

RCUD  
2/1/01  
12:00 pm

**Criminal Number:** 07-76 (m4)

## VIOLATION

**Count One**  
**18 U.S.C. § 371**  
**(Conspiracy)**

**Count Two**  
**18 U.S.C. §§ 201 and 2**  
**(Bribery)**

**Count Three**  
**18 U.S.C. §§ 201 and 2**  
**(Bribery)**

**Count Four**  
**18 U.S.C. §§ 201 and 2**  
**(Bribery)**

**Counts Five through Fifteen**  
**18 U.S.C. §§ 1343, 1346 and 2**  
**(Honest Services Wire Fraud)**

**Count Sixteen**  
**18 U.S.C. §§ 2314 and 2**  
**(Interstate Transport of Stolen Property)**

**Count Seventeen**  
**18 U.S.C. § 2314**  
**(Interstate Transport of Stolen Property)**

**Count Eighteen**  
**18 U.S.C. § 2314**  
**(Interstate Transport of Stolen Property)**

**Count Nineteen**  
**18 U.S.C. § 2314**  
**(Interstate Transport of Stolen Property)**

**Count Twenty**  
**31 U.S.C. § 5332 and 18 U.S.C. § 2**

FEB - 1 2007

AT 8:30 \_\_\_\_\_ M  
WILLIAM T. WALSH  
CLERK

: (Bulk Cash Smuggling)  
 :  
 : Counts Twenty-One through  
 : Twenty-Four  
 : 18 U.S.C. §§ 1956(a)(1)(B)(ii) and 2  
 : (Money Laundering)  
 :  
 : Count Twenty-Five  
 : 26 U.S.C. § 7206(2)  
 : (Aiding and Assisting in the Preparation  
 : and Presentation of a False and  
 : Fraudulent Return)  
 :  
 : Criminal Forfeiture  
 :  
 : 18 U.S.C. §§ 981(a)(1)(c) & 982  
 : 26 U.S.C. § 5872  
 : 28 U.S.C. § 2461(c)  
 : 31 U.S.C. § 5332

## INDICTMENT

The Grand Jury, in and for the District of New Jersey, sitting at Trenton, charges that at all times relevant to this Indictment:

### COUNT ONE Conspiracy 18 U.S.C. § 371

#### I. INTRODUCTION

##### A. The Coalition Provisional Authority

1. In May 2003, the United States and the United Kingdom created the Coalition Provisional Authority ("CPA") to temporarily exercise powers of government for the Republic of Iraq. The President of the United States appointed a United States Ambassador to serve as the United States Presidential Envoy to Iraq. Thereafter, the United States Secretary of Defense designated the U.S. Ambassador/Envoy to serve as the Administrator of the CPA.

and the civil governing authority of Iraq. The CPA was divided into five regions with each region having a United States Regional Embassy Office ("US-REO") and a United States Ambassador, who served as the regional advisor overseeing the reconstruction efforts and financial expenditure of CPA funds in the region.

2. In 2003, Congress appropriated \$698 million in initial funding to the CPA for its daily operating budget. Thereafter, the CPA conducted its operations and awarded contracts for projects intended to promote Iraq's reconstruction from several funding sources, including over \$24.1 billion in funds appropriated in 2003 and 2004 by Congress from the General Funds of the United States as well as \$2.1 billion in repatriated Iraqi funds that were confiscated by the United States during the Gulf War in 1990. The United States deposited \$210 million of the repatriated funds into a CPA account known as the Development Fund for Iraq ("DFI") which also held over \$1 billion in Iraqi funds derived from Oil for Food sales. All of these CPA funds were designated for the promotion of reconstruction projects in Iraq and administered by and under the authority of the Administrator and the United States Army.
3. The CPA was primarily staffed by Department of Defense ("DoD") employees, including civilians and members of the military forces detailed to the CPA, as well as DoD contractors and subcontractors, who were responsible for the management, accounting, and expenditure of CPA funds.
4. The United States Army and the United States Army Reserve were components of the DoD.

B. The Defendants

5. Defendant CURTIS G. WHITEFORD was a Colonel in the United States Army Reserve, who resided in Utah. From at least in or about September 2003 until at least in or about July 2004, WHITEFORD served on active duty for the U.S. Army and was assigned to the US-REO in the CPA's South Central ("CPA-SC") region in Al-Hillah, Iraq.

WHITEFORD's duties included, among others, serving as the Chief of Staff and Deputy Regional Advisor for the CPA-SC. In this capacity, WHITEFORD served as the second most senior official at the CPA-SC and was responsible for supervising CPA-SC personnel, who awarded contracts related to the reconstruction of Iraq and made payments for the CPA-SC in al-Hillah, Iraq and elsewhere. WHITEFORD had supervisory responsibility for and oversaw the contracting processes for all CPA-SC projects, including project development, selection, funding, and tracking spending of CPA-SC funds for CPA-SC expenditures. WHITEFORD had direct responsibility for running the CPA-SC offices and, from time to time, served as the Regional Ambassador's liaison between contractors and the CPA and between the CPA and Iraqi nationals.

6. Defendant DEBRA M. HARRISON was a Lieutenant Colonel in the United States Army Reserve, who resided in Trenton, New Jersey. From at least in or about February 2003 until at least in or about July 2004, HARRISON served on active duty for the U.S. Army and was assigned to a U.S. Army Civil Affairs until approximately April 2004, when she was reassigned to the US-REO in the CPA-SC region in al-Hillah, Iraq, where she remained until at least in or about July 2004. At the CPA-SC, HARRISON served as the Deputy Comptroller and, for a period, as the acting Comptroller for the CPA-SC, in

which capacity she oversaw the expenditure of CPA funds for Iraq reconstruction projects by the CPA-SC.

7. Defendant MICHAEL B. WHEELER was a Lieutenant Colonel in the United States Army Reserve, who resided in Wisconsin. From at least in or about October 2003 until at least in or about July 2004, WHEELER served on active duty for the U.S. Army and was assigned to the US-REO in the CPA-SC region in al-Hillah, Iraq. WHEELER served as the Deputy Civil Administrator and Deputy Chief of Staff for the CPA-SC. In these capacities, WHEELER served as an advisor and project officer on CPA projects for the reconstruction of Iraq. His duties, among others, included recommending the expenditure of CPA funds for CPA-sponsored projects, ensuring that awarded contracts had been satisfactorily performed, and facilitating payments to contractors for services performed on the awarded contracts.

8. Defendants HARRISON and WHEELER worked under the supervision and direction of defendant WHITEFORD.

9. Defendant SEYMOUR MORRIS, JR. was a United States citizen, who owned and operated a Cyprus-based financial services business and resided in Romania.

C. The Co-Conspirators

10. Robert Stein ("Stein") was a DoD contract employee who served in various positions at the CPA-SC from in or about November 2003 until in or about June 2004, including Comptroller and Funding Officer, under the supervision and direction of defendant WHITEFORD. Stein controlled the expenditure of at least \$82 million in funds that were to be used for the payment of contract services rendered in al-Hillah, Iraq, for the

rebuilding of Iraq by the CPA-SC. Stein disbursed cash to CPA project officers and contractors that received contracts from the CPA.

11. Philip Bloom ("Bloom") was a United States citizen. From in or about November 2003 through in or about 2005, Bloom operated and controlled construction and service companies, including Global Business Group, in Iraq, Romania, and elsewhere that did business with the CPA, DoD and other U.S. agencies in Iraq and elsewhere.
12. Bruce D. Hopfengardner ("Hopfengardner") was a Lieutenant Colonel in the United States Army Reserve. From in or about August 2003 until in or about June 2004, Hopfengardner served on active duty for the U.S. Army and was assigned to the US-REO in the CPA-SC region in al-Hillah, Iraq. Hopfengardner served as a project officer under the supervision and direction of defendant WHITEFORD, and his duties included, among others, recommending the expenditure of CPA funds by CPA-SC officials for CPA contracts related to the reconstruction of Iraq, as well as overseeing and managing CPA-SC security and the procurement of equipment and weapons for the local Iraqi police force.

