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CLERK US DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

June 2005 Grand Jury, '07 **CR 0330 LAB**

UNITED STATES OF AMERICA,	)	Criminal Case No. _____
)	
Plaintiff,	)	I N D I C T M E N T
)	
v.	)	Title 18, U.S.C., Sec. 371 -
	)	Conspiracy; Title 18, U.S.C.,
BRENT ROGER WILKES (1),	)	Secs. 1343 and 1346 - Honest
JOHN THOMAS MICHAEL (2),	)	Services Wire Fraud; Title 18,
	)	U.S.C., Sec. 201 - Bribery of a
Defendants.	)	Public Official; Title 18, U.S.C.,
	)	Secs. 1956 and 1957 - Money
	)	Laundering; Title 18, U.S.C.,
	)	Sec. 1503 - Obstruction of Justice;
	)	Title 18, U.S.C., Sec. 2 - Aiding
	)	and Abetting; Title 18, U.S.C.,
	)	Sec. 982 - Criminal Forfeiture

The grand jury charges:

INTRODUCTORY ALLEGATIONS

At all times material to this Indictment:

1. Defendant BRENT ROGER WILKES was the President and controlling owner of ADCS, Inc. ("ADCS"), a California corporation. ADCS's corporate offices were located at 13970 Stowe Drive, Poway, California 92064 and 15092 Avenue of Science, San Diego, California 92128, and its federal contracting office was located at 14020 Thunderbolt Place, Suite 200, Chantilly, Virginia 20151.

PLBH:SB:JAF:nlv:San Diego
2/12/07

1 2. ADCS's name was derived from the Government acronym for the
2 Automated Document Conversion System Program ("Document Conversion
3 Program"), which was implemented by the Department of Defense ("DoD").
4 As its name suggests, ADCS's principal business involved the
5 conversion of paper records into electronic form. Due to its business
6 model, the company was entirely dependent on obtaining United States
7 government contracts to ensure its economic viability.

8 3. In addition to ADCS, defendant WILKES formed a large number
9 of related entities, including but not limited to: Wilkes Corporation;
10 Al Dust Properties Inc.; WBR Equities, LLC. ("WBR Equities"); Group
11 W Advisors Inc.; Group W Events; Group W Holdings Inc.; Group W Media
12 Productions Inc.; Group W Transportation Inc.; Group W Outfitters;
13 ADCS International; ADCS Inc. PAC; Wilkes PAC; and Archer Defense.

14 4. Among the government contracts secured by ADCS were projects
15 related to: (1) the Document Conversion Program; (2) the Facilities,
16 Infrastructure and Engineering System ("FIRES") program, which was
17 initially operated out of the National Ground Intelligence Center
18 ("NGIC"), and later the Joint Counter-Intelligence Assessment Group
19 ("JCAG") - a DoD intelligence component; (3) the Global Infrastructure
20 Data Capture ("GIDC") Program, which eventually came to be
21 administered by the Counterintelligence Field Activity ("CIFA"); and
22 (4) the Critical Infrastructure Protection Operations Center
23 ("CIPOC").

24 5. Coconspirator Mitchell John Wade (charged elsewhere)
25 (hereinafter "coconspirator Wade") was the majority owner and
26 president of MZM, Inc. (hereinafter "MZM"), a Nevada corporation.
27 MZM's headquarters were located at 1523 New Hampshire Avenue, N.W.,
28 Washington, D.C. 20036.

1 6. Beginning in or about July 1998, MZM entered into a
2 contractual agreement to provide consulting services to ADCS. Apart
3 from this consulting agreement, MZM derived its revenues almost
4 entirely as a United States government contractor.

5 7. Among the numerous government contracts secured by MZM were
6 projects related to the: (1) GIDC; and (2) the Defense Joint Counter-
7 Intelligence Deception Program ("Counterintelligence Deception
8 Program"), which was operated out of JCAG, and later was referred to
9 as the Mission Response Groups ("MRGs") program.

10 8. Coconspirator Randall Harold Cunningham, aka Randy "Duke"
11 Cunningham (charged elsewhere) (hereinafter "coconspirator
12 Cunningham") was a Member of the United States House of
13 Representatives for Congressional Districts located in San Diego
14 County, within the Southern District of California.

15 9. At various times, coconspirator Cunningham was a member of
16 the House Appropriations Committee ("HAC") and the House Permanent
17 Select Committee on Intelligence ("HPSCI"). He also served as the
18 Chairman of the House Intelligence Subcommittee on Human Intelligence
19 Analysis and Counterintelligence.

20 10. Coconspirator No. 3 was the president and controlling
21 officer of a financial company ("Financial Company 'A'") located in
22 Rosedale, New York.

23 11. Defendant JOHN THOMAS MICHAEL was the president and minority
24 owner of Coastal Capital Corporation ("Coastal Capital"), a New York-
25 based mortgage banker. Coastal Capital's offices are located at
26 1 Plaza Road, Greenvale, New York 22548. The majority owner of
27 Coastal Capital was a daughter of coconspirator No. 3.

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1 12. From on or about January 20, 1988, until on or about
2 November 20, 2003, coconspirator Cunningham owned a house located on
3 Mercado Drive in Del Mar, California (the "Del Mar Home"). In or
4 about late November 2003, coconspirator Cunningham sold the Del Mar
5 Home to 1523 New Hampshire Ave., LLC (a Nevada corporation controlled
6 by coconspirator Wade), and purchased a house located on Via del
7 Charro in Rancho Santa Fe, California (the "Rancho Santa Fe Home").

8 13. From on or about November 30, 2001, until on or about
9 March 8, 2004, coconspirator Cunningham owned a condominium located
10 at 1211 Eads Street South, Unit 2002, Arlington, Virginia (the
11 "Arlington, Virginia condominium").

12 14. Coconspirator Cunningham was the registered owner of the
13 "Kelly C," a 65-foot yacht and the "Sea Cove," a 33' Chris Craft power
14 boat. Among other locations, he utilized docking facilities at the
15 Capital Yacht Club, 1000 Water Street, SW, Washington, D.C., the
16 Washington Marina, 1300 Maine Avenue, SW, Washington, D.C., and the
17 Gangplank Marina, 600 Water Street, SW, Washington, D.C., for his
18 vessels.

19 15. Coconspirator Cunningham owned and operated Top Gun
20 Enterprises, Inc., a California corporation based in San Diego County,
21 California. Top Gun Enterprises, Inc.'s business address was P.O. Box
22 45201, San Diego, California 92145.

23 16. On or about August 30, 2002, coconspirator Wade became the
24 registered owner of a 42-foot yacht that was then named the "Buoy
25 Toy." From in or about Fall 2002, through in or about Spring 2005,
26 the boat (officially renamed the "Duke-Stir" on January 21, 2003) was
27 docked in coconspirator Cunningham's slip at the Capital Yacht Club,
28 1000 Water Street, SW, Washington, D.C.

1 form of unlawful activity, which, in fact, involved Honest Services
2 Wire Fraud in violation of Title 18, United States Code, Sections 1343
3 and 1346, and Bribery of a Public Official in violation of Title 18,
4 United States Code, Section 201(b)(1)(A), and knowing that each
5 transaction was designed in whole or in part to conceal and disguise
6 the nature, location, source, ownership, and control of the proceeds
7 of said Specified Unlawful Activities;

8 d. Money Laundering, in violation of Title 18, United
9 States Code, Section 1956 (a)(1)(A)(i), that is, knowingly conducting
10 and attempting to conduct a financial transaction affecting interstate
11 commerce, knowing that the transactions involved the proceeds of some
12 form of unlawful activity, which, in fact, involved Honest Services
13 Wire Fraud in violation of Title 18, United States Code, Sections 1343
14 and 1346, and Bribery of a Public Official in violation of Title 18,
15 United States Code, Section 201(b)(1)(A), with the intent to promote
16 the carrying on of said Specified Unlawful Activities; and

17 e. Engaging in Monetary Transactions in Property Derived
18 from Specified Unlawful Activity, in violation of Title 18, United
19 States Code, Section 1957, that is, knowingly engaging and attempting
20 to engage in monetary transactions by, through, or to a financial
21 institution, affecting interstate and foreign commerce, in criminally
22 derived property of a value greater than \$10,000, such property having
23 been derived from a Specified Unlawful Activity, that is, Honest
24 Services Wire Fraud in violation of Title 18, United States Code,
25 Sections 1343 and 1346, and Bribery of a Public Official in violation
26 of Title 18, United States Code, 201(b)(1)(A).

