

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

-v- : INFORMATION

ALFREDO VALDES, : Cr.: 00 CR-331 (HB)

Defendant. : Filed: March 30, 2000

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COUNT ONE

The United States of America, acting through its
attorneys, charges:

Conspiracy

The Relevant Parties and Entities

1. Except as otherwise noted, at all times relevant
to this Information:

a. Domecq Importers, Inc. ("Domecq Importers")
was a corporation incorporated under the laws of the State of
New York. Domecq Importers imported and distributed several
brands of alcoholic beverages, including Sauza tequila and
Presidente brandy. Domecq Importers had its headquarters in
Larchmont, New York until in or about January 1991, when it
moved them to Old Greenwich, Connecticut.

b. Before on or about May 18, 1994, Domecq
Importers was directly owned by two entities controlled by

members of the Domecq family and by a member of that family who served as Domecq Importers' President and Chief Executive Officer until in or about September 1995. On or about May 18, 1994, Allied-Lyons PLC ("Allied-Lyons"), a multi-national corporation based in England, purchased Domecq Importers and other related companies. Later in 1994, Allied-Lyons changed its name to Allied Domecq PLC ("Allied Domecq"). Following its acquisition by Allied-Lyons, Domecq Importers remained a separate corporation, which was operated as part of Allied Domecq Spirits & Wines, the North American branch of Allied Domecq.

c. ALFREDO VALDES, the defendant, was an employee of Domecq Importers between January 1984 and August 1996. Between 1984 and approximately 1995, VALDES held several positions related to finance, including director of finance, vice president for finance, and chief operating officer. In or about 1996, VALDES became the vice president responsible for marketing all of Domecq Importers' brands.

d. ALFREDO VALDES, the defendant, was one of the executives at Domecq Importers responsible for selecting and contracting with wholesalers, distributors, bottlers, vendors of advertising and display materials and services, and vendors of other services. Along with other executives at

Domecq Importers, VALDES controlled funds that Domecq Importers had allocated for the sale and for the marketing and promotion of its various brands.

The Conspiracy

2. From at least as early as 1989, and continuing up to and including in or about August 1996, in the Southern District of New York and elsewhere, ALFREDO VALDES, the defendant, and other persons known and unknown, unlawfully, willfully, and knowingly did combine, conspire, confederate, and agree together and with each other to defraud the United States of America, and an agency thereof, to wit, the Internal Revenue Service ("IRS") of the United States Department of Treasury, and to commit offenses against the United States, to wit, to violate Sections 1341 and 1346 of Title 18, United States Code, and to violate Section 7201 of Title 26, United States Code.

The Objects of the Conspiracy

3. It was a part and object of the conspiracy that ALFREDO VALDES, the defendant, and his co-conspirators, would and did defraud the United States and the IRS by impeding, impairing, defeating, and obstructing the lawful functions of the IRS in the ascertainment, evaluation, assessment, and collection of income taxes due from VALDES, other individuals,

and various entities by (a) impeding and impairing scrutiny by the IRS of the true nature of payments made by Domecq Importers to certain third parties; and (b) impeding and impairing scrutiny by the IRS of the true nature of payments made by certain third parties to individuals and to numerous entities controlled by VALDES or his co-conspirators.

4. It was a further part and object of the conspiracy that ALFREDO VALDES, the defendant, and his co-conspirators, would and did attempt to evade and defeat a substantial part of the income tax due and owing to the United States by VALDES and others, in violation of Title 26, United States Code, Section 7201.

5. It was a further part and object of the conspiracy that, beginning on or about May 18, 1994, ALFREDO VALDES, the defendant, and his co-conspirators, having devised, and intending to devise, a scheme and artifice to (a) defraud Allied Domecq; (b) obtain money and property from Allied Domecq by means of false and fraudulent pretenses, representations, and promises; and (c) deprive Allied Domecq of its right to the honest services of VALDES and certain Domecq Importers executives, for the purpose of executing such scheme and artifice, and attempting to do so, would and did (i) place in post offices and authorized depositories for mail matter,

matters and things to be sent and delivered by the United States Postal Service; (ii) take and receive from the mails such matters and things; and (iii) knowingly cause such matters and things to be delivered by mail according to the directions thereon, in violation of Title 18, United States Code, Sections 1341 and 1346.

The Means and Methods of the Conspiracy

Among the means and methods of the conspiracy were the following:

The Tax Fraud Scheme

6. At some time prior to 1989, ALFREDO VALDES, the defendant, met with another senior executive of Domecq Importers. The two executives agreed to divert money from Domecq Importers to create a fund to provide them with additional income which they would conceal from the IRS. They enlisted the assistance of one or more entities that did business with Domecq Importers, including wholesalers, distributors, bottlers, vendors of advertising and display materials and services, and vendors of other services (collectively the "outside vendors").