D. CPA Contracting and Grant Rules

13. In order to enter into contracts and award grants for the rebuilding of Iraq, the CPA used both DoD and CPA-specific contracting forms and procedures. The CPA promulgated its procedures in several CPA Contracting Memoranda which mirrored the competition, transparency, and accountability standards applicable to federally-funded DoD contracts. The CPA required that all contracts valued over \$500,000 be reviewed by the CPA

Program Review Board in Baghdad, Iraq. Contracts under \$500,000 could be approved by the regional CPA offices, such as the CPA-SC.

14. DoD and CPA regulations prohibited military personnel from accepting gifts or other things of value from contractors doing business with DoD or the CPA.

## **II. THE CONSPIRACY**

15. From in or about December 2003 through in or about December 2005, in the District of New Jersey, the Republic of Iraq, and elsewhere, the Defendants,

**CURTIS G. WHITEFORD,  
DEBRA M. HARRISON,  
MICHAEL B. WHEELER, and  
SEYMOUR MORRIS, JR.,**

did knowingly conspire, confederate and agree with Bloom, Hopfengardner, Stein, and other persons known and unknown to the Grand Jury, to commit offenses against the United States, that is, to:

- a. directly and indirectly, corruptly demand, seek, receive, accept, and agree to receive and accept things of value, that is, among other things, business class plane tickets, real estate, liquor, a sports car, sport utility vehicles, a motorcycle, a recreational vehicle, weapons, tactical gear, jewelry, money, and employment from Bloom, in return for being influenced in the performance of official acts in violation of 18 U.S.C. § 201;
- b. devise and intend to devise a scheme and artifice to defraud and to deprive the United States and the CPA of money, property, and their intangible right to the honest services of DoD officials assigned to and working for and with the CPA

through the use of the mail and interstate wires, in violation of 18 U.S.C. §§ 1341, 1343, and 1346;

- c. transport, transmit, and transfer in interstate and foreign commerce goods, wares, merchandise, securities and money, of the value of \$5,000 or more knowing the same to have been stolen, converted and taken by fraud, in violation of 18 U.S.C. § 2314; and
- d. knowingly receive and possess firearms not registered to them in the National Firearms Registration and Transfer Record, in violation of 26 U.S.C. § 5861(d).

### **III. PURPOSE OF THE CONSPIRACY**

- 16. The purpose of the conspiracy was for WHITEFORD, HARRISON, WHEELER, MORRIS, Bloom, Hopfengardner, Stein, and their co-conspirators to enrich and reward themselves, each other, and entities under Bloom's control, by committing criminal offenses against the United States, and to conceal the conspiracy and its objects and the acts undertaken in furtherance of it.

### **IV. MANNER AND MEANS OF THE CONSPIRACY**

- 17. To further the objects and goals of the conspiracy, WHITEFORD, HARRISON, WHEELER, MORRIS, Bloom, Hopfengardner, Stein, and their co-conspirators would, among other things, do the following:
  - a. Recommend at least twenty-seven CPA construction projects in Iraq that were steered to Bloom and his companies through a rigged bidding process.
  - b. Use official positions to cause, or authorize, payment of over \$8,000,000 by the CPA to Bloom and his companies.



- c. Structure the contracts awarded to Bloom and his companies in amounts under \$500,000, which was the dollar limit of all CPA-SC contracting officers' contracting authority, and avoid scrutiny by the CPA's contract review board and its auditors in Baghdad, Iraq, and others.
- d. Rig the bids on the contracts to allow Bloom to submit both legitimate and fake bids on CPA-SC contracts in order to conceal the contract transactions with Bloom and his companies.
- e. Solicit and accept money and other things of value, including, among other things, business class plane tickets, real estate, liquor, a sports car, sport utility vehicles, a motorcycle, a recreational vehicle, weapons, tactical gear, jewelry, money, and employment from Bloom in return for taking or refraining from taking official action that was favorable to Bloom and his companies.
- f. Steal, convert, or obtain by fraud over \$1,700,000 from the CPA that was designated for use in the reconstruction of Iraq and smuggle at least \$500,000 of the stolen funds into the United States for personal benefit.
- g. Provide Bloom with stolen CPA-SC funds to be used for the purchase of things of value for WHITEFORD, HARRISON, WHEELER, Stein, Hopfengardner and other CPA-SC officials.
- h. Cause over \$1 million in wire transfers, including stolen CPA funds, to be sent to or for the benefit of the co-conspirators, including HARRISON, MORRIS, Stein, Hopfengardner, and others or their spouses or persons acting on their behalf,

drawn on Bloom's accounts or accounts under his control in Iraq, Romania, Switzerland, the United States, and elsewhere.

- i. Obtain weapons purchased with stolen CPA funds and convert them to their personal use.
- j. Conceal the bid-rigging scheme by creating fraudulent receipts and other contract documents that were provided to CPA auditors.

#### V. OVERT ACTS

In furtherance of the conspiracy and to achieve its purposes, WHITEFORD, HARRISON, WHEELER, MORRIS, Bloom, Hopfengardner, Stein and others committed the following overt acts, among others, in the District of New Jersey, the Republic of Iraq, and elsewhere:

18. On or about December 31, 2003, Bloom e-mailed Stein, telling Stein that Bloom had already sent funds for the purchase of watches for Stein and others and would check on the status of the payment.
19. On or about January 1, 2004, Bloom e-mailed Stein, directing him to "line up [WHEELER] and get [Hopfengardner] on board."
20. On or about January 2, 2004, Stein e-mailed Bloom, telling him, "[b]etween Mike [WHEELER], myself and the Corps of Engineers we should be able to develop the scopes of work to make sure things line up to you! I gave the Corps guys each a pistol tonight to make sure they were on board and to thank them for their help."
21. On or about January 3, 2004, Stein e-mailed Bloom, telling him, "FYI, [WHEELER] and I got the contract through of rhte (sic) ground prep at the police academy. I will give you 200K sometime tomorrow afternoon! I love to give you money."

22. On or about January 7, 2004, Bloom e-mailed WHEELER, informing him that Bloom would provide WHEELER with bottles of liquor and asking WHEELER for favorable official action in getting Bloom contracts and payments from the CPA.
23. On or about January 7, 2004, WHEELER accepted bottles of liquor from Bloom in al-Hillah, Iraq.
24. On or about January 13, 2004, Stein e-mailed Bloom, providing Bloom with Stein's bank account information and the bank's address in North Carolina.
25. On or about January 14, 2004, Stein e-mailed Bloom, telling him, "I spoke with . . . WHEELER and he said he still needed [the] rest of the information on the next part of the police academy so he can finish it up. I would like to get that one awarded to you ASAP then we can start [on] the next part."
26. On or about January 14, 2004, Bloom e-mailed WHEELER, informing him that he had additional liquor for WHEELER and that he would deliver the liquor to WHEELER himself and asking WHEELER for favorable official action in getting Bloom contracts and payments from the CPA.
27. On or about January 14, 2004, WHEELER accepted bottles of liquor from Bloom in al-Hillah, Iraq.
28. On or about January 15, 2004, Bloom wire transferred \$30,000 from his accounts in Iraq to Stein's bank account in North Carolina.
29. On or about January 22, 2004, WHEELER, at Bloom's request, allowed Bloom to mislead CPA-SC officials about a CPA project he was performing by using photographs

from another CPA project to describe work accomplished by Bloom's companies in order for Bloom to secure additional CPA work.

