

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIM. NO. _____
v.	:	DATE FILED: <u>1-6-15</u>
DMITRIJ HARDER	:	VIOLATIONS: 18 U.S.C. § 371 (conspiracy to violate the Foreign Corrupt Practices Act and Travel Act – 1 count) 15 U.S.C. § 78dd-2 (Foreign Corrupt Practices Act – 5 counts); 18 U.S.C. § 1952 (Travel Act – 5 counts) 18 U.S.C. § 1956(h) (conspiracy to commit international money laundering – 1 count) 18 U.S.C. § 1956(a)(2) (international money laundering – 2 counts); 18 U.S.C. § 2 (aiding and abetting) Notice of Forfeiture Second Notice of Forfeiture

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times relevant to this indictment, unless otherwise specified:

Introduction

1. Defendant DMITRIJ HARDER was a Russian national, naturalized German citizen and permanent resident alien of the United States. Defendant HARDER was the

president and owner of both the Chestnut Consulting Group, Inc. (“Chestnut Inc.”), which was incorporated in the State of Pennsylvania, and the Chestnut Consulting Group, Co., which was incorporated in the State of Delaware. Defendant HARDER operated through one or both of these entities (generally referred to herein as the “Chestnut Group”) purportedly to provide, among other things, consulting services to companies seeking financing from multilateral development banks. The Chestnut Group was located in Southampton, in the Eastern District of Pennsylvania. Because both Chestnut Inc. and Chestnut Consulting Group, Co. had their principal place of business in the United States and were organized under the laws of Pennsylvania and Delaware, each was a “domestic concern,” as that term is used in the Foreign Corrupt Practices Act (“FCPA”), Title 15, United States Code, Section 78dd-2(h)(1)(A). Because defendant HARDER was a resident of the United States, defendant HARDER was a “domestic concern,” and an officer, director, employee and agent of a “domestic concern,” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(A).

2. Between in or around 2007 through in or around 2009, defendant HARDER engaged in a scheme to pay approximately \$3.5 million in bribe payments for the benefit of a foreign official to corruptly influence the foreign official’s actions on applications for financing submitted to the European Bank for Reconstruction and Development (“EBRD”) by the clients of defendant HARDER and the Chestnut Group, and to corruptly influence the foreign official to direct business to defendant HARDER and the Chestnut Group, and others.

Additional Relevant Entities and Individuals

3. The EBRD was a multilateral development bank headquartered in London, England, and was owned by over 60 sovereign nations. Among other things, the EBRD provided debt and equity financing for development projects in emerging economies, primarily in Eastern

Europe. On or about June 18, 1991, the President of the United States signed Executive Order 12766 designating the EBRD as a “public international organization.” The EBRD was thus a “public international organization,” as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

4. “EBRD Official” was a Russian and United Kingdom national residing in or around London, England, and was a senior banker working in the Natural Resources Group at the EBRD. As a senior banker, EBRD Official served as an Operations Leader in the Natural Resources Group and was responsible for leading the review of applications submitted to the EBRD for project financing, including loans and equity investments. EBRD Official thus had the authority to influence the process for approving project financing, and setting the terms and conditions for that financing. EBRD Official was a “foreign official,” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2). Defendant DMITRIJ HARDER knew EBRD Official from business associations dating back to at least 1999.

5. “EBRD Official’s Sister” was a Russian and United Kingdom national residing in or around London, England, and was the sister of EBRD Official. EBRD Official’s Sister purportedly provided consulting and other business services for the Chestnut Group. In reality, however, EBRD Official’s Sister provided no such services to the Chestnut Group or defendant HARDER.

6. “Company A” was a Russian independent oil and gas company established in 2000. Company A had oil and gas operations in the Russian Federation. Company A retained Chestnut Inc. purportedly to provide consulting and other services.

7. “Company B” was an oil and gas company established in 2006 and incorporated in the United Kingdom. Company B had oil and gas operations in the Russian Federation. Company B retained Chestnut Inc. purportedly to provide consulting and other services.

