For certain projects, defendant FREDERICK, Co-Conspirator 1, Co-Conspirator 2, and others intended to prevent developers and businesses from obtaining contracts, agreements, and work from the NCEDC and the City of Newark and otherwise not provide official assistance to them in their endeavors, if the developers and others were unwilling to, or were hesitant to, pay IABC or GCS.
- F. Defendant FREDERICK and Co-Conspirator 1 concealed these bribes and kickbacks and other material aspects of their arrangements and dealings with these developers and others.

***Defendant FREDERICK Gave a Concealed \$16,000 Bribe to Co-Conspirator 1 Funded By a Payment from the Contracting Company***

7. On or about April 11, 2017, defendant FREDERICK gave Co-Conspirator 1 a \$16,000 check drawn on IABC's bank account in New Jersey in exchange for Co-Conspirator 1's official actions and assistance as specific opportunities related to construction projects in Newark arose that were of interest to the Contracting Company. The memo portion of the check stated "Independent Consultant" in an effort to create the false pretense that the payment was legitimate. The check was funded by payments made to IABC from the Contracting Company, including a payment of \$33,319.60 made by a check dated on or about April 7, 2017, as part of IABC's contract with the Contracting Company. On or about April 12, 2017, in Newark, New Jersey, Co-Conspirator 1 deposited the \$16,000 check in his personal bank account. To further conceal the material fact that Co-Conspirator 1 had received this \$16,000 bribe, on or about April 30, 2018, Co-Conspirator 1 intentionally did not report the source of these funds and the

amount of income on Co-Conspirator 1's financial disclosure statement that Co-Conspirator 1 was required to file with the New Jersey Department of Community Affairs, Division of Local Government Services ("DOCA") for calendar year 2017.

***The Solicitation of Payments from the Modular Home Company***

8. In or about 2017, defendant FREDERICK attempted to obtain monies from the Modular Home Company, which was in the process of securing a contract from the NCEDC to provide modular units for a development project on Clinton Avenue in Newark, and intended to provide part of any payments received from the Modular Home Company to, at least, Co-Conspirator 2. In furtherance of this endeavor:

- A. On or about April 24, 2017, defendant FREDERICK met with a representative of the Modular Home Company ("Modular Home Company Representative") and a business associate of the Modular Home Company Representative (the "Business Associate") at a restaurant in Newark, after Co-Conspirator 2 (who was working as an NCEDC official at the time) told defendant FREDERICK to meet with the Modular Home Company Representative to offer consulting services. There, defendant FREDERICK emphasized his connections to public officials in Newark and offered to be a consultant to the Modular Home Company for approximately \$250,000, referring to the Modular Home Company's need for a liaison to interface with officials in Newark. The Modular Home Company Representative declined defendant FREDERICK's solicitation, explaining that the Modular Home Company already was in negotiations with the NCEDC and finalizing its contract. Defendant FREDERICK continued to press the issue, stating that a contract with defendant FREDERICK would accelerate the review of the contract with the NCEDC, and suddenly lowered the compensation amount to approximately \$40,000. Defendant FREDERICK also confided that Co-Conspirator 2 basically worked for defendant FREDERICK. At the close of the meeting, although the Modular Home Company Representative did not intend to enter any arrangement with defendant FREDERICK, the Business Associate gave defendant FREDERICK the impression that the Modular Home Company would agree to the deal at \$40,000.
  
- B. On or about April 26, 2017, defendant FREDERICK sent an e-mail to the Modular Home Company Representative and the Business Associate attaching a Consultant Agreement with IABC. In or about May 2017, after defendant FREDERICK was informed that the Modular Home Company would not sign the

agreement, he told the Business Associate that the Modular Home Company then would not receive any contract from the NCEDC related to the project on Clinton Avenue. The Business Associate later learned from an NCEDC employee that the proposed contract between the NCEDC and the Modular Home Company would not be presented to the NCEDC Board for approval and that the NCEDC had decided to solicit other companies to do the work.