30. On or about January 26, 2004, Bloom e-mailed WHEELER a bid proposal for a CPA-SC contract.
31. On or about January 26, 2004, WHEELER e-mailed Bloom, informing Bloom that his bid on a CPA-SC contract had to be in the name of one of Bloom's other companies in order for WHEELER to award the contract to Bloom.
32. On or about January 26, 2004, Stein signed a DoD Standard Form 1449 contract with a U.S. arms manufacturer based in Sterling, Virginia that provided that the CPA-SC would purchase weapons that were to be delivered to Fort Bragg, North Carolina, including, among others: four grenade launchers; twenty fully automatic machine guns; twelve assault rifles; twelve handguns; and silencers.
33. On or about the following dates in 2004, as set out below, WHEELER submitted numerous CPA funding requests for construction work to be performed in al-Hillah, Iraq by Bloom and his companies pursuant to CPA-SC contracts, and thereafter, WHEELER signed numerous Certificates of Completion certifying that the work on these CPA-SC contracts was "satisfactorily completed" and that Bloom or his companies should be paid even though Bloom had not fully performed the contracts. The total value of the following funding requests submitted by WHEELER for CPA-SC contracts payable to Bloom was approximately \$1,700,000.

<b>Date</b>	<b>Contract No.</b>	<b>Contracted Services</b>	<b>Official Action - Submission of Document</b>
January 2, 2004	8003	Radio Studio Construction	Request Form
January 3, 2004	8016	Police Academy Building Demolition	Request Form
January 5, 2004	8023	Regional Tribal Center	Request Form
January 15, 2004	8063	Generator	Request Form
January 17, 2004	8064	Police Academy Classroom Construction	Request Form
January 22, 2004	8070	Police Academy Office Building-Water System	Request Form
January 22, 2004	8069	Police Academy Security Wall	Request Form
January 26, 2004	8136	Babylon Foot Bridge	Request Form
January 31, 2004	8089	Mobile Command Post	Certification of Completion
January 31, 2004	8091	Mobile Command Post	Certification of Completion
February 1, 2004	8092	Police Academy Conference - Living Quarters	Request Form
February 1, 2004	8093	Police Academy Living Quarters	Request Form
February 19, 2004	8167	Demolition Ba'ath Party Headquarters	Certification of Completion
February 19, 2004	8165	Karbala Generator	Certification of Completion
February 19, 2004	8165	Karbala Generator	Request Form
February 20, 2004	8169	Karbala Women's Center	Request Form
February 23, 2004	8169	Building Improvements	Certification of Completion
February 24, 2004	8174	Tribal Democracy Center Office Furniture	Request Form
February 26, 2004	8174	Tribal Democracy Center Office Furniture	Certification of Completion

March 3, 2004	8023	Tribal Democracy Center	Certification of Completion
March 28, 2004	8345	Karbala Library Internet	Request Form
March 28, 2004	8339	Karbala Library Repairs	Request Form
March 29, 2004	8342	Karbala Library Landscaping	Request Form
March 29, 2004	8343	Karbala Library Furniture	Request Form
March 30, 2004	8092	Generator - Sleeping Quarters	Certification of Completion
March 30, 2004	8090	Tribal Democracy Center Generator	Certification of Completion
April 30, 2004	8023-2	Regional Tribal Center 2	Request Form
June 16, 2004	None	Pool	Request Form
June 16, 2004	8265	Security Facility Upgrades	Certification of Completion
June 16, 2004	8169	Karbala Women's Center	Request Form
June 18, 2004	8169	Karbala Women's Center	Certification of Completion
June 18, 2004	8136	Mobile Foot Bridge	Certification of Completion

34. On or about February 4, 2004, Stein e-mailed Bloom, providing him with the banking information for an arms manufacturer in Illinois and informing Bloom that Stein would be providing Bloom with additional banking information for other arms manufacturers in the United States.
35. On or about February 18, 2004, Bloom e-mailed Stein, confirming that Bloom had named Stein Vice President of Operations for one of Bloom's companies.
36. On or about February 19, 2004, Stein e-mailed Bloom, telling Bloom that Stein had received several high-end Breitling watches that Bloom had purchased and had sent to Stein.

37. On or about February 19, 2004, Stein e-mailed Bloom, confirming that, as he and Bloom had agreed, Stein had given a \$3,200 Breitling watch to Hopfengardner.
38. On or about February 19, 2004, Stein e-mailed Bloom, stating that Stein was going to give a Breitling watch to WHITEFORD, and asking if Bloom agreed that they should give WHITEFORD a Breitling watch.
39. On or about February 19, 2004, Bloom e-mailed a response to Stein, confirming that Bloom agreed that Stein should give a Breitling watch to WHITEFORD.
40. In or about February 2004, WHITEFORD accepted a \$3,200 Breitling watch from Stein that was paid for by Bloom.
41. In or about February 2004, WHITEFORD accepted \$10,000 in stolen CPA-SC funds from Stein.
42. On or about February 29, 2004, WHITEFORD appointed Stein to be responsible for monitoring, assistance, projects and program management in police issues for the CPA-SC, including equipment distribution and accountability.
43. In or about February 2004, WHITEFORD used stolen CPA funds to purchase a round-trip business class ticket for his return to his home in Utah.
44. In or about February 2004, WHITEFORD traveled to the United States and carried with him several thousand U.S. dollars given to him by Stein from stolen CPA-SC funds, which he then provided to his spouse.
45. In or about March 2004, Hopfengardner accepted a \$3,000 Toshiba laptop computer for his personal use from Stein paid for by Bloom with stolen CPA-SC funds.

46. In or about March 2004, WHITEFORD accepted a \$3,000 Toshiba laptop computer for his personal use from Stein paid for by Bloom with stolen CPA-SC funds.
47. On or about March 3, 2004, Stein e-mailed Bloom, confirming that WHITEFORD had the CPA-SC project list and that WHITEFORD had recently been in Stein's office talking to Stein about assisting Bloom with Bloom's development of an airline company in Iraq.
48. On or about March 3, 2004, Bloom e-mailed a response to Stein, explaining that WHITEFORD had the CPA-SC project list and that WHITEFORD should be excited that Bloom and Stein were setting WHITEFORD up in a new business.
49. On or about March 6, 2004, Bloom e-mailed WHITEFORD, offering him a job as president of a new airline company that Bloom was creating in Iraq.
50. On or about March 6, 2004, WHITEFORD e-mailed a response to Bloom, explaining that WHITEFORD could not accept the job while on active duty but agreed to assist Bloom with the airline company by agreeing to "go to Baghdad and search out the appropriate offices/ministries and processes for obtaining permits/licenses for operations, landing rights, FBOs, etc."
51. On or about March 6, 2004, WHITEFORD again e-mailed Bloom, assuring Bloom that WHITEFORD was still interested in the airline company job and that WHITEFORD was going to assist Bloom in obtaining licenses and permits and help Bloom get the company "off the ground."
52. On or about March 25, 2004, WHITEFORD e-mailed Hopfengardner, Stein, and another DoD official, advising them that the name of a private security company to be run by WHITEFORD, Bloom, Stein, Hopfengardner, and others was "Anaconda" and that the



- "[k]ey objectives of the company are making money while allowing us to look cool and have cool stuff. That ought to be easy to do."
53. On or about March 27, 2004, WHITEFORD e-mailed Stein, informing Stein that WHITEFORD wanted a business class ticket to travel from Iraq to his home in Salt Lake City, Utah with a departure date of May 22, 2004.
  54. On or about March 29, 2004, Stein forwarded to Bloom WHITEFORD's e-mail requesting a business-class ticket home and provided Bloom with a proposed ticket and flight schedule for Bloom to purchase for WHITEFORD.
  55. On or about March 29, 2004, Bloom wire transferred \$140,000 from his bank account in Romania to a real estate company's escrow bank account in North Carolina for the benefit of Stein.
  56. On or about March 30, 2004, Hopfengardner e-mailed WHITEFORD, Stein, and another DoD official, advising them about obtaining several e-mail addresses for them to use to help manage a private security company to be run by WHITEFORD, Bloom, Stein, Hopfengardner, and others.
  57. In or about April 2004, Stein smuggled in excess of \$117,000 in stolen CPA funds from Iraq into the United States.
  58. In or about April 2004, Bloom, through one of his companies, purchased a business class airline ticket for WHITEFORD with stolen CPA funds.
  59. On or about April 5, 2004, WHITEFORD, at Stein's direction, signed a letter on CPA-SC letterhead in his capacity as Chief of Staff which authorized the purchase with CPA-SC

funds of numerous firearms and grenade launchers to be shipped to Ft. Bragg, North Carolina.