The Bribery Scheme

8. The Foreign Corrupt Practices Act of 1977, as amended, Title 15, United States Code, Sections 78dd-1, et seq. (“FCPA”), prohibited certain classes of persons and entities from corruptly making payments to foreign officials to assist in obtaining or retaining business. Specifically, the FCPA prohibited certain corporations and individuals from willfully making use of any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.

9. The Travel Act, Title 18, United States Code, Section 1952, was enacted by Congress for the purpose of, among other things, making it unlawful for persons and businesses to travel in interstate or foreign commerce or use the mail or any facility in interstate commerce to promote, manage, establish, carry on, or facilitate the promotion, management, establishment or carrying on of certain unlawful activity, including violations of state anti-bribery laws.

10. Between in or about 2007 and in or about 2009, defendant DMITRIJ HARDER, through the Chestnut Group, worked as a financial consultant to companies seeking project financing from the EBRD. For at least four of these applications, including those of Company A

and Company B, EBRD Official was the Operations Leader responsible for leading the management of the application process and negotiating the terms and conditions of any financing provided by the EBRD. Chestnut Inc. was retained by Company A and Company B despite its relatively small size, distant location from the EBRD, and unproven track record as a financial advisor. As set forth below, the EBRD ultimately approved the applications for project financing for Company A and Company B.

Company A's Application for Financing to the EBRD

11. In or about August 2007, Company A approached defendant DMITRIJ HARDER and the Chestnut Group to assist it in raising financing for a natural gas development project in Russia.

12. In or about September 2007, defendant DMITRIJ HARDER sent EBRD Official an email about obtaining project financing from the EBRD for Company A in connection with the project in Russia referenced in paragraph 11 above.

13. In or about October 2007, Chestnut Inc. entered into a financial services agreement with Company A, which was signed by defendant DMITRIJ HARDER, whereby Company A agreed to pay Chestnut Inc. a "success fee" of a certain percentage of the funds obtained by Company A from the EBRD. On or about December 24, 2007, the financial services agreement was amended by a supplemental financial services agreement, which defendant HARDER also signed on behalf of Chestnut Inc.

14. On or about April 29, 2008, based upon the recommendation of EBRD Official as the Operations Leader for Company A's application, the EBRD approved an \$85 million equity investment in Company A.

15. On or about May 13, 2008, Chestnut Inc. entered into a new financial services agreement with a holding company for Company A (the “Holding Company”) created for the specific purpose of receiving the EBRD funding. This agreement was almost identical to the supplemental agreement between Chestnut Inc. and Company A, except that the agreement provided that Chestnut Inc. would assist the Holding Company, rather than Company A, to raise financing. This agreement was also signed on behalf of Chestnut Inc. by defendant DMITRIJ HARDER.

16. On or about June 4, 2008, the \$85 million equity investment was disbursed by EBRD to the Holding Company, on behalf of Company A.

17. On or about June 25, 2008, as a result of the approval of Company A’s application to the EBRD for financing, the Holding Company paid Chestnut Inc. a “success fee” amounting to approximately \$1.7 million.

18. On or about the following dates, after receiving the success fees from Company A and the Holding Company, defendant DMITRIJ HARDER caused wire transfer payments to be made in approximately the following amounts from Chestnut Inc.’s bank account at Commerzbank in Frankfurt, Germany, to the Citibank bank account in Jersey, Channel Islands, belonging to EBRD Official’s Sister:

<u>Approximate Date</u>	<u>Approximate Amount</u>
July 11, 2008	\$300,000
September 16, 2008	\$199,637
October 13, 2008	\$253,665

19. On or about March 10, 2009, the EBRD approved additional project financing for Company A, in the form of a senior loan totaling 90 million Euros.

20. On or about April 10, 2009, Chestnut Inc. and Company A entered into a further supplemental financial services agreement, which rescinded the earlier success fee, and made the new success fee payable on the original equity investment of \$85 million and new senior loan of 90 million Euros. This supplemental financial services agreement was signed on behalf of Chestnut Inc. by defendant DMITRIJ HARDER.