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1 f. Coconspirator No. 3 and Defendant MICHAEL agreed to
2 allow coconspirator Cunningham to use Coastal Capital and Financial
3 Company "A" to facilitate the payment of bribes;

4 g. Coconspirator Cunningham attempted to conceal and
5 disguise the improper payments and benefits through various means,
6 including having coconspirator Wade pay for goods and services to be
7 enjoyed by Cunningham, including those described above, and engaging
8 in transactions in which Cunningham sold assets to Wade at above-
9 market prices or purchased assets from Wade at below-market prices;

10 h. Defendant WILKES attempted to conceal and disguise the
11 bribes to coconspirator Cunningham by having WILKES pay for goods and
12 services to be enjoyed by Cunningham, including those described above,
13 and disguising payments by purporting to purchase a yacht owned by
14 Cunningham, and by purporting to make investments through Financial
15 Company "A";

16 i. Coconspirator Cunningham also attempted to conceal and
17 disguise the conspiracy by intentionally failing to include the
18 payments, perquisites, and other benefits received from his
19 coconspirators on Financial Disclosure Statements he submitted to the
20 United States House of Representatives;

21 j. Defendant WILKES also attempted to conceal and disguise
22 the conspiracy by falsely testifying under oath that he had not given
23 gifts to coconspirator Cunningham;

24 k. Defendant MICHAEL also attempted to conceal and
25 disguise the conspiracy by providing false testimony and documents to
26 the grand jury.

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OVERT ACTS

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2 19. It was further part of this conspiracy, and to effect the
3 objects thereof, defendant WILKES and coconspirators Cunningham, Wade,
4 and others committed, and caused to be committed, the following acts,
5 among others, within the Southern District of California and
6 elsewhere:

7 1. Beginning at least as early as September 1996,
8 defendant WILKES purchased thousands of dollars in meals for
9 coconspirator Cunningham at The Capital Grille and other restaurants,
10 including but not limited to The Palm, Ozio's, P.F. Chang's, Mr. K's,
11 Serbian Crown Restaurant, and the Confucius Café;

12 2. On or about September 25, 1996, coconspirator
13 Cunningham informed the Deputy Under Secretary of Defense (Logistics)
14 that he wanted the DoD Document Conversion Program funded;

15 3. Beginning in or about 1997, defendant WILKES paid
16 Shirlington Limousine for transporting coconspirator Cunningham around
17 Washington, D.C.;

18 4. On or about July 30, 1997, defendant WILKES directed
19 an ADCS employee to purchase from Coleman Power Sports in Falls
20 Church, Virginia, a 14'6", fiberglass hulled, yellow Sea-Doo Speedster
21 (serial number CECB043L697) costing \$11,255 for coconspirator
22 Cunningham's possession and use;

23 5. On or about April 13, 1998, defendant WILKES caused
24 ADCS to issue a check (no. 3930) in the amount of \$721.60 to pay Blue
25 Danube Corporate Support for their services catering a "Congressional"
26 dinner, which included coconspirator Cunningham;

27 6. On or about May 14, 1998, coconspirator Cunningham
28 filed a United States House of Representatives Financial Disclosure

1 Statement for Calendar Year 1997, which improperly failed to list all
2 payments and benefits received from defendant WILKES and coconspirator
3 Wade;

4 7. On or about May 21, 1998, coconspirator Cunningham
5 wrote the Chairman of the House Appropriations Subcommittee on
6 National Security, requesting a total of \$64 million for Document
7 Conversion Programs (fiscal year 1999);

8 8. On or about August 10, 1998, defendant WILKES
9 threatened a FIRES program manager with Congressional reprisals if he
10 refused to pay ADCS-related invoices (even when it could not be
11 verified that the work had actually been done and/or goods had
12 actually been purchased);

13 9. On or about August 24, 1998, defendant WILKES directed
14 an ADCS employee to purchase one NEC Versa Model 2780 notebook
15 computer costing \$1,499 for coconspirator Cunningham;

16 10. On or about November 18, 1998, defendant WILKES
17 threatened DoD's Document Conversion Program manager with
18 Congressional reprisal if he did not allocate sufficient funding to
19 ADCS projects, and immediately pay all outstanding ADCS invoices (even
20 when it could not be verified that the work had actually been done
21 and/or the goods had actually been purchased);

22 11. On or about November 18, 1998, coconspirator Cunningham
23 contacted the Document Conversion Program manager (approximately 30
24 minutes after defendant WILKES had left the program manager's office)
25 and attempted to pressure him into paying the ADCS-related invoices;

26 12. In or about late 1998 or early 1999, in Washington,
27 D.C., coconspirator Cunningham called defendant WILKES's cellular
28 phone and (after the phone was handed to the FIRES program manager who

1 was in WILKES's suite at the Watergate Hotel) told the program manager
2 that he needed to pay all outstanding ADCS invoices (even though the
3 work had not been performed and/or verified by the government program
4 manager);

5 13. In or about late 1998 or early 1999, coconspirator
6 Cunningham called the FIRES program manager at his desk at the Red
7 Stone Arsenal in Huntsville, Alabama, and again told him that he
8 needed to pay all outstanding ADCS invoices (even though the work had
9 not been performed and/or verified by the government program manager);

10 14. On or about February 17, 1999, at coconspirator
11 Cunningham's direction, his staff contacted the DoD program manager
12 and pressured him to allocate additional funds to ADCS;

13 15. On or about March 1, 1999, in Panama City, Panama,
14 defendant WILKES attempted to intimidate a FIRES program manager by
15 telling him that people disappear in Panama all the time and never
16 make it back home;

17 16. On or about March 2, 1999, coconspirator Cunningham
18 (after first speaking to defendant WILKES) spoke on the phone to the
19 FIRES program manager (who was in Panama City, Panama) and urged him
20 to pay all outstanding ADCS invoices (even though the work had not
21 been performed and/or verified by the government program manager);

22 17. On or about March 10, 1999, defendant WILKES paid for
23 limousine services, which included driving coconspirator Cunningham
24 to the Capital Grille;

25 18. On or about March 10, 1999, defendant WILKES hosted a
26 meal at the Capital Grille where coconspirator Cunningham pressured
27 an Assistant Deputy Under Secretary of Defense to allocate DoD
28 Document Conversion Program funds to ADCS - despite the facts that the

1 underlying submission was not timely, the ADCS project was not deemed
2 a priority by DoD, and the project had not been selected by the
3 Document Conversion Integrated Prioritization team ("IPT");

4 19. On or about April 15, 1999, defendant WILKES caused
5 ADCS to issue a check in the amount of \$967.50 to pay Blue Danube
6 Corporate Support for catering a meal held aboard coconspirator
7 Cunningham's yacht, the Kelly C;

8 20. On or about April 29, 1999, defendant WILKES paid for
9 a meal at the Capital Grille for coconspirator Cunningham and others;
10 using ADCS's American Express credit card to make a payment in the
11 amount of \$626.18;

12 21. On or about May 17, 1999, coconspirator Cunningham
13 filed a United States House of Representatives Financial Disclosure
14 Statement for Calendar Year 1998, which improperly failed to list all
15 payments and benefits received from defendant WILKES and coconspirator
16 Wade;