7. In or about 1990, ALFREDO VALDES, the defendant, and the other senior executive referred to in Paragraph 6 above, invited Gabriel Sagaz, then Domecq Importers' vice

president for marketing, and Thomas Kaminsky, Domecq Importers' vice president for sales, to join the scheme. Sagaz and Kaminsky agreed.

8. The tax fraud scheme continued from in or about 1989 until in or about August 1996. In total, ALFREDO VALDES, the defendant, and Sagaz, Kaminsky, and the other senior executive who participated in this scheme (the "Executive Co-conspirators") diverted approximately \$15.6 million from Domecq Importers, and received at least an additional \$722,000 in kickbacks directly from certain of the outside vendors, all of which they concealed from the IRS.

**Diversion of Domecq Funds Through
Fictitious Third-Party Entities**

9. ALFREDO VALDES, the defendant, and the Executive Co-conspirators employed several methods to divert money from Domecq Importers, and to conceal the money from the IRS. Among these methods were the following:

a. Between at least as early as 1989 and in or about August 1996, ALFREDO VALDES, the defendant, and the Executive Co-conspirators arranged for certain outside vendors to receive funds in the form of checks from Domecq Importers. At the direction of VALDES and the Executive Co-conspirators, the outside vendors then disbursed the funds, or a portion thereof, by sending to VALDES checks made out to fictitious

third-party entities controlled by VALDES and the Executive Co-conspirators, or by transferring funds by wire directly to the fictitious third-party entities. To make these transactions appear to relate to the legitimate business of Domecq Importers and the outside vendors, VALDES and the Executive Co-conspirators caused Domecq Importers and the outside vendors to issue various false and fraudulent documents, including false purchase orders and invoices. These documents were designed to make it appear that the outside vendors had purchased goods and services from the fictitious third-party entities and then resold those goods and services to Domecq Importers. In truth and in fact, however, neither the outside vendors nor the purported third parties actually provided any goods or services to Domecq Importers in relation to these transactions. The funds that the outside vendors paid to the fictitious third-party entities were deposited by VALDES and the Executive Co-conspirators into offshore bank accounts. VALDES and the Executive Co-conspirators then shared in the proceeds.

b. ALFREDO VALDES, the defendant, and the Executive Co-conspirators also diverted money from Domecq Importers by entering into arrangements with one or more of the outside vendors that bottled alcoholic beverages for Domecq

Importers (the "bottlers"). Under these arrangements, VALDES and certain of the Executive Co-conspirators instructed the bottlers to charge Domecq Importers an additional per case "fee." The Executive Co-conspirators then caused Domecq Importers to pay this additional "fee" to the bottlers, and instructed the bottlers to pay a corresponding "commission" to fictitious third- party entities that the Executive Co-conspirators designated. The fictitious third-party entities did not provide any goods or services to either the bottlers or Domecq Importers. The majority of the "commissions" generated in this manner were deposited into offshore bank accounts controlled by the Executive Co-conspirators.

c. ALFREDO VALDES, the defendant, and the Executive Co-conspirators also diverted money from Domecq Importers by causing Domecq Importers to send funds to one of its bottlers and to one of its wholesale distributors, on the false and fraudulent pretense that these funds would be used to promote Domecq Importers' brands. The Executive Co-conspirators then directed the bottler and the wholesale distributor to issue their own checks to fictitious third-party entities that the Executive Co-conspirators controlled. In truth and in fact, the bottler and the wholesale distributor did not provide any promotional services to Domecq Importers in

connection with these transactions. Moreover, VALDES and the Executive Co-Conspirators deposited much of the "promotional" money received from the bottler and the wholesale distributor into offshore bank accounts they controlled.

d. ALFREDO VALDES, the defendant, certain of the Executive Co-conspirators, and other co-conspirators who were current or former sales representatives of Domecq Importers, also diverted money by submitting and causing Domecq Importers to pay invoices that they knew to be inflated or entirely fictitious. In truth and in fact, the invoices had been submitted by entities that were controlled by the current or former sales representatives, who shared the money received from Domecq Importers with VALDES and certain of the Executive Co-conspirators.