21. On or about June 18, 2009, Company A paid Chestnut Inc. a new success fee of approximately \$2.9 million, based upon both the equity investment and senior loan from the EBRD to Company A.

22. On or about July 16, 2009, defendant DMITRIJ HARDER caused the wire transfer of approximately \$310,121 from Chestnut Inc.'s bank account at 3rd Federal Bank in Feasterville, Pennsylvania to the Citibank bank account in Jersey, Channel Islands, belonging to EBRD Official's Sister.

23. In all, Chestnut Inc. received payments from Company A totaling approximately \$2.9 million, and defendant DMITRIJ HARDER caused payments to be made to EBRD Official's Sister totaling approximately \$1.06 million. While EBRD Official's Sister purportedly received these payments as a result of providing consulting and other business services to the Chestnut Group, in reality, EBRD Official's Sister provided no such services. Instead, EBRD Official's Sister received these payments for the benefit of EBRD Official, to corruptly influence the foreign official's actions on applications for financing by the clients of defendant HARDER and the Chestnut Group, and to corruptly influence the foreign official to direct business to defendant HARDER and the Chestnut Group.

Company B's Application for Financing to the EBRD

24. In or about 2007, Company B initially approached the EBRD about obtaining financing for a gas development project. Although it appeared that the EBRD would approve Company B's application for financing, Company B ultimately declined to obtain financing from the EBRD and instead obtained its financing from another international bank. Company B did not use the services of a financial consultant in connection with its initial application to the EBRD.

25. On or about May 7, 2009, Company B approached the EBRD again about obtaining additional financing. EBRD Official and others from the EBRD met with representatives from Company B to discuss Company B's interest in obtaining such financing. EBRD Official was thereafter assigned as Operations Leader for Company B's application for financing with the EBRD.

26. On or about May 19, 2009, Chestnut Inc. and Company B entered into a financial services agreement, whereby Company B agreed to pay Chestnut Inc. a "success fee" of a certain percentage of the funds obtained by Company B. The financial services agreement was signed on behalf of Chestnut Inc. by defendant DMITRIJ HARDER.

27. On or about July 29, 2009, based upon the recommendation of EBRD Official as the Operations Leader for Company B's application, the EBRD approved Company B's application for financing consisting of a \$40 million equity investment and a \$60 million convertible loan.

28. On or about October 1, 2009, Company B paid Chestnut Inc. a success fee of approximately \$4.9 million. Because on or about July 27, 2009, Company B had previously paid

Chestnut Inc. an initial payment of approximately \$100,000 to be credited to any success fees, the total success fee paid by Company B to Chestnut Inc. was approximately \$5 million.

29. On or about November 20, 2009, after Chestnut Inc. received the success fees from Company B, defendant DMITRIJ HARDER caused a payment of approximately \$2,478,580.89 to be made to EBRD Official's Sister. Although EBRD Official's Sister purportedly received these payments as a result of providing consulting and other business services to the Chestnut Group, in reality, EBRD Official's Sister provided no such services. Instead, EBRD Official's Sister received these payments for the benefit of EBRD Official, to corruptly influence the foreign official's actions on applications for financing by the clients of defendant HARDER and the Chestnut Group, and to corruptly influence the foreign official to direct business to defendant HARDER and the Chestnut Group.

The Concealment of the Bribe Payments

30. Through the Chestnut Group, defendant DMITRIJ HARDER paid EBRD Official's Sister approximately \$3.5 million in bribe payments for the benefit of EBRD Official.