60. On or about April 5, 2004, in a weapons purchase authorization letter, WHITEFORD certified that he was "authorized to order, purchase, and receive" the weapons and that the weapons were by and for the CPA when WHITEFORD knew that the weapons were to be converted in part for a private security company run by WHITEFORD, Bloom, Stein, Hopfengardner, and others.
61. On or about April 5, 2004, WHITEFORD, at Stein's direction, signed a letter authorizing the purchases of numerous weapons including two sniper rifles that were purchased in the names of others in Minnesota and Wisconsin and ultimately converted to the personal use of Stein and WHEELER in North Carolina and Wisconsin.
62. On or about April 9, 2004, WHITEFORD, at Stein's direction, signed a letter in his official capacity authorizing the purchase of firearms and related equipment knowing that these weapons and equipment were actually being diverted in part for a private security company run by WHITEFORD, Bloom, Stein, Hopfengardner, and others.
63. On or about April 22, 2004, WHITEFORD met with HARRISON in al-Hillah, Iraq to ensure that she had prepared the CPA-SC's books in advance of a CPA Inspector General audit of all contracts and disbursements of funds for the CPA-SC scheduled for early May 2004.
64. On or about April 28, 2004, MORRIS wire transferred \$60,000 for Bloom from his bank account in Cyprus to an automobile dealer's bank account in North Carolina for the benefit of Stein.

65. On or about May 5, 2004, Bloom wire transferred \$10,000 from his bank account in Iraq to Hopfengardner's bank account in California.
66. On or about May 7, 2004, Bloom e-mailed MORRIS, informing him that he wanted to purchase a 2004 GMC Yukon Denali for \$40,000 and that he would pay MORRIS a \$5,000 commission.
67. On or about May 9, 2004, Stein e-mailed Hopfengardner, stating, "With things winding down we need to make sure [Bloom] gets 10 - 12 sets of everything. Vests, helmets so on and so forth. Remember, you have 400 sets of carriers reroute (sic) and should be there any day. We need to talk about a few other things too."
68. On or about May 12, 2004, WHITEFORD e-mailed another DoD official telling him, "the fact that all the money was not disbursed is a good thing at this point. Between . . . Stein we need to nail down the exact numbers for each grant. Having done that, we marry the money with the files and, voila, we move on to the next crisis."
69. On or about May 19, 2004, at Stein's direction, HARRISON took approximately \$420,000 in U.S. funds from the CPA-SC office and hid the money in her official residence in al-Hillah, Iraq.
70. On or about May 21, 2004, WHITEFORD received a round-trip business class ticket for travel from Kuwait to Salt Lake City, Utah, obtained for him through Stein and paid for by Bloom with stolen CPA funds.
71. On or about May 26, 2004, WHITEFORD e-mailed CPA-SC staff, including HARRISON, informing them that members of the CPA Inspector General audit team would be visiting the CPA-SC the following day to review CPA-SC contract and grant

funding records, telling the staff, "I got this at 8:09 PM tonight. Apparently they will be here tomorrow for a short time. Nothing I can do to prepare you other than what we've already done."

72. On or about May 30, 2004, WHITEFORD e-mailed Bloom, providing Bloom information about Bloom starting up an airline and stating, "I hope this is helpful and leads to the right answers. . . . If I can stop in the FAA office again for you let me know."
73. On or about May 31, 2004, WHITEFORD e-mailed Bloom, providing a detailed description of a 350 Z Nissan sports car that WHITEFORD wanted Bloom to purchase for him and telling Bloom, "I appreciate your help with this and your help while in Iraq."
74. On or about May 31, 2004, Bloom e-mailed MORRIS, instructing him to locate a Nissan 350 Z sports car and have it delivered to WHITEFORD in Riverton, Utah.
75. On or about June 1, 2004, HARRISON e-mailed Stein, WHITEFORD and another CPA-SC official, relaying WHEELER's inability to find contract receipts and stating that she hoped to have left the CPA-SC by the time the CPA's Inspector General returned to the CPA-SC to conduct a full audit of the CPA-SC's contracting.
76. On or about June 1, 2004, a CPA-SC official e-mailed WHITEFORD, asking him what he wanted her and HARRISON to do about a contractor's request for payment and the lack of receipts that WHEELER had mentioned in an initial e-mail to her and HARRISON .
77. On or about June 1, 2004, WHITEFORD e-mailed the CPA-SC official, WHEELER, and HARRISON, instructing them to work with other CPA-SC officials to "see if they can scare up some receipts" to satisfy the contractor and the CPA Inspector General's audit

team.

78. On or about June 2, 2004, WHITEFORD e-mailed Bloom, asking Bloom for a Sport Utility Vehicle.
79. On or about June 2, 2004, Bloom e-mailed Stein, stating that he had bought a GMC Yukon for Hopfengardner but that WHITEFORD was only getting a Nissan 350 Z sports car, because WHITEFORD had not been able to get Bloom all of the aviation licenses necessary to startup Bloom's airline company.
80. On or about June 2, 2004, Bloom wire transferred \$35,000 from his bank account in Iraq to Hopfengardner's bank account in California.
81. In or about June 2004, WHITEFORD prepared an official CPA memorandum authorizing Stein to transport at least \$250,000 in cash from the CPA-SC back to the United States.
82. In or about June 2004, Stein smuggled in excess of \$100,000 in stolen CPA funds from Iraq into the United States.
83. On or about June 8, 2004, a CPA official e-mailed WHITEFORD, HARRISON, Stein, and other CPA officials, informing them that the CPA Inspector General audit team was arriving at the CPA-SC on June 12, 2004, and was planning on meeting with HARRISON, Stein, and other CPA officials about CPA-SC contracting.
84. On or about June 9, 2004, in response to an e-mail to WHITEFORD, Stein and others about the CPA Inspector General audit team visit, Stein e-mailed WHITEFORD, discussing CPA-SC contracting and funding records and stating, "I hope I have your total support in rectifying anything the [audit] team might come across. . . ."
85. On or about June 13, 2004, HARRISON authorized the payment of \$35,000 in CPA

- funds on a CPA-SC contract for the construction of the Babylon Foot Bridge, to GBGLD, a company controlled by Bloom.
86. On or about June 15, 2004, at the request and direction of Stein and Bloom, HARRISON, while serving as Acting Comptroller for the CPA-SC, provided WHEELER with approximately \$150,000 in CPA funds to pay Bloom on a CPA-SC project which Bloom had not performed.
87. On or about June 18, 2004, HARRISON authorized the payment of \$36,000 in CPA funds on a CPA-SC contract for improvements to the Women's Rights Center, to Global Business Group, a company controlled by Bloom.
88. On or about June 20, 2004, WHITEFORD contacted MORRIS and informed him that WHITEFORD wanted the Nissan 350 Z sports car being purchased for him by Bloom to be the touring model with manual transmission, cargo convenience package, and other high-end vehicle options.
89. On or about June 20, 2004, WHITEFORD e-mailed Bloom, asking Bloom when WHITEFORD could expect Bloom to purchase and deliver the 350 Z sports car to WHITEFORD in Utah.
90. On or about June 26, 2004, Bloom e-mailed WHITEFORD, telling him that MORRIS had found the car that WHITEFORD wanted and instructed WHITEFORD to have Hopfengardner contact Bloom.
91. On or about July 2, 2004, HARRISON and WHEELER smuggled at least \$330,000 in stolen CPA funds from Iraq to New York aboard a commercial business class flight paid for by Bloom with stolen CPA-SC funds.