Kickbacks From Outside Vendors

10. In addition to the diversion of money described in Paragraph 9 above, ALFREDO VALDES, the defendant, certain of the Executive Co-conspirators, and other employees or associates of Domecq Importers (collectively referred to as the "Domecq Co-Conspirators") made arrangements to receive kickbacks, in the form of money or goods and services, directly from certain of the outside vendors, and to conceal those

kickbacks from the IRS. Among these arrangements were the following:

a. Beginning at least as early as 1991, ALFREDO VALDES, the defendant, and the Domecq Co-conspirators solicited and received kickbacks from certain of the outside vendors.

b. In order to generate a substantial portion of the funds used to pay the kickbacks, ALFREDO VALDES, the defendant, and the Domecq Co-conspirators arranged for Domecq Importers to award contracts to certain of the outside vendors, who then submitted numerous false and fraudulent invoices to Domecq Importers. These invoices either (a) reflected transactions that were entirely fictitious; (b) sought payment for substantially more goods or services than the outside vendor had actually produced for Domecq Importers; or (c) sought payment for goods or services that were priced higher than the outside vendor otherwise would have charged. VALDES and the Domecq Co-conspirators then approved these invoices for payment and Domecq Importers paid them. After the invoices were paid, the outside vendors used the funds generated through these invoices to make payments to VALDES and the Domecq Co-conspirators, either directly or to a fictitious third-party

entity named "Fortraco Intl.," which was simply an alias for VALDES and certain of the Domecq Co-conspirators.

Tax Consequences of the Fraud

11. Through the creation of fraudulent, inflated, and fictitious invoices, and the use of offshore bank accounts, ALFREDO VALDES, the defendant, and his co-conspirators impeded and impaired the IRS's scrutiny of (a) the U.S. Individual Income Tax Returns, Forms 1040, filed by VALDES and the Executive Co-conspirators, as well as the U.S. Corporate Tax Returns, Forms 1120, filed by Domecq Importers; (b) the true nature of payments made by Domecq Importers to certain third parties; and (c) the true nature of payments made by certain third parties to individuals and a variety of entities controlled by VALDES or his co-conspirators. Moreover, VALDES did not report his receipt of any portion of the money diverted from Domecq Importers or the kickbacks on his and his spouse's U.S. Individual Income Tax Returns, and the Executive Co-conspirators did not report their receipt of most, if not all, of the money diverted from Domecq Importers and the kickbacks on their U.S. Individual Income Tax Returns. As a result, those tax returns substantially underreported the taxable income and the correct amount of tax due and owing from these individuals.

The Scheme to Defraud Allied Domecq

12. Initially, the diversion of funds from Domecq Importers by ALFREDO VALDES, the defendant, and the Executive Co-conspirators, described in Paragraph Nine above, was carried out with the knowledge and approval of at least one co-owner of Domecq Importers, as well as one or more senior executives within the worldwide Domecq organization. However, from on or about May 18, 1994, when Allied-Lyons acquired Domecq Importers, the diversion of funds by VALDES and his co-conspirators, described in Paragraph Nine above, was done without the knowledge and consent of the public shareholders of Allied Domecq or the majority of the Board of Directors of Allied Domecq, although the diversion of funds was known and approved by at least one member of the Board. Moreover, from on or about May 18, 1994, the kickback scheme, described in Paragraph Ten above, was carried out without the knowledge and consent of the public shareholders or the Board of Directors of Allied Domecq.

13. The mails were used in several ways to further the above-described schemes. For example, the mails were used in connection with the diversion of funds from Domecq Importers in that fraudulent purchase orders issued by Domecq Importers to the outside vendors and fraudulent invoices issued by the

outside vendors to Domecq Importers were sent through the mails. Similarly, many of the outside vendors who participated in the kickback scheme regularly mailed fraudulent invoices to Domecq Importers to request payment for goods and services. Moreover, Domecq Importers regularly mailed checks to the outside vendors in payment of the fraudulent invoices.

Concealment of the Schemes

14. Among other things, in or about August 1996, ALFREDO VALDES, the defendant, in order to conceal the scheme, burned certain files and bank records, which were personally incriminating and which he understood were responsive to a grand jury subpoena duces tecum dated August 4, 1996, that had been served on representatives of Domecq Importers.