31. To conceal and cover up these bribe payments, defendant DMITRIJ HARDER and EBRD Official's Sister created false paperwork to make it appear that EBRD Official's Sister had provided services to the Chestnut Group for these payments, when in fact no such services were provided. The false documents included the following:

- a. an invoice dated May 20, 2009 from EBRD Official's Sister to the Chestnut Group requesting payment of \$310,141.04 for being a “[p]roducing agent - various projects;”

- b. a “Confirmation of Services” letter, dated October 9, 2009, from Chestnut Inc. to EBRD Official’s Sister setting forth a “pre-agreed co-brokerage fee” in the amount of “up to \$2.6 million;” and
- c. an invoice dated November 18, 2009 from EBRD Official’s Sister to the Chestnut Group requesting payment of approximately \$2,478,580.89 for being a “[p]roducing agent - various projects.”

The Conspiracy Charge

32. From in or around 2007 through in or around November 2009, in the Eastern District of Pennsylvania and elsewhere, defendant

DMITRIJ HARDER

did knowingly and willfully combine, conspire, confederate and agree with EBRD Official’s Sister, and others known and unknown to the grand jury, to commit offenses against the United States, namely, violations of the FCPA, Title 15, United States Code, Section 78dd-2; and violations of the Travel Act, Title 18, United States Code, Section 1952(a)(3)(A), through commercial bribery contrary to Title 18, Pa. Cons. Stat. Ann., Section 4108.

Object of the Conspiracy

33. The object of the conspiracy was for defendant DMITRIJ HARDER, EBRD Official’s Sister, and others, to enrich themselves by making payments to EBRD Official’s Sister to corruptly influence EBRD Official’s actions on applications for financing submitted to the EBRD by the clients of defendant HARDER and the Chestnut Group, and to corruptly influence EBRD Official to direct business to defendant HARDER and the Chestnut Group.

Manner and Means of the Conspiracy

34. It was part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, discussed the payment of bribes from HARDER to and for the benefit of EBRD Official.

35. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, offered to pay, promised to pay, and authorized and caused the payment of bribes, directly and indirectly, to and for the benefit of EBRD Official.

36. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, discussed the bank accounts belonging to EBRD Official's Sister into which defendant HARDER would cause the bribe payments to be paid.

37. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, attempted to conceal the bribe payments to EBRD Official by making payments to EBRD Official's Sister.

38. It was further part of the conspiracy that defendant DMITRIJ HARDER and others caused the transfer of approximately \$3.5 million in bribe payments to bank accounts designated by EBRD Official's Sister, to corruptly influence EBRD Official's actions on applications for financing submitted to the EBRD by the clients of defendant HARDER and the Chestnut Group, and to corruptly influence EBRD Official to direct business to the Chestnut Group.

39. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, attempted to conceal the payments to EBRD Official by creating false paperwork and justifications for the payments to EBRD Official's Sister, including by creating invoices that falsely claimed she performed services for the Chestnut Group.

Overt Acts

40. In furtherance of the conspiracy and to achieve the unlawful objects thereof, at least one of the co-conspirators committed or caused to be committed, in the Eastern District of Pennsylvania and elsewhere, at least one of the following overt acts, among others:

- a. On or about, July 11, 2008, defendant DMITRIJ HARDER caused a wire transfer in the amount of approximately \$300,000 from Chestnut Inc.'s Commerzbank bank account in Germany to EBRD Official's Sister's bank account in Jersey, Channel Islands.
- b. On or about September 16, 2008, defendant HARDER caused a wire transfer in the amount of approximately \$199,637 from Chestnut Inc.'s Commerzbank bank account in Germany to EBRD Official's Sister's bank account in Jersey, Channel Islands.
- c. On or about October 13, 2008, defendant HARDER caused a wire transfer in the amount of approximately \$253,665 from Chestnut Inc.'s Commerzbank bank account in Germany to EBRD Official's Sister's bank account in Jersey, Channel Islands.
- d. On or about July 16, 2009, defendant HARDER caused a wire transfer in the amount of approximately \$310,121 from Chestnut Inc.'s 3rd Federal Bank bank account in Feasterville, Pennsylvania to EBRD Official's Sister's bank account in Jersey, Channel Islands.