17 22. On or about May 21, 1999, coconspirator Cunningham
18 wrote the Chairman of the Defense Appropriations Subcommittee on
19 National Security, requesting a total of \$94 million for the Document
20 Conversion Program (fiscal year 2000) and specifying that the funding
21 was to be used for the NGIC FIRES [Panama Canal] document scanning
22 project, which had been using ADCS as the prime contractor;

23 23. On or about July 6, 1999, defendant WILKES faxed
24 coconspirator Cunningham "Talking Points" that argued that ADCS needed
25 a total of \$15 million from the 1999 fiscal year funds, and that the
26 company needed \$10 million immediately;

27 24. On or about July 19, 1999, coconspirator Cunningham
28 contacted the Principal Deputy Under Secretary of Defense

1 (Acquisition, Technology & Logistics) and made it clear that he wanted
2 his constituent (ADCS) to receive more government funds;

3 25. On or about July 23, 1999, defendant WILKES directed
4 an ADCS employee to purchase from Coleman Power Sports in Falls
5 Church, Virginia, another Sea-Doo Speedster (serial number
6 CECE0317K899) costing \$14,496.78 for coconspirator Cunningham's
7 possession and use;

8 26. On or about August 5, 1999, coconspirator Cunningham
9 met with the Principal Under Secretary of Defense and conveyed his
10 displeasure that Cunningham's constituent (ADCS) was not getting
11 sufficient funding;

12 27. On or about September 9, 1999, coconspirator Cunningham
13 (along with his Legislative Director) met with the Principal Deputy
14 Under Secretary of Defense and instructed him to divert \$4.7 million
15 in fiscal year 1999 funds to ADCS rather than to two DoD programs
16 previously selected by the IPT;

17 28. On or about September 13, 1999, defendant WILKES
18 purchased an inflatable jet dock for coconspirator Cunningham's
19 possession and use, using a check (no. 3047) drawn on his personal
20 checking account in the amount of \$7,101.16;

21 29. On or about September 29, 1999, defendant WILKES paid
22 for a meal at the Capital Grille for coconspirator Cunningham and
23 others; using ADCS's American Express credit card to make a payment
24 in the amount of \$247.15;

25 30. On or about October 12, 1999, defendant WILKES faxed
26 "Talking Points" to coconspirator Cunningham, which were to be used
27 by the Congressman to argue to the Principal Deputy Under Secretary
28

1 of Defense that ADCS should get \$31 million in fiscal year 2000
2 funding;

3 31. On or about October 29, 1999, defendant WILKES caused
4 ADCS to issue a check (no. 5547) in the amount of \$581.58 to pay Blue
5 Danube Corporate Support for catering a meal at coconspirator
6 Cunningham's yacht club in Washington, D.C.;

7 32. On or about November 30, 1999, in San Diego,
8 California, defendant WILKES and coconspirator Cunningham met with the
9 Assistant Deputy Under Secretary of Defense and stated that ADCS
10 should receive approximately \$31.3 million in fiscal year 2000
11 funding;

12 33. On or about December 18, 1999, defendant WILKES paid
13 to fly coconspirator Cunningham and his Chief-of-Staff from San Diego,
14 California to Las Vegas, with an ADCS American Express credit card
15 payment in the amount of \$821;

16 34. On or about December 21, 1999, defendant WILKES paid
17 for a meal at Andre's French Restaurant that included coconspirator
18 Cunningham and his Chief-of-Staff, using WILKES's Diner's Club credit
19 card to make a payment in the amount of \$4,043.26;

20 35. On or about December 21, 1999, defendant Wade paid for
21 coconspirator Cunningham and his Chief-of-Staff's stay at the Four
22 Seasons Hotel in Las Vegas, Nevada;

23 36. On or about February 3, 2000, at coconspirator
24 Cunningham's direction, his Chief-of-Staff contacted a Colonel with
25 DoD to inquire about how much funding ADCS was going to receive in
26 Fiscal Year 2000;

27 37. On or about February 4, 2000, at coconspirator
28 Cunningham's direction, his Chief-of-Staff also contacted the

1 Assistant Deputy Under Secretary of Defense to inquire about how much
2 funding ADCS was going to receive in Fiscal Year 2000;

3 38. On or about March 23, 2000, during a hearing held by
4 the HAC's Subcommittee on Defense, coconspirator Cunningham informed
5 the Secretary of the Army that: (1) the Assistant Deputy Under
6 Secretary of Defense should be removed from office because DoD had not
7 released (to ADCS) \$4 million that Congress had authorized; and (2)
8 he wanted the \$4 million identified and released;

9 39. On or about April 17, 2000, coconspirator Cunningham
10 wrote the Chairman of the House Armed Services Committee, attaching
11 "a briefing paper on the NGIC data capture effort, now known as the
12 NGIC FIRES Global Infrastructure Data Capture program"; for which he
13 was requesting a total of \$16 million (fiscal year 2001);

14 40. On or about April 20, 2000, defendant WILKES paid for
15 coconspirator Cunningham's ticket and transportation to a Jimmy
16 Buffett concert at the Coors Amphitheater in Chula Vista, California;

17 41. On or about May 1, 2000, defendant WILKES gave
18 coconspirator Cunningham two personal checks (nos. 1039 and 1040) in
19 the amounts of \$70,000 and \$30,000, respectively, made payable to
20 "Duke Cunningham," as a bribe, which was disguised as a purchase of
21 Cunningham's yacht, the Kelly C;

22 42. On or about May 1, 2000, at coconspirator Cunningham's
23 direction, his Legislative Director sent a memo to a House
24 Appropriations Committee staffer indicating that the FIRES and GIDC
25 programs were among the Congressman's highest priorities;

26 43. On or about May 15, 2000, coconspirator Cunningham
27 filed a United States House of Representatives Financial Disclosure
28 Statement for Calendar Year 1999, which improperly failed to list all

1 payments and benefits received from defendant WILKES and coconspirator
2 Wade;

3 44. Beginning in August 2000, defendant WILKES paid two
4 charter jet companies thousands of dollars for flying coconspirator
5 Cunningham to various locations in the United States;

6 45. On or about September 6, 2000, defendant WILKES falsely
7 stated under oath that he had never given coconspirator Cunningham any
8 gifts;

9 46. From on or about October 31, 2000 through March 29,
10 2001, defendant WILKES directed an ADCS employee to use a personal
11 checking account to pay \$11,116.50 in monthly payments towards a
12 mortgage loan on the Kelly C held by coconspirator Cunningham;

13 47. On or about November 20, 2000, at coconspirator
14 Cunningham's direction, members of his staff contacted the Assistant
15 Secretary of Defense (C3I) regarding releasing money that was related
16 to the GIDC program;

17 48. In or about 2001, coconspirator Wade provided
18 coconspirator Cunningham with a Glock 9mm semiautomatic handgun;

19 49. On or about February 26, 2001, defendant WILKES paid
20 a variety of coconspirator Cunningham's expenses related to a Palm
21 Springs vacation, including his share of a dinner, lodging and golf
22 fees, using two different ADCS American Express credit cards;

23 50. On or about February 26, 2001, defendant WILKES
24 provided coconspirator Cunningham with the use of WILKES's corporate
25 jet to fly from Palm Springs, California, to San Diego, California;
26 the cost of which was paid using a Group W Transportation check (no.
27 1021) that included a charge of \$3,346 for this flight;

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1 51. On or about February 26, 2001, defendant WILKES
2 provided coconspirator Cunningham with the use of WILKES's corporate
3 jet to fly from San Diego, California, to Washington, D.C., the cost
4 of which was paid using a Group W Transportation check (no. 1021) that
5 included a charge of \$14,044.40 for this flight;