Overt Acts

15. In furtherance of the conspiracy and to effect its objects, ALFREDO VALDES, the defendant, and his co-conspirators committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. On or about December 28, 1993, ALFREDO VALDES, the defendant, received from an outside vendor located in the Southern District of New York a check made payable to "The Winston Group" in the amount of \$44,550.

b. On or about April 15, 1994, ALFREDO VALDES, the defendant, and his spouse filed a U.S. Individual Income Tax Return, Form 1040, for the calendar year 1993, which failed to report all of his 1993 income from the schemes described in this Count, and thereby substantially underreported the correct tax due and owing.

c. On or about January 4, 1994, ALFREDO VALDES, the defendant, received from an outside vendor located in the Southern District of New York a check made payable to "The Winston Group" in the amount of \$129,600.

d. On or about April 15, 1995, ALFREDO VALDES, the defendant, and his spouse filed a U.S. Individual Income Tax Return, Form 1040, for the calendar year 1994, which failed to report all of his 1994 income from the schemes described in this Count, and thereby substantially underreported the correct tax due and owing.

e. On or about February 18, 1995 an outside vendor issued a check to "Grupo Veracruz" in the amount of \$143,325.

f. On or about July 31, 1996, an outside vendor located in the Southern District of New York issued a check to "Baja Sur Props" in the amount of \$119,126.

(Title 18, United States Code, Section 371.)

COUNT TWO

The United States of America, acting through its attorneys, further charges:

The Money Laundering Conspiracy

16. From on or about May 18, 1994, up to and including in or about August 1996, in the Southern District of New York and elsewhere, ALFREDO VALDES, the defendant, and others known and unknown, unlawfully, willfully, and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, to violate Section 1956 of Title 18, United States Code.

17. It was a part and object of the conspiracy that ALFREDO VALDES, the defendant, and his co-conspirators, in an offense involving and affecting interstate and foreign commerce, knowing that the property involved in certain financial transactions represented the proceeds of some form of unlawful activity, unlawfully, willfully, and knowingly would and did conduct and attempt to conduct such financial transactions which in fact involved the proceeds of specified unlawful activity, to wit, the mail fraud scheme to defraud Allied Domecq involving the diversion of corporate funds from Domecq Importers and the receipt of kickbacks from outside vendors, as described in Paragraphs Twelve through Fourteen of

Count One of this Information, with intent to engage in conduct constituting a violation of Sections 7201 and 7206(1) of the Internal Revenue Code of 1986, in violation of Section 1956(a)(1)(A)(ii) of Title 18, United States Code, and knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of some form of unlawful activity, in violation of Section 1956(a)(1)(B)(i) of Title 18, United States Code.

Means and Methods of the Money Laundering Conspiracy

18. Paragraph One and Paragraphs Six through Fourteen of Count One of this Information are reincorporated and realleged as if fully set forth herein.

19. ALFREDO VALDES, the defendant, received some of the diverted corporate funds from the outside vendors in the form of checks or wire transfers made payable to one of the fictitious third-party entities controlled by ALFREDO VALDES, the defendant, and the Executive Co-conspirators. The payments by the outside vendors were made to accounts in the name of the Winston Group, Grupo VeraCruz ("VeraCruz"), Premier Maldonado ("Maldonado"), Baja Sur, and Fortraco International ("Fortraco"). Each of these fictitious third-party entities maintained an offshore bank account. The Winston Group

maintained account number 752500 at the First National Bank of Aruba (the "Winston Group Account"). Fortraco maintained account number 371050 at the First National Bank of Aruba (the "Fortraco Account"). VeraCruz and its successor Maldonado maintained account number 797021 at the First National Bank of Aruba (the "VeraCruz Account"). Baja Sur maintained account number 797022 at the First National Bank of Aruba (the "Baja Sur Account").

22. In the course of the fraud scheme outlined in Count One, the outside vendors mailed many of their checks to ALFREDO VALDES, the defendant, who in turn sent the checks to the First National Bank of Aruba. There, bank officers who were designated agents of the fictitious third-party entities endorsed the checks and deposited them into the relevant accounts. At various times, ALFREDO VALDES, the defendant, withdrew monies from these accounts for his own use and for distribution among the Executive Co-Conspirators. To this end, the monies were usually transferred into other offshore accounts controlled by the defendant or by the Executive Co-Conspirators.

23. With respect to the kickback payments made by the outside vendors, referred to in Paragraph Ten above, ALFREDO VALDES, the defendant, received some of these payments

in the form of checks made payable to an entity named "Fortraco Intl." VALDES and a co-conspirator controlled this entity and maintained a bank account for this entity in a domestic bank.