92. On or about July 2, 2004, during their travel from Iraq to New York and then to North Carolina, HARRISON paid for WHEELER's hotel accommodations in Kuwait and North Carolina with stolen CPA funds.
93. On or about July 2, 2004, WHEELER accepted \$1,000 in stolen CPA funds from HARRISON.
94. On or about July 2, 2004, Stein e-mailed HARRISON, discussing HARRISON's providing \$1,000 in stolen CPA funds to WHEELER and advising HARRISON to keep WHEELER "undercontrol (sic) with the pick up of items. . . ."
95. On or about July 3, 2004, Stein e-mailed HARRISON, discussing HARRISON's and WHEELER's smuggling cash into the United States.
96. On or about July 3, 2004, Stein e-mailed HARRISON, reassuring HARRISON that their scheme to smuggle stolen CPA funds into the United States would not be discovered by authorities.
97. On or about July 6, 2004, Bloom wire transferred \$25,000 from his account in Iraq to a bank account in North Carolina for the benefit of Stein.
98. On or about July 7, 2004, WHEELER in North Carolina took possession of numerous weapons and related weaponry that were authorized for purchase by WHITEFORD and Stein, including, at least, eleven handguns, four silencers, thirty-one automatic machine guns, and four grenade launchers, none of which were registered to WHEELER in the National Firearms Registration and Transfer Record and were paid for by Bloom with stolen CPA funds, and transported them to his hotel room in the Fayetteville, North Carolina area.

99. On or about July 10, 2004, WHEELER, HARRISON and Stein transported weapons, including, at least, eleven handguns, four silencers, thirty-one automatic machine guns, and four grenade launchers, none of which were registered to them in the National Firearms Registration and Transfer Record and were paid for by Bloom with stolen CPA funds, from WHEELER's hotel room in Fayetteville, North Carolina to Stein's garage at his home in Hope Mills, North Carolina.
100. On or about July 10, 2004, at Stein's residence in Hope Mills, North Carolina, WHEELER took possession of at least three handguns, two automatic assault rifles, and one silencer from Stein, which were not registered to WHEELER in the National Firearms Registration and Transfer Record.
101. On or about July 10, 2004, at Stein's residence in Hope Mills, North Carolina, HARRISON took possession of two handguns from Stein.
102. In or about July 2004, WHEELER transported the weapons he accepted from Stein from North Carolina to WHEELER's home in Wisconsin.
103. In or about July 2004, HARRISON transported the weapons she accepted from Stein from North Carolina to HARRISON's home in Trenton, New Jersey.
104. On or about July 23, 2004, HARRISON e-mailed Bloom, telling him "Bob [Stein] let me know you are taking care of me.... You know I am on the North East Coast and you know I am you (sic) (as well as Bob's), so if you ever need me to do something for you don't hesitate to ask."
105. On or about July 24, 2004, Bloom e-mailed HARRISON, informing her that he was in the process of providing her with a vehicle.



106. On or about July 26, 2004, Stein, at HARRISON's request, mailed narcotic prescription drugs from North Carolina to HARRISON in Trenton, New Jersey.
107. On or about August 3, 2004, Bloom e-mailed HARRISON, informing her that he was sending her descriptions of three cars and for her to choose the one she wanted.
108. On or about August 5, 2004, MORRIS e-mailed Bloom and told him that he had found a car for HARRISON.
109. On or about August 5, 2004, Bloom e-mailed MORRIS, providing MORRIS with HARRISON's e-mail and telling him to contact her to see if she liked the vehicle that MORRIS had found for HARRISON.
110. On or about August 6, 2004, MORRIS e-mailed Bloom, telling him that the car that HARRISON wanted was in Trenton, New Jersey and that it cost \$48,788.
111. On or about August 6, 2004, Bloom e-mailed MORRIS, responding that Bloom would pay the quoted price for HARRISON's vehicle and that Bloom was wiring \$55,000 to MORRIS's bank account.
112. On or about August 7, 2004, HARRISON e-mailed MORRIS, Bloom, Stein, and another person, telling MORRIS that she was at an automobile dealership in Trenton, New Jersey and was attaching banking instructions to her e-mail for MORRIS to use to wire money to the automobile dealer's bank account.
113. On or about August 9, 2004, HARRISON mailed approximately \$30,000 in stolen CPA funds from Trenton, New Jersey to Stein in North Carolina.
114. On or about August 10, 2004, MORRIS wire transferred \$9,348 for the benefit of HARRISON from his bank account in Cyprus to an automobile dealer's bank account in

Trenton, New Jersey.

115. On or about August 17, 2004, HARRISON e-mailed Bloom and Stein, offering to help Bloom account for weapons at the CPA-SC and advising Bloom not to worry about a United States Department of State audit of weapons at the CPA-SC.
116. On or about August 19, 2004, MORRIS wire transferred \$9,348 for the benefit of HARRISON from his bank account in Cyprus to an automobile dealer's bank account in Trenton, New Jersey.
117. On or about August 20, 2004, HARRISON e-mailed MORRIS, discussing MORRIS sending wire transfers to an automobile dealer in Trenton, New Jersey in amounts under \$10,000 for the benefit of HARRISON.
118. On or about August 24, 2004, MORRIS wire transferred \$9,348 for the benefit of HARRISON from his bank account in Cyprus to an automobile dealer's bank account in Trenton, New Jersey.
119. On or about August 24, 2004, MORRIS wire transferred \$9,348 for the benefit of HARRISON from his bank account in Cyprus to an automobile dealer's bank account in Trenton, New Jersey.
120. On or about August 24, 2004, MORRIS e-mailed Stein, confirming that HARRISON's car had been paid for and the money was in the automobile dealer's bank account in Trenton, New Jersey.
121. On or about August 25, 2004, MORRIS wire transferred \$9,348 for the benefit of HARRISON from his bank account in Cyprus to an automobile dealer in Trenton, New Jersey.

122. On or about August 25, 2004, HARRISON e-mailed MORRIS, informing him that the car dealership was waiting for a final payment of \$9,476 for the car being purchased for her by Bloom.
123. On or about August 25, 2004, HARRISON in Trenton, New Jersey accepted a Cadillac Escalade paid for by Bloom via wire transfers from bank accounts in Cyprus controlled by MORRIS.
124. On or about August 27, 2004, Bloom wire transferred \$69,620 to an arms manufacturer in Virginia.
125. On or about August 28, 2004, HARRISON e-mailed Bloom, telling Bloom that he could tell certain CPA-SC officials that she authorized certain work to be performed by Bloom even though HARRISON had no knowledge of and did not authorize the work to be performed.
126. On or about September 2, 2004, HARRISON e-mailed Bloom, informing him, "The truck is Great!!! I needed a new truck. My old truck is a 1991 with well over 150,000 miles on it. People I work with cannot stop commenting on how much they love it. It drives real smooth like a sedan. As you know, Bob [Stein] and I stay in touch. He told me the way these State Dept guys are jerking you around. . . . So don't worry about the State Dept jerks. If there were any smoking guns, they would have been found months ago. . . ."
127. On or about September 3, 2004, HARRISON e-mailed Stein, telling him, "Did you get this message? I'll send you what you need, but we need to talk. Can I count on Phil [Bloom] for payback? I have nothing other than what I carried out. I have no investments like you do and I get paid badly where I work. You know I'm your friend