6 52. On or about February 26, 2001, defendant WILKES catered
7 an in-flight meal for coconspirator Cunningham and other guests that
8 included a cold seafood platter, grilled chicken or filet mignon, a
9 side salad and six bottles of Silver Oak Cabernet, three bottles of
10 Cakebread Chardonnay, and Samuel Adams Beer;

11 53. On or about March 13, 2001, defendant WILKES directed
12 an ADCS employee to install a GPS navigational system on coconspirator
13 Cunningham's yacht, the Kelly C, which included one NEC Versa SX
14 notebook computer valued at \$5,076, and internal mapping software
15 purchased from Maptech for \$606.80;

16 54. In or about April 2001, coconspirator Cunningham
17 summoned a Deputy Assistant Secretary of Defense (Resources) to
18 Cunningham's office and sternly lectured her about the need to
19 allocate more money to ADCS as she was not executing his vision.
20 Subsequently, Cunningham attempted to get the same Deputy Assistant
21 Secretary of Defense fired for not awarding to ADCS all the funds
22 appropriated to the NGIC FIRES program;

23 55. On or about May 15, 2001, coconspirator Cunningham
24 filed a United States House of Representatives Financial Disclosure
25 Statement for Calendar Year 2000, which improperly failed to list all
26 payments and benefits received from defendant WILKES and coconspirator
27 Wade;

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1 56. On or about July 31, 2001, in support of defendant
2 WILKES's request for Congressional appropriations, coconspirator
3 Cunningham wrote the Chair of the Defense Appropriations Subcommittee
4 seeking to maintain the level of funding for his "earmarks";

5 57. On or about August 19, 2001, defendant WILKES provided
6 coconspirator Cunningham and others with the use of WILKES's corporate
7 jet to fly from San Diego, California to Coeur d'Alene, Idaho; the
8 cost of which was paid using a Group W Transportation check (no. 1042)
9 that included a charge of \$5,302.07 for this flight;

10 58. From on or about August 19 through August 22, 2001,
11 defendant WILKES paid thousands of dollars in food, lodging and
12 entertainment expenses for coconspirator Cunningham, including but not
13 limited to a fully automatic machine gun shooting session (\$250), golf
14 equipment (\$802.24), and room charges at the Coeur d'Alene Resort
15 (\$2,286.13); the cost of which was paid using a Group W Advisors check
16 (no. 1025) and an ADCS American Express credit card;

17 59. On or about August 22, 2001, defendant WILKES provided
18 coconspirator Cunningham and others with the use of WILKES's corporate
19 jet to fly from Coeur d'Alene, Idaho to San Diego, California; the
20 cost of which was paid using a Group W Transportation check (no. 1042)
21 that included a charge of \$6,185.29 for this flight;

22 60. On or about October 12, 2001, defendant WILKES provided
23 coconspirator Cunningham with the use of WILKES's corporate jet to fly
24 from Manassas, Virginia to San Diego, California; the cost of which
25 was paid using a Group W Transportation check (no. 1047) that included
26 a charge of \$11,954.67 for this flight;

27 61. On or about October 15, 2001, defendant WILKES provided
28 coconspirator Cunningham with the use of WILKES's corporate jet to fly

1 from San Diego, California to Manassas, Virginia; the cost of which
2 was paid using a Group W Transportation check (no. 1047) that included
3 a charge of \$9,914.79 for this flight;

4 62. On or about October 31, 2001, coconspirator Wade gave
5 coconspirator Cunningham an MZM check (no. 2027) in the amount of
6 \$50,000 made payable to "Coastal Capital Corp.";

7 63. On or about November 16, 2001, coconspirator Wade
8 purchased for coconspirator Cunningham three night stands, one leaded
9 glass cabinet, one washstand, one buffet, and four armoires, which
10 were paid for with an MZM check (no. 2056) in the amount of \$12,000;

11 64. On or about November 16, 2001 through May 2005,
12 coconspirator Wade purchased for coconspirator Cunningham more than
13 \$50,000 worth of additional antiques, including silver candelabras,
14 glass vases, antique armoires, Persian-style carpets, and custom oak
15 and leaded glass doors;

16 65. On or about November 20, 2001, defendant WILKES
17 provided coconspirator Cunningham with the use of WILKES's corporate
18 jet to fly from Manassas, Virginia to San Diego, California; the cost
19 of which was paid using a Group W Transportation check (no. 1051) that
20 included a charge of \$10,956.60 for this flight;

21 66. In or about December 2001, Coconspirator No. 3 provided
22 Coastal Capital with \$200,000 in order to finance the down payment on
23 Cunningham's Arlington, Virginia condominium;

24 67. On or about December 3, 2001, Coconspirator No. 3
25 caused \$200,000 to be wired from Coastal Capital's Collateral Account
26 to an escrow account (no. 202995720) in the name of NVA Title, Inc.,
27 which was set up to facilitate the purchase of coconspirator
28 Cunningham's Arlington, Virginia condominium;

1 68. On or about December 4, 2001, coconspirator Cunningham
2 met with an Assistant Secretary of Defense (C3I) to discuss, among
3 other things: (1) the restoration of GIDC funds for fiscal year 2001;
4 (2) obtaining a dedicated funding line for the GIDC program; and (3)
5 maintaining a minimum of \$7 million in the GIDC program;

6 69. On or about December 10, 2001, defendant MICHAEL caused
7 an MZM check (no. 2027) in the amount of \$50,000 to be deposited into
8 Coastal Capital's business account at the North Fork Bank in
9 Bellerose, New York;

10 70. On or about December 14, 2001, coconspirator Cunningham
11 questioned the Deputy Director of JCAG as to why defendant WILKES was
12 not getting all the funding that was earmarked for the GIDC program;

13 71. On or about December 20, 2001, defendant MICHAEL issued
14 a Coastal Capital check (no. 32399) in the amount of \$50,000, which
15 he made payable to coconspirator "Duke Cunningham";

16 72. On or about December 27, 2001, in San Diego County,
17 California, coconspirator Cunningham deposited Coastal Capital's check
18 (no. 32399) in the amount of \$50,000 into Cunningham's joint bank
19 account at the Union Bank of California;

20 73. In or about January 2002, defendant WILKES provided
21 coconspirator Cunningham with an Anthrocart computer desk (valued at
22 \$738.40) for use in his Arlington, Virginia condominium;

23 74. On or about January 24, 2002, coconspirator Wade
24 purchased for coconspirator Cunningham a leather sofa and a sleigh-
25 style bed, using MZM's American Express credit card to make a payment
26 in the amount of \$6,632;

27 75. On or about February 5, 2002, coconspirator Wade
28 purchased for coconspirator Cunningham an antique Louis Phillipe

1 period commode, and a Restoration period commode, using an MZM check
2 (no. 2251) in the amount of \$7,200;

3 76. On or about March 26, 2002, coconspirator Cunningham
4 sought \$7.5 million for the Counterintelligence Deception Program (his
5 number one priority) and \$9 million for the GIDC program (his number
6 two priority) from the House Appropriations Committee during the 2003
7 fiscal year budget process;

8 77. On or about April 6, 2002, coconspirator Wade gave
9 coconspirator Cunningham a personal check (no. 4609) in the amount of
10 \$13,500 toward the purchase of a Rolls Royce, which Cunningham
11 deposited into his personal Congressional Federal Credit Union account
12 in Washington, D.C.;

13 78. On or about May 15, 2002, coconspirator Cunningham
14 filed a United States House of Representatives Financial Disclosure
15 Statement for Calendar Year 2001, which improperly failed to list all
16 payments and benefits received from defendant WILKES and coconspirator
17 Wade;

18 79. On or about August 18, 2002, defendant WILKES provided
19 coconspirator Cunningham and others with the use of WILKES's corporate
20 jet to fly from San Diego, California to Coeur d'Alene, Idaho; the
21 cost of which was paid using a Group W Transportation check (no. 1091)
22 that included a charge of \$8,768.88 for this flight;