Overt Acts

24. In furtherance of the conspiracy and to effect the illegal objects thereof, ALFREDO VALDES, the defendant, and others known and unknown to the United States, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. On or about May 24, 1994, ALFREDO VALDES, the defendant, withdrew \$149,000 from the Winston Group Account, which funds were distributed to one or more of the Executive Co-conspirators.

b. On or about June 6, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$208,300, which check had originally been mailed from New York, New York.

c. On or about June 13, 1994, ALFREDO VALDES, the defendant, deposited into the Winston Group Account a check in the amount of \$200,760.

d. On or about June 28, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$200,000.

e. On or about June 28, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$68,720.

f. On or about June 28, 1994, ALFREDO VALDES, the defendant, withdrew \$200,000 from the Winston Group Account, which funds were distributed to one or more of the Executive Co-conspirators.

g. On or about June 28, 1994, ALFREDO VALDES, the defendant, withdrew \$200,000 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

h. On or about July 13, 1994, ALFREDO VALDES, the defendant, withdrew \$270,000 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

i. On or about August 29, 1994, ALFREDO VALDES, the defendant, deposited into the Winston Group Account a check in the amount of \$102,600, which check had originally been mailed from New York, New York.

j. On or about September 12, 1994, ALFREDO VALDES, the defendant, arranged for the wire transfer of \$122,800 into the Winston Group Account.

k. On or about September 15, 1994, ALFREDO VALDES, the defendant, withdrew \$220,000 from the Winston Group Account, which funds were distributed to one or more of the Executive Co-conspirators.

l. On or about September 22, 1994, ALFREDO VALDES, the defendant, deposited into the Veracruz Account a check in the amount of \$41,200.

m. On or about September 23, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$61,653.

n. On or about September 23, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$220,000.

o. On or about October 13, 1994, ALFREDO VALDES, the defendant, withdrew \$275,000 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

p. On or about October 14, 1994, ALFREDO VALDES, the defendant, deposited into the Winston Group Account a check in the amount of \$173,355.10, which check had originally been mailed from New York, New York.

q. On or about October 28, 1994, ALFREDO VALDES, the defendant, withdrew \$170,000 from the Winston Group

Account, which funds were distributed to one or more of the Executive Co-conspirators.

r. On or about December 16, 1994, ALFREDO VALDES, the defendant, deposited into the Veracruz Account a check in the amount of \$19,500.

s. On or about December 18, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$250,000.

t. On or about December 18, 1994, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$66,096.

u. On or about January 6, 1995, ALFREDO VALDES, the defendant, withdrew \$310,000 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

v. On or about March 2, 1995, ALFREDO VALDES, the defendant, withdrew \$4500 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

w. On or about March 7, 1995, ALFREDO VALDES, the defendant, deposited into the VeraCruz Account a check in the amount of \$143,325.

x. On or about April 5, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$323,700.

y. On or about April 18, 1995, ALFREDO VALDES, the defendant, deposited into the Veracruz Account a check in the amount of \$42,300.

z. On or about April 21, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$210,000.

aa. On or about April 21, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$92,364.

bb. On or about April 25, 1995, ALFREDO VALDES, the defendant, withdrew \$210,000 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

cc. On or about May 4, 1995, ALFREDO VALDES, the defendant, withdrew \$290,000 from the Fortraco Account, which funds were distributed to one or more of the Executive Co-conspirators.

dd. On or about July 20, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$54,560.

ee. On or about July 24, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$150,000.

ff. On or about July 24, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$73,978.

gg. On or about August 29, 1995, ALFREDO VALDES, the defendant, deposited into the VeraCruz Account a check in the amount of \$288,997.50, which check had originally been mailed from New York, New York.

hh. On or about September 13, 1995, ALFREDO VALDES, the defendant, withdrew \$285,000 from the VeraCruz Account, which funds were distributed to one or more of the Executive Co-conspirators.

ii. On or about October 11, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$240,000.

jj. On or about October 11, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$82,249.

kk. On or about December 6, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$40,047.50.

ll. On or about December 7, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$20,000.

mm. On or about December 18, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$54,720.

nn. On or about December 28, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$9,767.50.

oo. On or about December 29, 1995, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$55,597.

pp. On or about January 7, 1996, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$54,778.80.

qq. On or about January 16, 1996, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$5,000.

rr. On or about February 28, 1996, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$39,000.

ss. On or about March 6, 1996, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$62,100.

tt. On or about April 8, 1996, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$55,192.

uu. On or about April 16, 1996, ALFREDO VALDES, the defendant, deposited into the Fortraco Account a check in the amount of \$86,655.70.

vv. On or about July 31, 1996, ALFREDO VALDES, the defendant, deposited into the Baja Sur Account a check in the amount of \$119,126.

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

_____/s/_____
JOEL I. KLEIN
Assistant Attorney General
Antitrust Division
U.S. Department of Justice

_____/s/_____
MARY JO WHITE
United States Attorney

_____/s/_____
RALPH T. GIORDANO
Chief, New York Field Office
Antitrust Division
U.S. Department of Justice