- e. On or about September 7, 2009, EBRD Official's Sister emailed to defendant HARDER a fake invoice dated May 20, 2009, from EBRD Official's Sister to the Chestnut Group, requesting payment of \$310,141.04 for being a "[p]roducing agent - various projects."
- f. On or about September 8, 2009, EBRD Official's Sister submitted to Citibank a fake invoice dated May 20, 2009, from EBRD Official's Sister to the Chestnut Group, requesting payment of \$310,141.04 for being a "[p]roducing agent - various projects."
- g. On or about October 3, 2009, defendant HARDER emailed to EBRD Official's Sister a "Confirmation of Services" letter, dated October 9, 2009, from Chestnut Inc. to EBRD Official's Sister, setting forth a "pre-agreed co-brokerage fee" in the amount of "up to \$2.6 million."
- h. On or about November 20, 2009, defendant HARDER caused a wire transfer in the amount of approximately \$2,478,580.89 from Chestnut Inc.'s bank account at 3rd Federal Bank in Feasterville, Pennsylvania to EBRD Official's Sister's bank account in Guernsey, Channel Islands.

In violation of Title 18, United States Code, Section 371.

COUNTS TWO THROUGH SIX

41. Paragraphs 1 through 31, and 40.a through 40.h, of this Indictment are realleged and incorporated by reference as if fully set forth herein.

42. On or about the dates set forth below, in the Eastern District of Pennsylvania and elsewhere, defendant

DMITRIJ HARDER,

being a domestic concern and an officer, director, employee, and agent of a domestic concern, did willfully use, and aid, abet, and cause the use of, the mails and any means and instrumentality of interstate commerce, corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, and offer, gift, promise to give, and authorization of the giving of anything of value to, and for the benefit of, a foreign official, and to a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised to, directly and indirectly, a foreign official, for the purposes of: (1) influencing acts and decisions of such foreign official in his official capacity; (2) inducing such foreign official to do and omit acts in violation of the lawful duty of such official; (3) securing an improper advantage and (4) inducing such foreign official to use his influence and authority with a public international organization to affect and influence acts and decisions of such organization, in order to assist defendant HARDER and the Chestnut Group in obtaining and retaining business for and with, and directing business to, any person, as follows:

<u>COUNT</u>	<u>APPROXIMATE DATE</u>	<u>MEANS AND INSTRUMENTALITIES OF INTERSTATE AND INTERNATIONAL COMMERCE</u>
Two	July 11, 2008	Wire transfer in the amount of approximately \$300,000 from Chestnut Inc.'s Commerzbank account in Germany to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.

Three	September 16, 2008	Wire transfer in the amount of approximately \$199,637 from Chestnut Inc.'s Commerzbank account in Germany to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.
Four	October 13, 2008	Wire transfer in the amount of approximately \$253,665 from Chestnut Inc.'s Commerzbank account in Germany to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.
Five	July 16, 2009	Wire transfer in the amount of approximately \$310,121 from Chestnut Inc.'s 3rd Federal Bank account in Feasterville, Pennsylvania to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.
Six	November 20, 2009	Wire transfer in the amount of approximately \$2,478,580.89 from Chestnut Inc.'s 3rd Federal Bank account in Feasterville, Pennsylvania to EBRD Official's Sister's HSBC bank account in Guernsey, Channel Islands.

All in violation of Title 15, United States Code, Section 78dd-2, and Title 18, United States Code, Section 2.

COUNTS SEVEN THROUGH ELEVEN

43. Paragraphs 1 through 31, and 40.a through 40.h, of this Indictment are realleged and incorporated by reference as if fully set forth herein.