23 80. From on or about August 18 through August 20, 2002,
24 defendant WILKES paid thousands of dollars in food, lodging and
25 entertainment expenses for coconspirator Cunningham at the Coeur
26 d'Alene Resort, in Coeur d'Alene, Idaho; which were part of a
27 \$16,382.20 hotel bill that WILKES paid using a Group W Advisors check
28 (no. 1192);

1 81. On or about August 21, 2002, defendant WILKES provided
2 coconspirator Cunningham and others with the use of WILKES's corporate
3 jet to fly from Coeur d'Alene, Idaho to San Diego, California; the
4 cost of which was paid using a Group W Transportation check (no. 1091)
5 that included a charge of \$8,768.88 for this flight;

6 82. On or about August 30, 2002, coconspirator Wade
7 purchased the "Duke-Stir" for coconspirator Cunningham's possession
8 and use, by using a \$140,000 bank check (no. 6330014624), which had
9 been previously purchased with MZM check (no. 2755);

10 83. On or about September 6, 2002, defendant WILKES paid
11 for a meal at the Capital Grille for coconspirator Cunningham and
12 others; using ADCS's American Express credit card to make a payment
13 in the amount of \$3,144.18;

14 84. On or about September 11, 2002, defendant WILKES
15 directed an ADCS employee to purchase an additional \$693.99 worth of
16 Nobletech software in order to update the GPS navigational system
17 installed on coconspirator Cunningham's yacht, the "Kelly C";

18 85. On or about September 19, 2002, coconspirator Wade paid
19 \$16,867.13 to a marine services company for repairs to coconspirator
20 Cunningham's yacht, the "Kelly C," using an MZM check (no. 2816);

21 86. On or about October 4, 2002, defendant WILKES provided
22 coconspirator Cunningham and others with the use of WILKES's corporate
23 jet to fly from Washington, D.C. ("Dulles"), to San Diego, California;
24 the cost of which was paid for using a Group W Transportation check
25 (no. 1095) that included a charge of \$11,774.03 for this flight;

26 87. On or about October 6, 2002, defendant WILKES provided
27 coconspirator Cunningham and others with the use of WILKES's corporate
28 jet to fly from San Diego, California to Washington, D.C. ("Dulles");

1 the cost of which was paid using a Group W Transportation check (no.
2 1095) that included a charge of \$9,975.18 for this flight;

3 88. On or about November 7, 2002, coconspirator Wade gave
4 coconspirator Cunningham a personal check (no. 4781) in the amount of
5 \$7,500 for yacht club fees, which Cunningham deposited into his
6 personal bank account at a Bank of America branch in Virginia;

7 89. On or about January 13, 2003, coconspirator Wade gave
8 coconspirator Cunningham two MZM checks (nos. 3247 and 3248), in the
9 amounts of \$3,000 and \$30,000, which Cunningham deposited into his
10 personal bank account at Union Bank of California in San Diego County,
11 California;

12 90. On or about January 26, 2003, in San Diego, California,
13 defendant WILKES gave coconspirator Cunningham two tickets to WILKES's
14 private box at Qualcomm Stadium for Superbowl XXXVII between the Tampa
15 Bay Buccaneers and the Oakland Raiders;

16 91. On or about March 28, 2003, coconspirator Cunningham
17 initially sought \$17.5 million for the Counterintelligence Deception
18 Program (his number one priority) and \$9 million for the GIDC program
19 (his number two priority) from the House Appropriations Committee
20 during the 2004 fiscal year budget process;

21 92. From on or about April 12 through April 15, 2003,
22 defendant WILKES paid thousands of dollars in food, lodging and
23 entertainment expenses for coconspirator Cunningham to vacation in Key
24 Largo, Florida, including but not limited to a fishing tournament and
25 an all-day diving trip; the cost of which was placed on two Group W
26 Advisors American Express credit cards;

27 93. On or about May 7, 2003, coconspirator Wade submitted
28 an invoice (no. 001A-2100/03) to the government requesting payment of

1 \$6,162,000 for supplying approximately \$700,000 worth of off-the-shelf
2 computer equipment to CIFA for the GIDC program;

3 94. On or about May 8, 2003, coconspirator Wade sold
4 coconspirator Cunningham a 1999 GMC Suburban for \$10,000, which was
5 well below the vehicle's actual market value;

6 95. On or about May 8, 2003, defendant WILKES paid for a
7 meal at the Capital Grille for coconspirator Cunningham and others;
8 using ADCS's American Express credit card to make a payment in the
9 amount of \$1,001.63;

10 96. On or about May 14, 2003, coconspirator Wade gave
11 coconspirator Cunningham an MZM check (no. 3652) in the amount of
12 \$8,000, which Cunningham deposited into his personal account at the
13 Congressional Federal Credit Union in Washington, D.C.;

14 97. On or about May 15, 2003, coconspirator Cunningham
15 filed a United States House of Representatives Financial Disclosure
16 Statement for Calendar Year 2002, which improperly failed to list all
17 payments and benefits received from defendant WILKES and coconspirator
18 Wade;

19 98. On or about June 2, 2003, coconspirator Wade (as the
20 prime contractor on the GIDC program during the 2003 fiscal year) paid
21 ADCS \$5,484,000 (as the subcontractor) for purchasing the
22 approximately \$700,000 worth of off-the-shelf computer equipment that
23 was delivered to CIFA as part of the GIDC program;

24 99. From on or about June 20 through 22, 2003,
25 coconspirator Wade paid \$4,631.33 to the Greenbrier Resort for
26 coconspirator Cunningham's lodging, meal and other expenses, using two
27 MZM checks (nos. 3611 and 3909);

28

1 100. On or about July 28, 2003, coconspirator Wade purchased
2 for coconspirator Cunningham two Laser Shot shooting simulators, the
3 cost of which was paid using an MZM check (no. 3956) to Laser Shot,
4 Inc., in the amount of \$9,200;

5 101. From on or about August 15 through 18, 2003, defendant
6 WILKES rented the Hapuna Suite (costing approximately \$6,600 per
7 night) at the Hapuna Beach Prince Hotel on the Island of Hawaii for
8 his use along with coconspirator Cunningham and one other guest;

9 102. On or about August 15, 2003, at approximately
10 5:00 p.m., defendant WILKES instructed an ADCS employee to obtain two
11 prostitutes for that evening and later provided the employee with \$600
12 in cash to pay for two hours of their services (not including tip);

13 103. On or about August 15, 2003, at approximately
14 6:30 p.m., defendant WILKES provided coconspirator Cunningham and
15 assorted other guests with a dinner served on the private lawn outside
16 the Hapuna Suite; which consisted of Seafood Gyozas of Kona Lobster,
17 Shrimp, Scallops, Seared Hawaiian Snapper, "Manoa" Lettuce Leaves, and
18 an open bar featuring fine wines;

19 104. On or about August 15, 2003, at approximately
20 11:00 p.m., Prostitutes "A" and "B" and their "driver" arrived at the
21 Hapuna Suite. Pursuant to defendant WILKES's instructions, an ADCS
22 employee escorted the prostitutes into the Suite and paid the driver
23 \$600 in cash;

24 105. On or about August 15, 2003, after approximately
25 15 minutes in the suite, defendant WILKES and coconspirator Cunningham
26 escorted Prostitutes "A" and "B" upstairs to separate rooms. At
27 approximately midnight, WILKES tipped Prostitute "A" \$500 for the
28 services;

1 106. On or about August 16, 2003, following a catered
2 breakfast (cost \$18 per person), defendant WILKES organized for
3 coconspirator Cunningham and his other guests an all-day dive trip on
4 a chartered boat;

