

DIS/MTP: USAO 2018R00022

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA

v.

TRANSPORT LOGISTICS
INTERNATIONAL, INC.,

Defendant

CRIMINAL NO. **TDC 18cr11**
(Conspiracy to Violate the Foreign
Corrupt Practices Act, 18 U.S.C.
§§ 371 and 3551 *et seq.*)

INFORMATION

COUNT ONE

The Acting United States Attorney for the District of Maryland charges that:

Introduction

At times material to this Information:

1. The Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, Title 15, United States Code, Sections 78dd-1, *et seq.*, was enacted by Congress for the purpose of, among other things, making it unlawful to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value, directly or indirectly, to a foreign government official for the purpose of obtaining or retaining business for, or directing business to, any person.

2. Defendant Transport Logistics International, Inc. ("TLI") was a United States company headquartered in Maryland, and thus a "domestic concern," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(B). TLI was in the business of providing logistical support services for the transportation of nuclear materials to customers in the United States and to foreign customers.

3. Daren Condrey (“Condrey”), who has been charged separately, was a citizen of the United States and resident of Maryland. Condrey was an owner and executive of **TLI** from in or about August 1998 through in or about October 2014. Condrey was also the co-President of **TLI** from in or about January 2010 through in or about October 2014. Thus, Condrey was a “domestic concern” and an officer, employee, and agent of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

4. “Co-Conspirator One,” a person whose identity is known to the United States and **TLI**, was an owner and executive of **TLI** from in or about 1998 to in or about December 2009, and a consultant to **TLI** from in or about January 2010 through in or about 2011.

5. “Co-Conspirator Two” a person whose identity is known to the United States and **TLI**, was a citizen of the United States and resident of Maryland. Co-Conspirator Two was an owner and executive of **TLI** from in or about August 1998 through in or about September 2016. Thus, Co-Conspirator Two was a “domestic concern” and an officer, employee, and agent of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

6. JSC Techsnabexport (“TENEX”) supplied uranium and uranium enrichment services to nuclear power companies throughout the world on behalf of the government of the Russian Federation. TENEX was indirectly owned and controlled by, and performed functions of, the government of the Russian Federation, and thus was an “agency” and “instrumentality” of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

7. TENAM Corporation (“TENAM”), located in the United States, was a wholly-owned subsidiary of TENEX established in or about October 2010. TENAM was TENEX’s official representative office in the United States. TENAM was owned and controlled by, and performed functions of, the government of the Russian Federation, and thus was an “agency” and “instrumentality” of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

8. Vadim Mikerin (“Mikerin”), a national of the Russian Federation who has been charged separately, was a Director of TENEX from at least in or around 2004 through in or around 2011, and also was the President of TENAM from in or around October 2010 through in or around October 2014. From in or around 2011 through in or around October 2014, Mikerin was a resident of Maryland. Mikerin was a “foreign official,” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

9. “Shell Company A,” a company whose identity is known to the United States and TLI, was a shell company with a purported physical address in the Republic of Seychelles. Shell Company A had bank accounts at financial institutions in Cyprus associated with a Russian national.

10. “Shell Company B,” a company whose identity is known to the United States and TLI, was a shell company with a purported physical address in the United Kingdom. Shell Company B had a bank account at a financial institution in Latvia associated with a Russian national.

11. “Shell Company C,” a company whose identity is known to the United States and TLI, was a shell company with a purported physical address in the British Virgin Islands. Shell

Company C had bank accounts at financial institutions in Switzerland associated with a Russian national.

Overview of the Corrupt Bribery Scheme

12. In or around 2004, **TLI** and others, including Co-Conspirator One and Mikerin, agreed to enter into a corrupt bribery scheme, in which **TLI** would make corrupt bribery payments to offshore accounts, at the direction and for the benefit of Mikerin, in order for **TLI** to obtain an improper advantage and obtain and retain business with TENEX.