- and I will always stand by you, but I need to know how much I'll end up with in the end."
128. On or about September 7, 2004, HARRISON mailed approximately \$30,000 in stolen CPA funds from Trenton, New Jersey to Stein in North Carolina.
129. On or about September 13, 2004, MORRIS wire transferred \$124,962 in stolen CPA funds provided to him by Bloom from MORRIS's bank account in Cyprus to a recreation vehicle dealer's bank account in Georgia for the benefit of Stein.
130. On or about September 18, 2004, Stein e-mailed Bloom offering to assist him with getting paid on a CPA contract by getting WHEELER to help them, stating, "I will contact Mike Wheeler, he needs a few favor from me [sic]. . . ."
131. On or about September 23, 2004, Stein, at HARRISON'S request, mailed narcotic prescription drugs from North Carolina to HARRISON in Trenton, New Jersey.
132. In or about 2004, WHEELER and others at WHEELER'S direction falsified certain Firearms Dealer's License documents and had at least two sniper rifles shipped from an arms manufacturer in Minnesota to Wisconsin.
133. In or about September 2004, WHEELER, in Wisconsin, obtained at least two sniper rifles, paid for with approximately \$10,000 in stolen CPA funds that were wired to the arms dealer in Minnesota by Bloom.
134. In or about September 2004, WHEELER transported a sniper rifle from Wisconsin to North Carolina and delivered it to Stein.
135. On or about October 7, 2004, HARRISON e-mailed Stein, informing him that she would help Stein and Bloom with a CPA Inspector General audit of the CPA-SC in exchange for Stein and Bloom's providing her with a car.

136. On or about October 7, 2004, Stein, at HARRISON'S request, mailed narcotic prescription drugs from North Carolina to HARRISON in Trenton, New Jersey.
137. On or about October 8, 2004, Bloom e-mailed Stein, asking Stein to obtain WHEELER's assistance in getting Bloom and his companies paid on a CPA contract, stating "Contact Mike W. And make sure he backs up this story for the library."
138. On or about October 18, 2004, HARRISON e-mailed WHEELER, informing WHEELER that she had spoken with Stein about obtaining approval of certain military awards and evaluation reports for HARRISON and WHEELER and that WHEELER should talk with Stein about the awards and documents being approved.
139. On or about October 20, 2004, Bloom wire transferred \$32,900 from his account in Switzerland to Stein's bank account in North Carolina.
140. On or about October 23, 2004, Stein, at HARRISON'S request, mailed narcotic prescription drugs from North Carolina to HARRISON in Trenton, New Jersey.
141. On or about January 20, 2005, HARRISON mailed approximately \$30,000 in stolen CPA funds from Trenton, New Jersey to Stein in North Carolina.
142. On or about May 2, 2005, Stein, at HARRISON's request, mailed narcotic prescription drugs from North Carolina to HARRISON in Trenton, New Jersey.
143. On or about September 28, 2005, WHITEFORD used computer software to erase files and e-mails from his laptop computer prior to providing it to law enforcement agents.
144. On or about October 3, 2005, WHITEFORD, during a voluntary interview with federal law enforcement officers, falsely stated that he was unaware of problems with the bidding process at the CPA-SC and he thought it was a coincidence that all of the contracts

awarded to Bloom for the Al Hillah Police Academy were in amounts below \$500,000 – Stein's funding limit.

145. On or about November 30, 2005, HARRISON, during a voluntary interview with federal law enforcement officers, falsely denied that she was aware that Stein received monies from Bloom.
  146. On or about November 30, 2005, HARRISON, during a voluntary interview with federal law enforcement officers, falsely denied receiving weapons and smuggling U.S. currency into the United States from Iraq.
  147. On or about November 30, 2005, HARRISON from New Jersey telephoned WHEELER in Wisconsin and informed WHEELER that federal agents had searched her home in Trenton, New Jersey and asked her questions about her conduct, CPA funds, and weapons in Iraq.
  148. On or about November 30, 2005, in Amherst Junction, Wisconsin, WHEELER was found in possession of firearms paid for with stolen CPA funds, including, among others, one automatic assault rifle, one sniper rifle, and two handguns, not registered to him in the National Firearms Registration and Transfer Record.
  149. On or about December 14, 2005, in Trenton, New Jersey, HARRISON was found in possession of firearms paid for with stolen CPA funds, including two handguns.
- All in violation of Title 18, United States Code, Section 371.

**COUNT TWO**

**Bribery**

**18 U.S.C. §§ 201 and 2**

150. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.

151. From in or about December 2003 through in or about December 2005, in the Republic of Iraq, outside of any particular judicial district, and elsewhere, defendant

**CURTIS G. WHITEFORD,**

as a public official, directly and indirectly, did corruptly demand, seek, receive, accept, and agree to receive and accept things of value, in return for being influenced in the performance of official acts and for being induced to do and omit to do acts in violation of an official duty; that is, WHITEFORD solicited and agreed to accept, among other things, a Nissan 350 Z sports car, a sport utility vehicle, money, a business class airline ticket, a laptop computer, tactical gear, a Breitling watch, and an offer of employment from Bloom in return for providing favorable official action regarding CPA contracts involving Bloom and Bloom's companies.

All in violation of Title 18, United States Code, Sections 201(b)(2)(A) & (C) and 3238.

**COUNT THREE**

**Bribery**

**18 U.S.C. §§ 201 and 2**

152. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
153. From in or about December 2003 through in or about December 2005, in the District of New Jersey, the Republic of Iraq, and elsewhere, defendant

**DEBRA M. HARRISON,**

as a public official, directly and indirectly, did corruptly demand, seek, receive, accept, and agree to receive and accept things of value, in return for being influenced in the performance of official acts and for being induced to do or omit to do acts in violation of an official duty, that is HARRISON accepted, among other things, a Cadillac Escalade,

money, and a business class airline ticket in return for providing favorable official action regarding CPA contracts involving Bloom and Bloom's companies.

All in violation of Title 18, United States Code, Sections 201(b)(2)(A) & (C) .

**COUNT FOUR**

**Bribery**

**18 U.S.C. §§ 201 and 2**

154. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
155. From in or about December 2003 through in or about December 2005, in the Republic of Iraq, outside of any particular judicial district, and elsewhere, defendant

**MICHAEL B. WHEELER,**

as a public official, directly and indirectly, did corruptly demand, seek, receive, accept, and agree to receive and accept things of value, in return for being influenced in the performance of official acts and for being induced to do and omit to do acts in violation of an official duty; that is, WHEELER accepted, among other things, bottles of liquor, tactical gear, and a business class airline ticket from Bloom, in return for providing favorable official action regarding CPA contracts involving Bloom and Bloom's companies.

All in violation of Title 18, United States Code, Sections 201(b)(2)(A) & (C) and 3238.

**COUNTS FIVE THROUGH FIFTEEN**

**Honest Services Wire Fraud**

**18 U.S.C. §§ 1343, 1346 and 2**

156. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.

**The Wire Fraud Scheme**

157. From in or about December 2003 through in or about December 2005, in the District of



New Jersey, the Republic of Iraq, and elsewhere, the Defendants,

**CURTIS G. WHITEFORD,  
DEBRA M. HARRISON,  
MICHAEL B. WHEELER, and  
SEYMOUR MORRIS, JR.,**

together with Bloom, Hopfengardner, Stein, and other persons known and unknown to the Grand Jury, aiding and abetting each other, devised and intended to devise a scheme and artifice: a) to defraud the DoD and to obtain money and property by means of false and fraudulent pretenses and representations; b) to defraud the CPA and to obtain money and property by means of false and fraudulent pretenses and representations; c) to defraud and deprive the DoD and the CPA of their right to the honest and faithful services of WHITEFORD, HARRISON, WHEELER, and other DoD employees detailed to and working for the CPA, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, conflict of interest and concealment.

Purpose of the Scheme

158. The purpose of the scheme was for defendants WHITEFORD, HARRISON, WHEELER, MORRIS and others to enrich themselves by stealing, converting, and taking by fraud money and property from the CPA and by soliciting and accepting things of value from Bloom and his companies in return for favorable official action in derogation of their duty of honest and faithful services to the DoD and the CPA.