5 107. On or about August 16, 2003, at approximately
6 5:00 p.m., defendant WILKES hosted a cocktail party (cost \$427.50) for
7 coconspirator Cunningham and his other guests;

8 108. On or about August 16, 2003, at approximately
9 6:30 p.m., defendant WILKES provided coconspirator Cunningham and his
10 other guests with dinner (cost: \$250 set-up fee, plus \$60 per person);

11 109. On or about August 16, 2003, at approximately
12 11:00 p.m., defendant WILKES arranged to have Prostitute "A" and
13 Prostitute "C" available for himself and coconspirator Cunningham.
14 Pursuant to Cunningham's request, WILKES arranged for the Congressman
15 to get a different prostitute for the second evening;

16 110. On or about August 16, 2003, at approximately
17 11:00 p.m., Prostitutes "A" and "C" and their "driver" arrived at the
18 Hapuna Suite. Pursuant to defendant WILKES's instructions, his
19 employee paid the driver \$600 in cash and escorted Prostitute "C" (who
20 had not previously been to the suite) to coconspirator Cunningham's
21 room. At approximately midnight, WILKES again tipped Prostitute "A"
22 \$500 for the services;

23 111. On or about August 17, 2003, following a catered
24 breakfast (cost \$21 per person), defendant WILKES organized a golf
25 tournament for coconspirator Cunningham and his other guests (\$124 per
26 person) at the Mauna Kea Golf Course;

27 112. On or about August 17, 2003, at approximately
28 4:00 p.m., defendant WILKES hosted another cocktail party (cost

1 \$463.40) and, at approximately 6:30 p.m., provided coconspirator
2 Cunningham and his other guests with another meal (cost: \$250 set-up
3 fee, plus \$85 per person);

4 113. On or about August 18, 2003, defendant WILKES hosted
5 a breakfast (cost: \$24 per person) for coconspirator Cunningham and
6 his other guests and then provided them with transportation to the
7 airport (cost: \$56);

8 114. On or about August 18, 2003, defendant WILKES directed
9 an ADCS employee to place the \$21,159.71 Hapuna Beach Prince Hotel
10 bill on a Group W Advisors American Express credit card;

11 115. On or about September 14, 2003, coconspirator Wade gave
12 coconspirator Cunningham a personal check (no. 4989) in the amount of
13 \$19,025, which Cunningham deposited into his personal bank account at
14 Union Bank of California in San Diego County, California;

15 116. On or about November 5, 2003, coconspirator Cunningham
16 signed a sales agreement for the sale of his Del Mar Home, which
17 reflected an inflated price of \$1.5 million and listed coconspirator
18 Wade as the buyer;

19 117. On or about November 6, 2003, coconspirator Wade agreed
20 to give coconspirator Cunningham an additional \$175,000, which
21 Cunningham subsequently applied toward the purchase of his Rancho
22 Santa Fe Home;

23 118. On or about November 7, 2003, coconspirator Cunningham
24 signed a second sales agreement for the Del Mar Home, which reflected
25 a further inflated price of \$1.675 million and concealed coconspirator
26 Wade's participation by removing his name and listing 1523 New
27 Hampshire Ave., LLC as the buyer;

28

1 119. On or about November 18, 2003, coconspirator Wade gave
2 coconspirator Cunningham a 1523 New Hampshire Ave., LLC check (no.
3 1027) in the amount of \$18,160.98, and authorized a wire transfer
4 (sequence no. 031118003135) in the amount of \$1,664,300, which were
5 credited to a Heritage Escrow Company escrow account (no. 21260) in
6 payment for Cunningham's Del Mar Home;

7 120. On or about November 25, 2003, coconspirator Cunningham
8 caused \$1,456,374 (the net proceeds from the sale of his Del Mar Home)
9 to be credited to a Heritage Escrow Company escrow account (no. 21256)
10 set up to purchase his Rancho Santa Fe Home;

11 121. On or about December 10, 2003, at coconspirator
12 Cunningham's direction, his Legislative Director contacted the Under
13 Secretary of Defense (Intelligence) requesting information as to
14 whether the DoD Comptroller had released \$16.15 million in
15 Congressionally authorized GIDC funding;

16 122. On or about December 31, 2003, coconspirator Wade gave
17 coconspirator Cunningham an MZM check (no. 4704) in the amount of
18 \$115,100 made payable to "Top Gun Enterprises, Inc.," which Cunningham
19 deposited into his personal bank account at Union Bank of California
20 in San Diego County, California;

21 123. On or about January 27, 2004, defendant WILKES paid for
22 a meal at the Capital Grille for coconspirator Cunningham and others;
23 using a Diner's Club Card to make a payment in the amount of
24 \$2,009.97;

25 124. In or about late January early February 2004, at
26 coconspirator Cunningham's direction, his Legislative Director
27 continued to contact members of the Office of the Secretary of Defense
28

1 ("OSD") seeking approximately \$16 million for MZM as part of the GIDC
2 program;

3 125. On or about February 24, 2004, coconspirator Cunningham
4 wrote a letter to the Director of the Counterintelligence Field
5 Activity ("CIFA") thanking his "staff for supporting the recent
6 execution of the [CIFA] Collaboration Center Program" and endorsing
7 and supporting the work done by MZM;

8 126. On or about February 26, 2004, coconspirator Wade paid
9 \$11,393.56 to a moving company for the shipment of coconspirator
10 Cunningham's household furnishings from Arlington, Virginia, to his
11 Rancho Santa Fe Home, using MZM's American Express credit card;

12 127. On or about March 8, 2004, coconspirator Cunningham
13 caused Capitol Title to transfer \$328,281.43 representing the proceeds
14 of the sale of his Arlington, Virginia condominium into his bank
15 account at a San Diego branch of the Union Bank of California;

16 128. On or about March 8, 2004, coconspirator Wade paid
17 approximately \$14,653.87 in airfare, lodging and meal expenses while
18 taking coconspirator Cunningham boat shopping in Florida;

19 129. On or about March 12, 2004, coconspirator Cunningham
20 received the household furnishings shipped to his Rancho Santa Fe
21 Home, which included antiques and other furnishings that Cunningham
22 had sought and received from coconspirator Wade;

23 130. In or about April 2004, defendant WILKES told
24 coconspirator Cunningham that he needed to receive a \$6 million
25 payment from coconspirator Wade (on a GIDC subcontract that MZM gave
26 to ADCS pursuant to Cunningham's direction) before he would send a
27 \$500,000 payment to coconspirator No. 3, which was to be used to pay
28 off the second mortgage held on Cunningham's Rancho Santa Fe Home;

1 131. In or about May 2004, defendant MICHAEL and
2 coconspirator No. 3 utilized cash proceeds from a fraudulent mortgage
3 obtained through Coastal Capital to pay off coconspirator Cunningham's
4 \$500,000 second mortgage on his Rancho Santa Fe Home;

5 132. On or about May 6, 2004, coconspirator Wade (as the
6 prime contractor on the GIDC program during the 2004 fiscal year)
7 directed MZM to pay ADCS \$5,970,000 for purchasing approximately
8 \$1,543,576 worth of off-the-shelf computer equipment that MZM
9 delivered to CIFA as part of the GIDC program;

10 133. On or about May 12, 2004 (the day after the MZM check
11 to ADCS cleared), defendant WILKES directed ADCS's corporate
12 controller to transfer \$525,000 from ADCS's main operating account
13 into a business account WILKES maintained in the name of WBR Equities;

14 134. On or about May 12, 2004, in San Diego, California,
15 defendant WILKES also instructed ADCS's corporate controller to then
16 wire the \$525,000 from the WBR Equities account to a bank account in
17 the name of Financial Company "A";

18 135. On or about May 12, 2004, defendant WILKES directed
19 ADCS's controller to classify the transfer from ADCS to WBR Equities
20 as a "loan" and the wire from WBR Equities to Financial Company "A"
21 as an "investment";