13. At some point thereafter, Condrey and Co-Conspirator Two learned that Co-Conspirator One had agreed with Mikerin to make corrupt bribe payments in order for **TLI** to obtain and retain business and contracts with TENEX. Co-Conspirator One explained that the amount of each corrupt payment was based on an agreement with Mikerin to kickback a percentage of certain contract awards that TENEX awarded to **TLI**, and that **TLI** would continue to win contract awards with TENEX if such corrupt payments were made. Soon after learning of the corrupt and fraudulent scheme, Condrey and Co-Conspirator Two agreed to enter into the conspiracy with Co-Conspirator One to make corrupt and fraudulent bribe and kickback payments to offshore bank accounts to benefit Mikerin in order to help **TLI** obtain and retain business with TENEX.

14. In order to conceal and further the scheme, **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, used terms such as “remuneration” and “commission” when documenting the corrupt and fraudulent payments on an internal **TLI** spreadsheet and when communicating with unknowing **TLI** employees who unwittingly processed the corrupt and fraudulent payments to offshore accounts.

15. In order to justify **TLI's** corrupt and fraudulent payments to offshore accounts to benefit Mikerin, and to generate the money to make the payments, **TLI** and others, including Condrey, Co-Conspirator One, Co-Conspirator Two, and Mikerin, caused fake invoices to be prepared, which purported to be from TENEX to **TLI** and fraudulently described services that were never provided by TENEX to **TLI**. **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, caused **TLI** to make the corrupt payments after **TLI** received the fraudulent invoices.

16. Co-Conspirator One left **TLI** in early 2010, but continued to work as a consultant to **TLI**. Upon Co-Conspirator One's departure from **TLI**, Condrey and Co-Conspirator Two became co-Presidents of **TLI**, and they continued conspiring with Co-Conspirator One to communicate with Mikerin and facilitate **TLI's** corrupt bribe payments.

17. Co-Conspirator One died in or around August 2011. After Co-Conspirator One's death and continuing through in or around October 2014, **TLI** and others, including Condrey and Co-Conspirator Two, continued the corrupt and fraudulent bribery scheme. Among other things, Condrey and Co-Conspirator Two communicated directly with Mikerin to obtain fraudulent invoices for **TLI** and facilitate **TLI's** corrupt payments.

The Conspiracy

18. From in or about 2004 and continuing through in or about 2014, in the District of Maryland and elsewhere, the defendant,

TLI,

did knowingly and willfully, that is, with the intent to further the object of the conspiracy, combine, conspire, confederate, and agree with others known and unknown to commit offenses

against the United States, namely: to willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value, to 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 a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his or her official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing an improper advantage; and (iv) inducing such foreign official to use his or her influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist **TLI** and others in obtaining and retaining business for and with, and directing business to, **TLI** and others, in violation of Title 15, United States Code, Section 78dd-2.

Manner and Means of the Conspiracy

19. The manner and means by which executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, sought to accomplish the object of the conspiracy included, among other things, the following:

20. It was part of the conspiracy that executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, offered to pay, promised to pay, and authorized corrupt payments for the benefit of Mikerin, in exchange for Mikerin's agreement to help **TLI** secure business and contracts with TENEX.

21. It was further part of the conspiracy that executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, discussed in person, and through, among other means, electronic mail (“email”) and text message, making corrupt payments to offshore accounts to benefit Mikerin in order for **TLI** to obtain and retain business with TENEX.

22. It was further part of the conspiracy that executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, emailed with Mikerin at Mikerin’s personal email address to discuss the corrupt bribery scheme.

23. It was further part of the conspiracy that executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, used code words like “lucky figure,” “LF,” “lucky numbers,” “cake,” “remuneration,” and “commission” when communicating about the corrupt bribery scheme in order to conceal its true nature.

24. It was further part of the conspiracy that executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, caused fake invoices to be created and transmitted in order to document purported services that were not actually provided to **TLI** and to justify corrupt payments to offshore accounts.

25. It was further part of the conspiracy that executives at **TLI** and others, including Condrey, Co-Conspirator One, and Co-Conspirator Two, caused **TLI** to wire corrupt payments from **TLI**’s bank account in Maryland to offshore bank accounts associated with companies that had no legitimate business relationship with **TLI**, such as Shell Company A in the Republic of Cyprus, Shell Company B in Latvia, and Shell Company C in Switzerland, for the purpose of executing and concealing the corrupt payments.