44. On or about the dates set forth below, in the Eastern District of Pennsylvania and elsewhere, defendant

DMITRIJ HARDER

knowingly and willfully did use, and aid, abet, and cause to be used, a facility in interstate and foreign commerce with the intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, namely, commercial bribery, contrary to Title 18 Pa. Cons. Stat. Ann. § 4108, and thereafter performed and attempted to perform such promotion, management, establishment, carrying on, and facilitation of the promotion, management, establishment, and carrying on of the above unlawful activity:

<u>COUNT</u>	<u>APPROXIMATE DATE</u>	<u>FACILITY IN INTERSTATE AND FOREIGN COMMERCE</u>
Seven	July 11, 2008	Wire transfer in the amount of approximately \$300,000 from Chestnut Inc.'s Commerzbank account in Germany to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.
Eight	September 16, 2008	Wire transfer in the amount of approximately \$199,637 from Chestnut Inc.'s Commerzbank account in Germany to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.
Nine	October 13, 2008	Wire transfer in the amount of approximately \$253,665 from Chestnut Inc.'s Commerzbank account in Germany to EBRD Official's Sister's Citibank account in Jersey, Channel Islands.

Ten	July 16, 2009	Wire transfer in the amount of approximately \$310,121 from Chestnut Inc.'s 3rd Federal Bank account in Feasterville, Pennsylvania to EBRD Official's Sister's HSBC bank account in Jersey, Channel Islands.
Eleven	November 20, 2009	Wire transfer in the amount of approximately \$2,478,580.89 from Chestnut Inc.'s 3rd Federal Bank account in Feasterville, Pennsylvania to EBRD Official's Sister's HSBC bank account in Guernsey, Channel Islands.

All in violation of Title 18, United States Code, Sections 1952(a)(3) and 2.

COUNT TWELVE

45. Paragraphs 1 through 31, and 40.a through 40.g, of this Indictment are realleged and incorporated by reference as if fully set forth herein.

46. From in or about 2007 through in or about November 2009, in the Eastern District of Pennsylvania and elsewhere, defendant

DMITRIJ HARDER

did knowingly and willfully combine, conspire, confederate and agree with others, known and unknown to the Grand Jury, including EBRD Official's Sister, to commit offenses under Title 18, United States Code, Section 1956, namely, to knowingly transport, transmit and transfer monetary instruments and funds from a place in the United States to a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, namely, a felony violation of the Foreign Corrupt Practices Act, Title 15, United States Code, Section 78dd-2, and a felony violation of the Travel Act, Title 18, United States Code, Section 1952, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

Manner and Means of the Conspiracy

47. It was part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, discussed the payment of bribes from HARDER to and for the benefit of EBRD Official.

48. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, offered to pay, promised to pay, and authorized and caused the payment of bribes, directly and indirectly, to and for the benefit of EBRD Official.

49. It was further part of the conspiracy that defendant DMITRIJ HARDER and EBRD Official's Sister, and others, discussed the bank accounts belonging to EBRD Official's Sister into which defendant HARDER would transfer the bribe payments.

50. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, discussed the bank accounts belonging to EBRD Official's Sister into which defendant HARDER would cause the bribe payments to be paid.

51. It was further part of the conspiracy that defendant DMITRIJ HARDER, EBRD Official's Sister, and others, attempted to conceal the bribe payments to EBRD Official by making payments to EBRD Official's Sister.

52. It was further part of the conspiracy that defendant DMITRIJ HARDER and others caused the transfer of approximately \$3.5 million in bribe payments to EBRD Official's Sister's bank accounts, to corruptly influence EBRD Official's actions on applications for financing submitted to the EBRD by the clients of defendant HARDER and the Chestnut Group, and to corruptly influence EBRD Official to direct business to the Chestnut Group.

In violation of Title 18, United States Code, Section 1956(h).

COUNTS THIRTEEN THROUGH FOURTEEN

53. Paragraphs 1 through 31, and 40.a through 40.h, of this Indictment are realleged and incorporated by reference as if fully set forth herein.