22 136. On or about May 13, 2004, Coconspirator No. 3 used the
23 \$525,000 wire from WBR Equities to recompense defendant MICHAEL and
24 Coconspirator No. 3 for using Coastal Capital's funds to pay off
25 coconspirator Cunningham's second mortgage on his Rancho Santa Fe
26 Home;

27 137. On or about May 17, 2004, coconspirator Cunningham
28 filed a United States House of Representatives Financial Disclosure

1 Statement for Calendar Year 2003, which improperly failed to list all
2 payments and benefits received from defendant WILKES and coconspirator
3 Wade;

4 138. On or about May 25, 2004, coconspirator Wade paid
5 \$2,081.30 related to coconspirator Cunningham's daughter's graduation
6 party using MZM's American Express credit card;

7 139. In or about June 2004, coconspirator Cunningham
8 initially sought \$18 million for the Counterintelligence Deception
9 Program and \$1 million for the CIPOC program from the House
10 Appropriations Committee during the 2005 fiscal year budget process;

11 140. In or about June 2004, coconspirator Wade gave \$6,500
12 in cash to coconspirator Cunningham;

13 141. On or about June 17, 2004, coconspirator Wade gave
14 coconspirator Cunningham an MZM check (no. 5606) in the amount of
15 \$18,000 made payable to "Top Gun Enterprises, Inc./R. Cunningham,"
16 which Cunningham deposited into his personal bank account at Union
17 Bank of California in San Diego County, California;

18 142. On or about August 25, 2004, coconspirator Wade gave
19 coconspirator Cunningham two MZM checks (nos. 6019 and 6023) in the
20 amounts of \$171,000 and \$329,000, respectively, made payable to "Top
21 Gun Enterprises, Inc. R.H. Cunningham," and endorsed by Cunningham -
22 that were transacted through Financial Company "A," which subsequently
23 assumed the mortgage payment obligations on Cunningham's Rancho Santa
24 Fe Home;

25 143. On or about September 15, 2004, coconspirator
26 Cunningham sent a letter to the Chairman of the HAC on behalf of
27 coconspirator Wade seeking the Chairman's support in obtaining \$16
28

1 million in funding for the Counterintelligence Deception Program
2 during the 2005 conference negotiations;

3 144. Between on or about November 29, 2004 and June 15,
4 2005, coconspirator No. 3 paid \$28,237.20 to Washington Mutual Bank
5 for monthly mortgage payments on coconspirator Cunningham's Rancho
6 Santa Fe home;

7 145. On or about January 23, 2005, coconspirator Wade paid
8 \$7,936.89 related to coconspirator Cunningham's stay at the Mandarin
9 Oriental in Washington, D.C., using MZM's American Express credit
10 card;

11 146. On or about March 15, 2005, coconspirator Cunningham
12 sent a letter to the Chairman of the HAC on behalf of coconspirator
13 Wade seeking \$25 million in funding for the MRG program during the
14 2006 budget cycle;

15 147. On April 27, 2005, coconspirator Cunningham wrote to
16 the Chairman of the House Permanent Select Committee on Intelligence
17 urging his support for, among others, his top priority, the MRG
18 program;

19 148. On or about May 12, 2005, coconspirator Cunningham
20 filed a United States House of Representatives Financial Disclosure
21 Statement for Calendar Year 2004, which improperly failed to list all
22 payments and benefits received from defendant WILKES and coconspirator
23 Wade;

24 149. On or about May 16, 2005, in Escondido, California,
25 coconspirator Cunningham received one Indo Herati, one Karaja, one
26 Indo Keshan, and two Cino Kerman rugs with a combined value of
27 approximately \$15,200, which coconspirator Wade had paid for with an
28 MZM (check no. 7423); and

1 means of wire communications, certain writings, signs, signals and
2 sounds as alleged below (Column "B"):

	(A)	(B)	
	<u>COUNT</u>	<u>DATE</u>	<u>ITEM</u>
3			
4			
5	2	4/11/02	Golf Confirmation Agreement faxed from Coeur d'Alene Resort in Coeur d'Alene, Idaho, to ADCS in San Diego, California
6			
7	3	8/2/02	Group Delegate Report reflecting coconspirator Cunningham's arrival date faxed from Coeur d'Alene Resort in Coeur d'Alene, Idaho, to ADCS in San Diego, California
8			
9	4	3/7/03	Email regarding GIDC and NIMA 2004 appropriation requests sent via electronic mail from ADCS in San Diego, California to coconspirator Cunningham's Legislative Director in Washington, D.C.
10			
11			
12	5	3/30/03	Email regarding a Congressional authorization for the GIDC program sent via electronic mail from coconspirator Cunningham's Legislative Director in Washington, D.C., to Group W Advisors in San Diego, California
13			
14			
15	6	3/31/03	Purchase Order with Bill of Materials sent via telefax from coconspirator Wade in Washington, D.C. to defendant WILKES in San Diego, California
16			
17			
18	7	4/7/03	Email regarding ADCS subcontract with MZM sent via electronic mail from coconspirator Wade in Washington, D.C., to an ADCS employee in Chantilly, Virginia and defendant WILKES in San Diego, California
19			
20			
21	8	4/17/03	Financial Statement and letter sent via electronic mail from ADCS in San Diego, California with a copy sent to an ADCS employee in Chantilly, Virginia
22			
23	9	5/2/03	Email regarding ADCS subcontract with MZM sent via electronic mail from defendant WILKES in San Diego, California to coconspirator Wade in Washington, D.C.
24			
25	10	6/6/03	Email GIDC and NIMA submissions sent via electronic mail from coconspirator Cunningham's Legislative Director to ADCS in San Diego, California
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	(A)	(B)
<u>COUNT</u>	<u>DATE</u>	<u>ITEM</u>
11	8/1/03	A reservation for defendant WILKES at the Hapuna Beach Prince Hotel for three adults (daily room rate \$6,000 per night exclusive of taxes) sent via telefax from Mauna Kea Resort in Hawaii to ADCS in San Diego, California
12	2/20/04	GIDC Chronology sent via electronic email from Group W Advisors in San Diego, California to coconspirator Cunningham's Legislative Director in Washington, D.C., with a copy sent to defendant WILKES at ADCS in San Diego, California
13	2/24/04	Email regarding 2005 House Request Forms sent via electronic mail from coconspirator Cunningham's Legislative Director in Washington, D.C., to Group W Advisors in San Diego, California
14	3/17/04	Purchase Order with Bill of Materials sent via telefax from coconspirator Wade in Washington, D.C. to defendant WILKES in San Diego, California
15	3/19/04	House Subcommittee on Defense Appropriations fiscal year 2005 Request Forms sent via electronic mail from Group W Advisors in San Diego, California to coconspirator Cunningham's Legislative Director, with a copy sent to defendant WILKES at ADCS in San Diego, California
16	5/11/04	Fax cover sheet with instructions regarding "the investment you are looking to make" sent via telefax from Financial Company "A" in New York to defendant WILKES in San Diego, California
17	5/12/04	Wire transfer of \$525,000 from WBR Equities, LLC. to Financial Company "A"'s account at the North Fork Bank, Bellerose, New York
18	8/9/04	Letter and wiring instructions sent via telefax from defendant WILKES in San Diego, California to Financial Company "A" in New York

All in violation of Title 18, United States Code, Sections 1343, 1346 and 2.

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Count 19

Bribery of a Public Official

(Defendant WILKES)

23. The introductory allegations set forth in paragraphs 1 through 16, subparagraphs "a" through "k" of paragraph 18, and paragraph 19 of this Indictment are hereby realleged as if fully set forth herein.