***Defendant FREDERICK Received Payments from Developer 1 (Through Developer 1's Company), which Funded a Concealed \$25,000 Bribe and Kickback Payment for Co-Conspirator 1***

9. Between in or about 2017 and in or about 2019, defendant FREDERICK arranged to receive and did obtain payments from Developer 1's Company, which were used to fund a concealed \$25,000 bribe and kickback payment to Co-Conspirator 1. In exchange, Co-Conspirator 1 agreed to support and did take official actions from in or about early 2017 to in or about January 2019, including presenting to the Newark City Council a letter of support and an official Resolution for the sale and redevelopment of certain City-owned properties in Newark's West Ward. Specifically, between in or about September 2018 and in or about November 2018, GCS received three checks from Developer 1, issued from Developer 1's Company's bank account, in the approximate amounts of \$15,000, \$50,000 and \$50,000. On or about October 29, 2018, defendant FREDERICK gave a \$25,000 check payment from a GCS bank account to Co-Conspirator 1, which Co-Conspirator 1 deposited in Co-Conspirator 1's personal bank account on or about the next day in Newark, New Jersey. The memo portion of the check stated "Consultant Commission/ Fee," in an effort to create the false pretense that the payment was legitimate. To further conceal the material fact that Co-Conspirator 1 had received this \$25,000 bribe and kickback, on or about July 2, 2019, Co-Conspirator 1 did not report the source of these funds and the amount of income on Co-Conspirator 1's financial disclosure statement required to be filed with DOCA for calendar year 2018.

***Defendant FREDERICK Obtained Payments from Developer 2 (Through Developer 2's Company) Used to Fund a Concealed Bribe Payment to Co-Conspirator 1 and Attempted to Receive Additional Money from Developer 2 for an Additional Bribe Payment to Co-Conspirator 1***

10. From in or about February 2019 to in or about January 2020, defendant FREDERICK, through GCS, (A) received monthly payments of approximately \$5,000 from Developer 2's Company based on a promise of securing Co-Conspirator 1's official assistance and approvals for Developer 2's plans for acquiring and redeveloping properties in Newark, including a plan for acquiring and redeveloping multiple City-owned lots in the West Ward, and (B) facilitated an agreement for Developer 2's Company to make an additional balloon payment to defendant FREDERICK once a particular resolution for a redevelopment agreement sought by Developer 2 (the "Resolution") was passed by the Newark City Council. Defendant FREDERICK provided a portion of a monthly payment that he received from Developer 2's Company to Co-Conspirator 1 and was supposed to give a portion of an additional balloon payment to be made by Developer 2's Company to Co-Conspirator 1 after the Resolution was approved by the City Council. For instance, in furtherance of this endeavor:

- A. On or about October 2, 2019, via text message, defendant FREDERICK asked Developer 2 whether the monthly check he was expecting from Developer 2's Company had been sent. Developer 2 responded that the check would reach defendant FREDERICK by that Friday.
- B. On or about October 9, 2019, defendant FREDERICK called Co-Conspirator 1 indicating that he had received a payment from Developer 2 and asked Co-Conspirator 1 whether Co-Conspirator 1 wanted the payment for Co-Conspirator 1 to be made out in a check to Co-Conspirator 1 or to Co-Conspirator 1's campaign. Defendant FREDERICK and Co-Conspirator 1 later agreed on defendant FREDERICK cashing the check received from Developer 2 instead so that Co-Conspirator 1 could obtain approximately \$500 in cash from Developer 2's payment to have spending money for Co-Conspirator 1's impending trip abroad. Later that day, defendant FREDERICK gave this money to Co-Conspirator 1 at a cigar lounge in Newark.



- C. On or about February 5, 2020, following the approval of the Resolution by the Newark City Council, when defendant FREDERICK informed Co-Conspirator 1 that Developer 2 was hesitating making the promised additional balloon payment, Co-Conspirator 1 said that he would replace Developer 2 on the particular redevelopment deal and find another builder instead. Subsequently, on or about February 7, 2020, during a meeting at a cigar lounge in Newark, in response to Co-Conspirator 1 being informed by defendant FREDERICK that Developer No. 2 did not want to make this payment, Co-Conspirator 1 said: “But, I, I was counting on the f----’ money man. I mean, you know somethin’, ya know. . . . he better pay. . . . I put a lot a work into that m---- f---- man.”