Overt Acts

In furtherance of the conspiracy, and to achieve the objects thereof, at least one of the conspirators committed, and caused to be committed, in the District of Maryland and elsewhere, at least one of the following overt acts, among others:

A. On or about November 30, 2009, Condrey sent an email to Co-Conspirator One, copying Co-Conspirator Two and a TLI employee who worked on accounting matters and processed outgoing payments. Condrey attached a spreadsheet entitled "2009 TENEX Commissions," and Condrey stated, "We need an invoice from TENEX (dated December) for \$8,157.00 so we can update our financials and get commissions off the books this year."¹

B. On or about December 3, 2009, TLI made a wire transfer payment of approximately \$8,157 from TLI's bank account in Maryland to a Shell Company A bank account in Cyprus.

C. On or about December 4, 2009, Co-Conspirator One e-mailed Mikerin and wrote: "Cake was delivered yesterday as planned."

D. On or about February 8, 2010, Mikerin emailed Co-Conspirator One, stating: "Would you please confirm your ability to support TLI's Cake Cooking on a regular basis once per Q at 5% net volume for RuParty."

E. On or about February 8, 2010, Co-Conspirator One emailed Mikerin stating, in part, "I met with TLI principals last week and confirmed the cake process on a quarterly basis – all is well."

¹ Unless bracketed, all quotations identified herein appear as in the original document, without corrections or indications of misspellings or typographical errors.

F. On or about April 8, 2010, Co-Conspirator One emailed Condrey, attaching a scanned document purporting to be TENEX "Invoice No. 30946," and stated, "Vadim [Mikerin] has confirmed the delivery address as the same as the last one."

G. On or about April 12, 2010, **TLI** made a wire transfer payment of approximately \$17,145.75 from **TLI**'s bank account in Maryland to a Shell Company A bank account in Cyprus.

H. On or about September 23, 2011, Mikerin emailed Condrey and Co-Conspirator Two from Mikerin's personal email address to provide inside information from TENEX to assist **TLI** obtain a new contract award over "the other two competitors," in exchange for additional corrupt bribe and kickback payments. In the email, Mikerin requested, in relevant part, that Condrey and Co-Conspirator Two "initiate from your side new quotations for filled and empty cylinders transportation" for 2012 and 2013. Mikerin specified that the "rates should include new Lucky Figures."

I. On or about September 27, 2011, **TLI** made a wire transfer payment of approximately \$81,397.21 from **TLI**'s bank account in Maryland to a Shell Company B bank account in Latvia.

J. On or about December 2, 2011, Mikerin emailed Condrey and Co-Conspirator Two from his personal email address, with the subject line, "news and lucky figure," and stated, in relevant part, "with the understanding of the forthcoming end of Q4 and CY2011[,] please tell me what lucky figure will be when we should start our process (docs, etc.)."

K. On or about December 20, 2011, in response to the "news and lucky figure" email referenced in Paragraph J above, Condrey replied to Mikerin at his personal email address,

copying Co-Conspirator Two: "I am off from work today. . . . Just shoot me an email with your proposal, or you can call [Co-Conspirator Two] at the office as he is fully informed, and we can finalize how you want to proceed."

L. On or about December 20, 2011, Mikerin emailed Condrey and Co-Conspirator Two from his personal email address in response to the email referenced in Paragraph K above, and asked them to advise "if you MIGHT or NEED to release funds til[] the end of the Year subject to our agreement in all subjects."

M. On or about December 20, 2011, Co-Conspirator Two emailed Mikerin at his personal email address in response to the email referenced in Paragraph L above, and explained, "We'd plan on making the 4th quarter payment before the end of the year, once we can confirm the final amount."