24. Beginning no later than September 1996, and continuing through about August 2005, within the Southern District of California and elsewhere, defendant BRENT ROGER WILKES, coconspirator Wade, and others did corruptly give, offer and promise items of value to coconspirator Cunningham, a Member of the United States Congress, with the intent to influence his official acts; in violation of Title 18, United States Code, Sections 201(b)(1)(A) and 2.

Counts 20

Money Laundering

(Defendant WILKES)

25. The introductory allegations set forth in paragraphs 1 through 16, subparagraphs "a" through "k" of paragraph 18, and paragraph 19 of this Indictment are hereby realleged as if fully set forth herein.

26. On or about the date below, within the Southern District of California and elsewhere, defendant BRENT ROGER WILKES, coconspirator No. 3, and others, did knowingly conduct and attempt to conduct a financial transaction affecting interstate commerce, knowing that the transaction (listed below) involved the proceeds of some form of unlawful activity, which, in fact, involved the proceeds of a Specified Unlawful Activity, that is, Honest Services Wire Fraud in

1 violation of Title 18, United States Code, Sections 1343 and 1346, and
2 Bribery of a Public Official in violation of Title 18, United States
3 Code, Section 201 (b)(1)(A), and knowing that each transaction was
4 designed in whole or in part to conceal and disguise the nature,
5 location, source, ownership, and control of the proceeds of said
6 Specified Unlawful Activities:

<u>Count</u>	<u>Date</u>	<u>Transaction</u>
20	5/12/04	Wire Transfer of \$525,000 from WBR Equities in San Diego, California to Financial Company "A" in Rosedale, New York; which was to be used to pay off the second mortgage on Cunningham's Rancho Santa Fe home

12 All in violation of Title 18, United States Code,
13 Sections 1956(a)(1)(B)(i), and 2.

14 **Counts 21 and 22**

15 **Money Laundering**

16 (Defendant WILKES)

17 27. The introductory allegations set forth in paragraphs 1
18 through 16, subparagraphs "a" through "k" of paragraph 18, and
19 paragraph 19 of this Indictment are hereby realleged as if fully set
20 forth herein.

21 28. On or about the following dates, within the Southern
22 District of California and elsewhere, defendant BRENT ROGER WILKES,
23 coconspirator No. 3, and others, did knowingly conduct and attempt to
24 conduct a financial transaction affecting interstate commerce, knowing
25 that the transactions involved the proceeds of some form of unlawful
26 activity, which, in fact, involved the proceeds of a Specified
27 Unlawful Activity, that is, Honest Services Wire Fraud in violation
28 of Title 18, United States Code, Sections 1343 and 1346, and Bribery

1 of a Public Official in violation of Title 18, United States Code,
2 Section 201(b)(1)(A), with the intent to promote the carrying on of
3 said Specified Unlawful Activities:

<u>Count</u>	<u>Date</u>	<u>Transaction</u>
21	6/4/03	Deposit of \$5,484,000 MZM check (no. 3762) into ADCS's corporate Merrill Lynch Bank account
22	5/7/04	Deposit of \$5,970,000 MZM check (no. 5470) into ADCS's corporate Merrill Lynch Bank account

10 All in violation of Title 18, United States Code,
11 Sections 1956(a)(1)(A)(i), and 2.

12 **Counts 23 through 25**

13 **UNLAWFUL MONETARY TRANSACTIONS**

14 (Defendant WILKES)

15 29. The introductory allegations set forth in paragraphs 1
16 through 16, subparagraphs "a" through "k" of paragraph 18, and
17 paragraph 19 of this Indictment are hereby realleged as if fully set
18 forth herein.

19 30. On or about the following dates, within the Southern
20 District of California and elsewhere, defendant BRENT ROGER WILKES,
21 coconspirator No. 3, and others, did knowingly engage and attempt to
22 engage in a monetary transaction by, through, or to a financial
23 institution, affecting interstate and foreign commerce, in criminally
24 derived property of a value greater than \$10,000, such property having
25 been derived from a Specified Unlawful Activity, that is, Honest
26 Services Wire Fraud in violation of Title 18, United States Code,
27 Sections 1343 and 1346, and Bribery of a Public Official in violation
28 of Title 18, United States Code, Section 201 (b)(1)(A):

Count	Date	Transaction
23	6/4/03	Deposit of \$5,484,000 MZM check (no. 3762) into ADCS's corporate Merrill Lynch Bank account
24	5/7/04	Deposit of \$5,970,000 MZM check (no. 5470) into ADCS's corporate Merrill Lynch Bank account
25	5/12/04	Wire Transfer of \$525,000 from WBR Equities in San Diego, California to Financial Company "A" in Rosedale, New York; which was to be used to pay off the second mortgage on Cunningham's Rancho Santa Fe home

All in violation of Title 18, United States Codes, Sections 1957, and 2.

Count 26

Obstruction of Justice

(Defendant MICHAEL)

31. The introductory allegations set forth in paragraphs 1 through 16, subparagraphs "a" through "k" of paragraph 18, and paragraph 19 of this Indictment are hereby realleged as if fully set forth herein.

32. Beginning in or about June 2005, a federal grand jury sitting in the Southern District of California was conducting an investigation to determine whether violations of Title 18, United States Code, Sections 201, 1343, 1346, 1956, 1957, among others, had been committed, and to identify the persons who had committed, caused the commission of, and conspired to commit such violations. It was material to the grand jury investigation to determine the source of funds used to: (1) purchase coconspirator Cunningham's Arlington, Virginia condominium; and (2) pay off the mortgages on his Rancho Santa Fe home.

1 33. From on or about August 2, 2005 through at least August 12,
2 2005, in the Southern District of California and elsewhere, defendant
3 JOHN THOMAS MICHAEL did corruptly and with improper purpose endeavor
4 to influence and impede a federal grand jury investigation by
5 knowingly and intentionally doing, among other things, the following:
6 (1) providing false and misleading testimony to the grand jury
7 regarding the source of the down payment for coconspirator
8 Cunningham's purchase of the Arlington Condominium; (2) providing
9 false and misleading testimony to the grand jury concerning
10 Cunningham's \$500,000 second mortgage on his Rancho Santa Fe Home,
11 including but not limited to, testimony about the issuance, servicing,
12 sale, and payoff of the mortgage; and (3) causing to be provided to
13 the grand jury, in response to subpoenas, documents that had been
14 altered and created to distort the transactions that the documents
15 purported to reflect.

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

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1 **FORFEITURE ALLEGATIONS**

2 (Defendants WILKES and MICHAEL)

3 1. Upon conviction of one or more of the felony offenses
4 alleged in Counts 1 (limited to the objects set forth in paragraphs
5 17 "a" and "b") through 19 of this Indictment and pursuant to
6 Title 18, United States Code, Section 981(a)(1)(C) and Title 28,
7 United States Code, Section 2461(C), defendants BRENT ROGER WILKES and
8 JOHN THOMAS MICHAEL shall forfeit to the United States, pursuant to
9 Title 18, United States Code, Section 981(a)(1)(C) and Title 28,
10 United States Code, Section 2461(C), any property constituting or
11 derived from proceeds traceable to said violations, including but not
12 limited to \$12,029,000 in United States currency.

13 2. Upon conviction of one or more of the felony offenses
14 alleged in Counts 20 through 25 of this Indictment, and pursuant to
15 Title 18, United States Code, Section 982(a)(1) and Rule 32.2, Federal
16 Rules of Criminal Procedure, defendant BRENT ROGER WILKES and JOHN
17 THOMAS MICHAEL shall forfeit to the United States all right, title and
18 interest in any and all property involved in the money-laundering
19 activity, in violation of Title 18, United States Code,
20 Sections 1956(a)(1)(A)(i), 1956(a)(1)(B)(i), and 1957, and all
21 property traceable to such property, including the following: All
22 money or other property that was the subject of each transaction in
23 violation of Sections 1956 and 1957, including but not limited to
24 \$12,029,000.

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