***Defendant FREDERICK Attempted to Obtain Payments from the Seller and Developer 1, to be Split with Co-Conspirator 1, for Assistance with the Sale and Development of the Seller’s Property in Newark’s West Ward***

11. From at least in or about October 2019 through in or about January 2020, defendant FREDERICK endeavored to enter an arrangement with the Seller and Developer 1 involving the sale of the Seller’s lots in the West Ward (the “Seller’s Property”) to Developer 1 for development. Under the contemplated arrangement, the Seller and Developer 1 would pay defendant FREDERICK for acting as an intermediary for the sale and securing Co-Conspirator 1’s official actions and assistance to ensure that Developer 1 would be able to acquire the City-owned lots adjoining the Seller’s Property for development. In addition, defendant FREDERICK would split a portion of the payments received with Co-Conspirator 1. For instance, in furtherance of this endeavor:

- A. On or about October 31, 2019, during a telephone conversation, defendant FREDERICK, after informing the Seller that he had spoken with Co-Conspirator 1 about the Seller’s Property, asked the Seller if he needed to have the Seller enter into a contract with defendant FREDERICK’s company or if a “hand shake deal” would suffice. Defendant FREDERICK, intending to split of a portion of the payment received from the Seller with Co-Conspirator 1 in connection with this arrangement, further informed the Seller: “I’m not the only one, uh, is going to benefit from the deal, if you understand what I’m saying. . . .Whatever I get I have to share.”

- B. On or about November 1, 2019, during a telephone conversation, where defendant FREDERICK provided an update to Co-Conspirator 1 concerning his discussions with the Seller regarding the sale and development of the Seller's Property, Co-Conspirator 1 informed defendant FREDERICK that the Seller had called Co-Conspirator 1 seeking Co-Conspirator 1's approval to proceed with entering into a contract with defendant FREDERICK's company for the sale of the Seller's Property. Defendant FREDERICK told Co-Conspirator 1 that the Seller had initially offered ten percent of the sales price, but then tried to change the arrangement to a development deal with Developer 1 that would not involve a sale and that would "hav[e] no money pass hands," which defendant FREDERICK said he rejected and told the Seller he was uncomfortable with because "if you do that, how am I gonna get paid?" During this conversation with Co-Conspirator 1, defendant FREDERICK also provided an update on his efforts to reach an agreement with Developer 1 on what Developer 1 would pay and indicated that he did not want to get shortchanged again by Developer 1 (an allusion to the corrupt arrangement detailed in paragraph 9 above), stating: "I told [Developer 1], I mean, because the last time my company worked with [Developer 1], I mean, ya know, that shit happened and he got more out of the deal than the company got, ya know? So I want to be clear with that m----- f----- this time. You know what I'm saying?" Co-Conspirator 1 responded "yeah" and "That m----- f----- got too much."
- C. On or about December 12, 2019, defendant FREDERICK continued to solicit the Seller to enter the arrangement with IABC/GCS for the sale and development of the Seller's Property to Developer 1 and to pay money to defendant FREDERICK, which defendant FREDERICK planned to share with Co-Conspirator 1, informing the Seller, among other things, that: "I'll need some money up front, because I have, you know, expenses like everybody else and I have people that I'm responsible to take care of like everybody else. . . ."
- D. On or about February 7, 2020, when defendant FREDERICK and Co-Conspirator 1 discussed the status of the sale of the Seller's Property to Developer 1 and defendant FREDERICK reminded Co-Conspirator 1 that Developer 1 would want to acquire the adjoining City-owned properties and that Developer 1 "wants us to do something," Co-Conspirator 1 said, "I'll go to the Mayor. . . ." Defendant FREDERICK indicated that he would be meeting with Developer 1 "to discuss price," to which Co-Conspirator 1 responded: "Let that m---- f---- know, man, I need, I need some f-----' money, I need somethin'," indicating that he was trying to close on a purchase of a home in a couple of weeks.

***The Use of Interstate Wire Communications in Furtherance of the Conspiracy***

12. On or about the dates listed below, in Essex County, in the District of New Jersey, and elsewhere, for the purposes of executing and attempting to execute the aforementioned scheme and artifice to defraud, defendant FREDERICK knowingly and intentionally transmitted and caused to be transmitted by means of wire, radio, and television communications in interstate commerce, certain writings, signs, signals, pictures, and sounds, including:

<b>DATE</b>	<b>INTERSTATE WIRE COMMUNICATION</b>
April 3, 2017	Defendant FREDERICK, through an e-mail service provider's server that was located outside of New Jersey, sent an e-mail to the president of the Contracting Company attaching an invoice for payment of \$33,319.60.
April 5, 2017	Defendant FREDERICK, through an e-mail service provider's server that was located outside of New Jersey, sent an e-mail to Co-Conspirator 1 relating to a draft of the letter of support by Co-Conspirator 1 for the project involving Developer 1's plans to acquire City-owned property in the West Ward of Newark.
April 26, 2017	Defendant FREDERICK, through an e-mail service provider's server that was located outside of New Jersey, sent an e-mail to the Modular Home Company Representative and the Business Associate regarding a Consultant Agreement with IABC.
September 14, 2017	Defendant FREDERICK, through an e-mail service provider's server that was located outside of New Jersey, sent an e-mail to Co-Conspirator 1 regarding the stoppage of payments to Co-Schemer 1 from the Contracting Company

In violation of Title 18, United States Code, Section 1349.