N. On or about December 21, 2011, Mikerin emailed Condrey and Co-Conspirator Two in response to the email referenced in Paragraph M above. In his email, Mikerin referenced the "'Lucky figures' being calculated for Q4 2011. . . . [and] based on this the Invoice will be arranged just today and sent to you. [Y]our payment is to be effected on [December] 23 in order to be ahead of the holiday season and to allow [Shell Company B] to get the funds early next week. [I]f our Big Friend improves the issue some time later and you are Ok with the results we will reestablish Lucky Figures for Q1 2012[.] I've just got 'Ok' to proceed with [Shell Company B] in the shortest possible time (hot market activities) and kindly request you to confirm and give 'green light'."

O. On or about December 21, 2011, Condrey emailed Mikerin at his personal email address in response to the email referenced in Paragraph N above, copying Co-Conspirator Two, to “confirm and give the ‘Green Light,’” and to request the invoice.

P. On or about December 21, 2011, Mikerin emailed Condrey from Moscow using his personal email address, attaching a document which purported to be TENEX “Invoice No. 35685,” dated December 12, 2011.

Q. On or about December 22, 2011, TLI made a wire transfer payment of approximately \$125,930.53 from TLI’s bank account in Maryland to a Shell Company B bank account in Latvia.

R. On or about March 28, 2012, Mikerin emailed Condrey and Co-Conspirator Two from his personal email account, and stated in relevant part, “Hello Daren [Condrey] and [Co-Conspirator Two], Thank you both for your visit [to] our ‘noisy’ location on Monday and energetic lunch together. . . . Also a channel for ‘lucky figures’ process has been checked and confirmed (no changes), so you will get an invoice for the amount [\$]48,089.30 tomorrow. Would you please to confirm that it’ll be done before the end of the month of Q1 or early next week[?]”

S. On or about March 28, 2012, Condrey emailed Mikerin at his personal email account in response to the email referenced in Paragraph R above, copying Co-Conspirator Two, and stating in relevant part, “We will check with accounting and get back to you on time frame for payment of invoice, when received.”

T. On or about March 28, 2012, Mikerin emailed Condrey from his personal email account, attaching a document purporting to be TENEX “Invoice No. 1547-12.”

U. On or about March 29, 2012, **TLI** made a wire transfer payment of approximately \$48,089.30 from **TLI**'s bank account in Maryland to a Shell Company B bank account in Latvia.

V. On or about May 25, 2012, **TLI** made a wire transfer payment of approximately \$121,962.33 from **TLI**'s bank account in Maryland to a Shell Company B bank account in Latvia.

W. On or about April 2, 2013, Mikerin emailed Condrey from his personal email address, with the subject line "Figures," and stated, "Please advise when Q1 'LF' can be done to check on our side in advance."

X. On or about April 3, 2013, Condrey sent an email to Mikerin in response to the email referenced in Paragraph W above, and attached a draft of an internal **TLI** spreadsheet that documented **TLI**'s contracts with TENEX and the corrupt bribe payments that **TLI** owed TENEX under the column "7% Remun." Condrey stated, "See attached. If we receive payment of 13-104 [a **TLI** invoice to TENEX] by April 26 (when due) then we may be able to arrange full amount by end of April."

Y. On or about April 28, 2013, after TENEX had remitted payment to **TLI** for Invoice No. 13-104, Mikerin emailed Condrey from his personal email address, stating, "Please find the due Invoice. Please not[e] that the previous file was provided with the NEW INSTRUCTIONS where to go ([Shell Company C] instead of [Shell Company B]). . ." Mikerin attached a document purporting to be TENEX "Invoice No. 1368-04," which was dated April 25, 2013.

Z. On or about May 6, 2013, **TLI** made a wire transfer payment of approximately \$25,774 from **TLI**'s bank account in Maryland to a Shell Company C bank account in Switzerland.

AA. On or about June 26, 2013, Mikerin emailed Condrey and Co-Conspirator Two about "our LF Q2 matter," among other things.

BB. On or about June 26, 2013, Co-Conspirator Two emailed Mikerin and explained that Condrey was out of the office, but Co-Conspirator Two was "in the office today if you have any questions."

CC. On or about June 26, 2013, Mikerin sent an email to Co-Conspirator Two in response to the email referenced in Paragraph BB above, and stated, "I'll call you tmr to discuss details."