Manner and Means of the Scheme

159. Paragraph 17 of Count One of this Indictment is re-alleged as if set forth in full.

Wire Communications

160. On or about the dates set forth below, for the purpose of executing the scheme and artifice

to defraud, WHITEFORD, HARRISON, WHEELER, MORRIS, Bloom, Stein, Hopfengardner, aided and abetted by each other, transmitted and caused to be transmitted by means of wire in interstate and foreign commerce the following wire communications in the form of writings, signs, signals, pictures, and sounds as set forth for in each count:

COUNT	Defendant	Interstate Wire Communication	Date On or About
<u>5</u>	HARRISON MORRIS WHEELER WHITEFORD	E-mail sent by Stein from North Carolina to HARRISON in New Jersey discussing HARRISON's and WHEELER's smuggling cash into the United States	July 3, 2004
<u>6</u>	HARRISON MORRIS WHEELER WHITEFORD	E-mail sent by Stein from North Carolina to HARRISON in New Jersey discussing CPA auditors' review of CPA contracts	July 3, 2004
<u>7</u>	HARRISON MORRIS WHEELER WHITEFORD	E-mail sent by HARRISON from New Jersey to MORRIS in Romania, Bloom in Iraq, Stein in North Carolina, and another person in New Jersey informing MORRIS that HARRISON was at an automobile dealership in Trenton, New Jersey and that HARRISON was attaching banking instructions to the e-mail for the purchase of MORRIS wiring money to the automobile dealer's bank account	August 7, 2004
<u>8</u>	HARRISON MORRIS WHEELER WHITEFORD	Wire Transfer of \$9,348 by MORRIS for benefit of HARRISON from a bank in Cyprus to the bank account of an automobile dealer in New Jersey	August 10, 2004
<u>9</u>	HARRISON MORRIS WHEELER WHITEFORD	E-mail sent by HARRISON in New Jersey to Bloom in Iraq offering to help Bloom account for weapons at the CPA-SC	August 17, 2004

<u>10</u>	<b>HARRISON MORRIS WHEELER WHITEFORD</b>	Wire Transfer of \$9,348 by MORRIS for benefit of HARRISON from a bank in Cyprus to the bank account of an automobile dealer in New Jersey	August 19, 2004
<u>11</u>	<b>HARRISON MORRIS WHEELER WHITEFORD</b>	E-mail sent by HARRISON in New Jersey to Stein in North Carolina discussing MORRIS sending payments to an automobile dealer in Trenton, New Jersey under \$10,000	August 20, 2004
<u>12</u>	<b>HARRISON MORRIS WHEELER WHITEFORD</b>	Wire Transfer of \$9,348 by MORRIS for benefit of HARRISON from a bank in Cyprus to the bank account of an automobile dealer in New Jersey	August 24, 2004
<u>13</u>	<b>HARRISON MORRIS WHEELER WHITEFORD</b>	Wire Transfer of \$9,348 by MORRIS for benefit of HARRISON from a bank in Cyprus to the bank account of an automobile dealer in New Jersey	August 24, 2004
<u>14</u>	<b>HARRISON MORRIS WHEELER WHITEFORD</b>	Wire Transfer of \$9,348 by MORRIS for benefit of HARRISON from a bank in Cyprus to the bank account of an automobile dealer in New Jersey	August 25, 2004
<u>15</u>	<b>HARRISON MORRIS WHEELER WHITEFORD</b>	Telephone call from HARRISON in New Jersey to WHEELER in Wisconsin about Federal Agents Searching HARRISON's home in Trenton, New Jersey	November 30, 2005

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

**COUNT SIXTEEN**  
**Interstate Transportation of Stolen Property**  
**18 U.S.C. §§ 2314 and 2**

161. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
162. On or about July 2, 2004, in the District of New Jersey, the Republic of Iraq, and elsewhere, the Defendants,

**DEBRA M. HARRISON and**  
**MICHAEL B. WHEELER,**

aided and abetted by each other, did unlawfully transport, transmit and transfer in interstate and foreign commerce, goods, wares, merchandise, securities and money, of the value of \$5,000 or more, that is approximately \$330,000 in U.S. currency from outside the United States to a place within the United States, knowing the same to have been stolen, converted and taken by fraud.

All in violation of Title 18, United States Code, Sections 2314 and 2.

**COUNT SEVENTEEN**  
**Interstate Transportation of Stolen Property**  
**18 U.S.C. § 2314**

163. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
164. On or about August 9, 2004, in the District of New Jersey and elsewhere, defendant

**DEBRA M. HARRISON,**

did unlawfully transport, transmit and transfer in interstate and foreign commerce, goods, wares, merchandise, securities, and money of the value of \$5,000 or more, that is approximately \$30,000 in U.S. currency from New Jersey to North Carolina, knowing the same to have been stolen, converted and taken by fraud.

All in violation of Title 18, United States Code, Section 2314.

**COUNT EIGHTEEN**  
**Interstate Transportation of Stolen Property**  
**18 U.S.C. § 2314**

165. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
166. On or about September 7, 2004, in the District of New Jersey and elsewhere, defendant

**DEBRA M. HARRISON,**

did unlawfully transport, transmit and transfer in interstate and foreign commerce, goods, wares, merchandise, securities, and money of the value of \$5,000 or more, that is approximately \$30,000 in U.S. currency from New Jersey to North Carolina, knowing the same to have been stolen, converted and taken by fraud.

All in violation of Title 18, United States Code, Section 2314.

**COUNT NINETEEN**  
**Interstate Transportation of Stolen Property**  
**18 U.S.C. § 2314**

167. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
168. On or about January 20, 2005, in the District of New Jersey and elsewhere, defendant

**DEBRA M. HARRISON,**

did unlawfully transport, transmit and transfer in interstate and foreign commerce, goods, wares, merchandise, securities, and money of the value of \$5,000 or more, that is approximately \$30,000 in U.S. currency from New Jersey to North Carolina, knowing the same to have been stolen, converted and taken by fraud.

All in violation of Title 18, United States Code, Section 2314.

**COUNT TWENTY**  
**Bulk Cash Smuggling**  
**31 U.S.C. § 5332 and**  
**18 U.S.C. § 2**

169. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
170. On or about July 2, 2004, within the District of New Jersey, the Republic of Iraq, and elsewhere, the Defendants,

**DEBRA M. HARRISON and**  
**MICHAEL B. WHEELER,**

aided and abetted by each other, did knowingly and with intent to evade the funds reporting requirements under Title 31, United States Code, Sections 5316(a)(1)(A) and 5316(b), conceal more than \$10,000 in funds and other monetary instruments on their persons and in articles of luggage and other containers, and transport and transfer such funds and monetary instruments from a place outside the United States to a place within the United States.

All in violation of Title 31, United States Code, Section 5332 and Title 18, United States Code, Section 2.

**COUNTS TWENTY-ONE THROUGH TWENTY-FOUR**  
**Money Laundering**  
**18 U.S.C. § 1956(a)(1)(B)(ii) and 2**

171. Paragraphs 1-15 and 19-149 are realleged as though fully stated herein.
172. Section 6050I-1(a) of Title 26 of the Code of Federal Regulations requires that "any person . . . , who, in the course of a trade or business in which such person is engaged, receives cash in excess of \$10,000 in one transaction (or two or more related transactions), shall . . . make a return of information with respect to the receipt of cash."

This "return of information" is typically referred to as Internal Revenue Service Form 8300 ("IRS Form 8300").