**COUNTS 2 TO 4**

**(Subscribing to False Tax Returns for Calendar Years 2016 to 2018)**

1. Paragraphs 1, 2, 7, and 9 of Count 1 of this Information are hereby incorporated and realleged as if fully set forth herein.

2. The Internal Revenue Service (“IRS”), an agency within the United States Department of Treasury, was responsible for administering and enforcing the tax laws of the United States, including any federal income tax laws.

3. From at least in or about January 2016 to at least in or about December 2018, defendant FREDERICK received payments through IABC or GCS from various businesses, including, but not limited to, the developers, companies, and others interested in contracts, real estate deals, and projects in Newark as set forth in Count 1 of this Information, pursuant to arrangements that defendant FREDERICK had with these individuals and entities to retain him for his services.

4. From in or about April 2017 to in or about April 2019, defendant FREDERICK signed, filed, and caused to be filed with the IRS United States Individual Income Tax Returns, Forms 1040, for the calendar years listed below on his and his spouse’s behalf (the “Tax Returns”), which falsely stated that they had total income in the amounts set forth below:

Calendar Year	Approximate Amount of Total Income Reported
2016	\$161,198
2017	\$64,819
2018	\$96,063

The Tax Returns were not true and correct as to every material matter, as defendant FREDERICK well knew, in that on each of the Tax Returns, he did not report part of the gross

receipts that he had received through IABC or GCS from developers, companies, and others who retained him for his services, to include: (1) approximately \$33,396 received from various businesses including, but not limited to, the Contracting Company in calendar year 2016; (2) approximately \$111,985 received from various businesses including, but not limited to, the Contracting Company in calendar year 2017; and (3) approximately \$92,000 received from various businesses including, but not limited to, Developer 1's Company in calendar year 2018.

5. The Tax Returns were signed by defendant FREDERICK and each contained a written declaration that the particular Tax Return was signed under penalties of perjury.

6. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

MALIK FREDERICK  
a/k/a "J. Malik A. Frederick"

willfully did make and subscribe and file with the IRS, the Tax Returns for the calendar years set forth below, each of which contained and was verified by a written declaration that it was made under penalties of perjury and which he did not believe to be true and correct as to every material matter reported therein as set forth above in paragraph 4:

<b>COUNT</b>	<b>DATE</b>	<b>CALENDAR YEAR</b>
2	April 15, 2017	2016
3	April 18, 2018	2017
4	April 7, 2019	2018

In violation of Title 26, United States Code, Section 7206(1).

## **FORFEITURE ALLEGATIONS AS TO COUNT 1**

1. The allegations contained in all the paragraphs of Count 1 of this Information are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. As a result of committing the offense charged in Count 1 of this Information, defendant MALIK FREDERICK (a/k/a “J. Malik A. Frederick”) shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constituted or was derived from proceeds traceable to the commission of this offense, totaling approximately \$160,025.

3. If any of the above-described forfeitable property, as a result of any act or omission of defendant FREDERICK:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third party;
- (3) has been placed beyond the jurisdiction of the court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be divided without difficulty;

the United States shall be entitled, pursuant to Title 21, United States Code, Section 853(p) (as incorporated by 28 U.S.C. § 2461(c)), to forfeiture of any other property of defendant FREDERICK up to the value of the above-described forfeitable property.

*Craig Carpenito*  
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CRAIG CARPENITO  
UNITED STATES ATTORNEY

CASE NUMBER: \_\_\_\_\_

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**United States District Court  
District of New Jersey**

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**UNITED STATES OF AMERICA**

**v.**

**MALIK FREDERICK  
(a/k/a “J. Malik A. Frederick”)**

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**INFORMATION FOR**

**18 U.S.C. §§ 981(a)(1)(C), 1343, 1346, and 1349  
26 U.S.C. § 7206(1)  
28 U.S.C. § 2461(c)**

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CRAIG CARPENITO  
UNITED STATES ATTORNEY  
FOR THE DISTRICT OF NEW JERSEY

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