DD. On or about July 11, 2013, **TLI** made a wire transfer payment of approximately \$95,833.55 from **TLI**'s bank account in Maryland to a Shell Company B bank account in Latvia.

EE. On or about August 26, 2013, Mikerin emailed Condrey from his personal email address with an attached document, stating in relevant part, "The subject invoice is attached." Mikerin attached a document purporting to be TENEX "Invoice No. 1491-08."

FF. On or about August 28, 2013, after sending the email referenced in Paragraph EE above, Mikerin again emailed Condrey from his personal email address, and this time attached a file with wiring instructions for Shell Company C, stating, "Daren [Condrey], please find enclosed the file with instructions for transfer to [Shell Company C] (the same as it was in May)."

GG. On or about August 28, 2013, Mikerin emailed Co-Conspirator Two, stating in relevant part, “. . . please advise me (based on our short business meeting with Daren [Condrey] last Tue.) how quick we can proceed with our “LF” matter, possible by the end of this week? As agreed with Daren [Condrey] I sent an e-mail (with a doc enclosed) on Mon. [August 26, 2013] but didn’t hear from him.”

HH. On or about August 30, 2013, TLI made a wire transfer payment of approximately \$94,102 from TLI’s bank account in Maryland to a Shell Company C bank account in Switzerland.

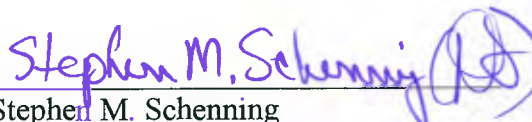
II. On or about and between the following dates, in addition to the nine wire transfer payments described above, TLI, together with its co-conspirators, including Condrey, Co-Conspirator One, and Co-Conspirator Two, knowingly and willfully conspired to corruptly make the following 27 bribe payments in order to further the bribery scheme:


Overt Act	Date	Recipient	Amount(USD)
JJ-1	March 16, 2005	Offshore Account	\$31,305.00
JJ-2	January 30, 2006	Offshore Account	\$3,100.00
JJ-3	June 30, 2006	Offshore Account	\$3,288.00
JJ-4	December 15, 2006	Offshore Account	\$21,860.00
JJ-5	April 18, 2007	Shell Company A	\$26,320.00
JJ-6	October 1, 2007	Shell Company A	\$17,392.00
JJ-7	April 21, 2008	Shell Company A	\$20,801.25
JJ-8	September 9, 2008	Shell Company A	\$14,743.75
JJ-9	April 15, 2009	Shell Company A	\$28,069.00
JJ-10	May 22, 2009	Shell Company A	\$49,058.00

Overt Act	Date	Recipient	Amount (USD)
JJ-11	July 29, 2009	Shell Company A	\$13,960.00
JJ-12	October 30, 2009	Shell Company A	\$49,206.50
JJ-13	June 23, 2010	Shell Company A	\$51,096.50
JJ-14	September 9, 2010	Shell Company A	\$80,756.31
JJ-15	November 4, 2010	Shell Company A	\$47,048.79
JJ-16	December 15, 2010	Shell Company A	\$25,371.40
JJ-17	February 15, 2011	Shell Company A	\$29,724.50
JJ-18	April 11, 2011	Shell Company A	\$62,227.88
JJ-19	July 7, 2011	Shell Company B	\$49,176.81
JJ-20	August 30, 2012	Shell Company B	\$108,950.80
JJ-21	December 18, 2012	Shell Company B	\$142,204.30
JJ-22	October 30, 2013	Shell Company C	\$77,896.00
JJ-23	November 8, 2013	Shell Company C	\$62,457.93
JJ-24	December 16, 2013	Shell Company C	\$57,713.42
JJ-25	March 28, 2014	Shell Company C	\$28,504.00
JJ-26	May 30, 2014	Shell Company C	\$28,637.00
JJ-27	October 1, 2014	Shell Company C	\$45,954.45

18 U.S.C. § 371
18 U.S.C. § 3551 *et seq.*

Date: January 10, 2018


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