173. Section 5331 of Title 31 of the United States Code makes it a criminal offense for any person who is engaged in a trade or business to fail to file a an IRS Form 8300 when the trade or business receives more than \$10,000 in coins or currency in one transaction.
174. Section 5324(b)(3) of Title 31 of the United States Code states, in relevant part, that "[n]o person shall, for the purpose of evading the reporting requirements of section 5331 . . . structure or assist in structuring, or attempt to structure or assist in structuring, any transaction with 1 or more nonfinancial trades or businesses."
175. Defendant WILLIAM DRIVER is HARRISON's spouse and resided at HARRISON's home in Trenton, New Jersey.
176. On or about the dates set forth below, in the District of New Jersey and elsewhere, the Defendants,

**WILLIAM DRIVER and  
DEBRA M. HARRISON,**

aided and abetted by each other, as set forth below, did conduct and attempt to conduct financial transactions knowing that the property involved in the transactions represented proceeds of some form of unlawful activity, with money that did, in fact, involve the proceeds of specified unlawful activity, to wit the interstate transportation of stolen property, knowing that the transaction was designed in whole or in part to avoid a transaction reporting requirement under Federal law:

COUNT	DEFENDANT/TRANSACTION	AMOUNT	DATE
<u>21</u>	Cash payment to a home improvements company for the benefit of DRIVER and HARRISON.	\$9,000	October 11, 2004
<u>22</u>	Cash payment to a home improvements company for the benefit of DRIVER and HARRISON.	\$9,000	November 12, 2004
<u>23</u>	Cash payment to a home improvements company for the benefit of DRIVER and HARRISON.	\$9,000	November 24, 2004
<u>24</u>	Cash payment to a home improvements company for the benefit of DRIVER and HARRISON.	\$9,000	December 15, 2004

All in violation of Title 18, United States Codes, Sections 1956(a)(1)(B)(ii) and 2.

**COUNT TWENTY-FIVE**

**Aiding and Assisting in Preparation and Presentation of False and Fraudulent Tax Return  
26 U.S.C. § 7206(2)**

177. Paragraphs 1-15, 19-149, and 176 are realleged as though fully stated herein.
178. On or about the date listed below, HARRISON signed, filed and caused to be filed with the Internal Revenue Service ("IRS") a U.S. Individual Income Tax Return, Form 1040, on behalf of herself and her husband, DRIVER, for the year 2004. This return understated their specific adjusted gross income for 2004.
179. During the calendar year 2004, HARRISON had and received taxable income of about \$347,163 which she failed to report to her tax preparer.
180. In or about March 2005, HARRISON mailed her tax income information from New Jersey to her tax preparer in Pennsylvania.
181. The tax returns were signed by HARRISON and DRIVER and contained a written declaration that they were signed under the penalties of perjury.



182. On or about June 10, 2005, in the District of New Jersey and elsewhere, defendant

**DEBRA M. HARRISON,**

willfully did aid and assist in, and procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040 for the calendar year 2004, which was false and fraudulent as to a material matter, in that on line 36 the Return reported adjusted gross income of \$78,665 which did not include additional income of HARRISON in 2004, whereas HARRISON then and there knew and believed she had received additional income in the form of payments and other benefits from Bloom and MORRIS as well as funds stolen from Iraq, all during the calendar year 2004.

All in violation of Title 26, United States Code, Section 7206(2).

**CRIMINAL FORFEITURE**

183. Pursuant to Title 18, United States Code, Section 981(a)(1)(c), and Title 28, United States Code, Section 2461 (c), WHITEFORD, HARRISON, WHEELER, and MORRIS, once convicted of Count 1 (conspiracy) or Counts 2-19 shall forfeit to the United States the following property:

- a. Any property, real and personal, which constitutes and is derived from proceeds traceable to the violations of 18 U.S.C. §§ 201, 371, 1341, 1343, 1346 and 2314.
- b. A sum of money equal to the total amount of proceeds traceable to the violations of 18 U.S.C. §§ 201, 371, 1341, 1343, 1346 and 2314 for which each defendant is convicted. If more than one defendant is convicted of an offense, the defendants so convicted are jointly and severally liable for the amount involved in such

offense.

184. Pursuant to Title 26, United States Code § 5872 and Title 28, United States Code § 2461, WHITEFORD, HARRISON, WHEELER, and MORRIS once convicted of Count 1 shall also forfeit to the United States any firearm involved in the conspiracy to commit violations of 26 U.S.C. § 5861(d).
185. Pursuant to Title 31, United States Code, Section 5332(b), HARRISON and WHEELER, once convicted of Count 20 shall forfeit to the United States the following property:
  - a. Any property, real and personal, involved in the offense, and any property traceable to such property.
  - b. A sum of money equal to the total amount of proceeds traceable, an amount not less than \$330,000, to the violation of 31 U.S.C. § 5332.
186. Pursuant to Title 18, United States Code Section 982, DRIVER and HARRISON, once convicted of Counts 21 through 24 (money laundering in violation of 18 U.S.C. § 1956) shall forfeit to the United States the following property:
  - a. All right, title, and interest in any and all property, real and personal, involved in the violation of Title 18, United States Code, Section 1956, for which the defendant is convicted, and all property traceable to such property, including the following: 1) all money or other property that was the subject of each violation of Section 1956; 2) all commissions, fees and other property constituting proceeds obtained as a result of those violations; and 3) all property used in any manner or part to commit or to facilitate the commission of those violations.
  - b. A sum of money equal to the total amount of money involved in each offense in

violation of 18 U.S.C. § 1956, as charged in Counts 21-24, for which each defendant is convicted.

187. The property to be forfeited in connection with the convictions in Counts 1-24 includes but is not limited to:

- a. One 2004 Cadillac Escalade automobile, VIN WP0AB29953S696097;
- b. Various firearms, ammunition and paraphernalia, including
  - i. Six (6) .45 Caliber weapons bearing Serial Numbers 23-0099573, 23-0099574, 23-0099576, 23-0099577, 23-0099578 and 23-0099580;
  - ii. Two (2) .308 caliber machine guns bearing Serial Numbers DS23728 and DS23783;
- c. One Breitling Watch, bearing the serial number E56321; and
- d. Real property located at 3 Ivy Court, Trenton, New Jersey.

188. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), the defendant shall forfeit substitute property, up to the value of the amount described in the foregoing paragraphs, if, by any act or omission of the defendant, the property described in such paragraphs, or any portion thereof, cannot be located upon the exercise of due diligence; has been transferred, sold to or deposited with a third party; has been placed beyond the jurisdiction of the court; has been

substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty.

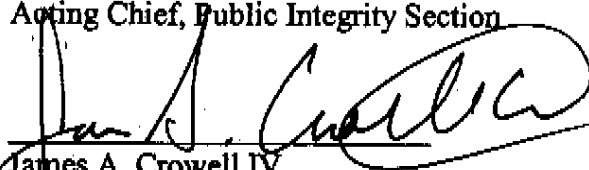
(Criminal Forfeiture, pursuant to Title 18, United States Code, Sections 981(a)(1)(c) and 982, Title 26, United States Code, Section 5872, Title 28, United States Code, Section 2461, and Title 31, United States Code, Section 5332).

A TRUE BILL

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approved by:

EDWARD C. NUCCI  
Acting Chief, Public Integrity Section

  
James A. Crowell IV  
Ann C. Brickley  
Public Integrity Section

Patrick T. Murphy  
Trial Attorney  
Asset Forfeiture and Money Laundering Section

Date: Feb. 1, 2007

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

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

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**UNITED STATES OF AMERICA**

**v.**

**CURTIS WHITEFORD,  
DEBRA HARRISON,  
MICHAEL WHEELER,  
SEYMOUR MORRIS, JR.,  
WILLIAM DRIVER**

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**INDICTMENT FOR**

**1**

**F.**

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**EDWARD NUCCI**  
**ACTING CHIEF**  
**PUBLIC INTEGRITY SECTION**  
**UNITED STATES DEPARTMENT OF JUSTICE**  
**CRIMINAL DIVISION**

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**JAMES A. CROWELL IV**  
**ANN C. BRICKLEY, PATRICK MURPHY**  
**TRIAL ATTORNEYS**  
**(202) 514-1412**

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