54. On or about the dates set forth below, in the Eastern District of Pennsylvania and elsewhere, defendant

DMITRIJ HARDER

did knowingly transport, transmit, and transfer, and aid, abet, and cause others to transport, transmit, and transfer, and attempt to transport, transmit, and transfer a monetary instrument and funds, from a place in the United States to and through a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, and knowing that the monetary instrument and funds involved in the transportation, transmission, and transfer represented the proceeds of some form of unlawful activity, that is, violations of the Foreign Corrupt Practices Act, Title 15, United States Code, Section 78dd-2, and violations of the Travel Act, Title 18, United States Code, Section 1952, as follows:

<u>COUNT</u>	<u>APPROXIMATE DATE</u>	<u>DESCRIPTION</u>
Thirteen	July 16, 2009	Wire transfer in the amount of approximately \$310,121 from Chestnut Inc.’s 3rd Federal Bank account in Feasterville, Pennsylvania to EBRD Official’s Sister’s Citibank account in Jersey, Channel Islands.
Fourteen	November 20, 2009	Wire transfer in the amount of approximately \$2,478,580.89 from Chestnut Inc.’s 3rd Federal Bank account in Feasterville, Pennsylvania to EBRD Official’s Sister’s HSBC bank account in Guernsey, Channel Islands.

All in violation of Title 18, United States Code, Sections 1956(a)(2) and 2.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

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

2. The United States hereby gives notice to defendant that, upon conviction of any of the offenses alleged in Counts One through Eleven of this Indictment, the United States will seek forfeiture, in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), of any and all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses.

3. If by any act or omission of defendant any of the property subject to forfeiture described above:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461 (c), to seek forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.

SECOND NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations contained in this Indictment are hereby incorporated and realleged by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 982(a)(1).

2. The United States hereby gives notice to the defendant that, upon conviction of any of the offenses alleged in Counts Twelve through Fourteen of this Indictment, the United States will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), of any and all property, real or personal, involved in the offense of conviction, and all property traceable to such property.

3. If by any act or omission of defendant any of the property subject to forfeiture described above:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as

incorporated by Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.

A TRUE BILL:

GRAND JURY FOREPERSON

**ZANE DAVID MEMEGER
UNITED STATES ATTORNEY
EASTERN DISTRICT OF
PENNSYLVANIA**

**WILLIAM J. STELLMACH
ACTING CHIEF, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE
CRIMINAL DIVISION**

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

INDICTMENT

DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar. 15cr1

Address of Plaintiff: 615 Chestnut Street, Suite 1250, Philadelphia, PA 19106-4476

Post Office: Philadelphia

County: Philadelphia

City and State of Defendant: Huntingdon Valley, PA

County: Montgomery

Register number: _____

Place of accident, incident, or transaction:

Eastern District of Pennsylvania

Post Office: Philadelphia

County: Philadelphia

RELATED CASE, IF ANY:

Criminal cases are deemed related when the answer to the following question is "yes".

Does this case involve a defendant or defendants alleged to have participated in the same action or transaction, or in the same series of acts or transactions, constituting an offense or offenses?

YES/NO: No

Case Number: N/A

Judge: N/A


CRIMINAL: (Criminal Category - FOR USE BY U.S. ATTORNEY ONLY)

- 1. Antitrust
- 2. Income Tax and other Tax Prosecutions
- 3. Commercial Mail Fraud
- 4. Controlled Substances
- 5. Violations of 18 U.S.C. Chapters 95 and 96 (Sections 1951-55 and 1961-68) and Mail Fraud other than commercial
- 6. General Criminal

(U.S. ATTORNEY WILL PLEASE DESIGNATE PARTICULAR CRIME AND STATUTE CHARGED TO BE VIOLATED AND STATE ANY PREVIOUS CRIMINAL NUMBER FOR SPEEDY TRIAL ACT TRACKING PURPOSES)

18 U.S.C. § 371 (conspiracy to violate the foreign corrupt practices act and travel act – 1 count); 15 U.S.C. § 78dd-2 (foreign corrupt practices act – 5 counts); 18 U.S.C. § 1952 (travel act – 5 counts); 18 U.S.C. § 1956(h) (conspiracy to commit international money laundering – 1 count); 18 U.S.C. § 1956(a)(2) (international money laundering – 2 counts); 18 U.S.C. § 2 (aiding and abetting); Notice of Forfeiture; Second Notice of Forfeiture

DATE: 1/6/15


Michelle L. Morgan
Assistant United States Attorney