## **EXHIBIT H**

EXHIBIT H, Page 124
EXHIBITS TO DEFENDANTS' MTD THE INDICTMENT WITH PREJUDICE
DUE TO THE GOVERNMENT'S REPEATED AND INTENTIONAL MISCONDUCT

FD-302 (Rev. 10-6-95)

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription	11/30/2008

Steven Kacham Lee, Financial Officer for Lindsey Manufacturing Company (LCM), work telephone number (626) 969-3471, extension 122, was interviewed at his place employment. LMC is located at 750 North Georgia Avenue, Azusa, California, 91702. Prior to beginning the interview, Lee was told that the interview was voluntary and that he was free to terminate it at any time. He indicated that he understood. He was also told that the FBI was executing a search warrant at LMC, to which he indicated that he had received a copy of the search warrant. After being advised of the identities of the investigating agents and the purpose of the interview, Lee provided the following information:

Lee resides at

. He can be reached via a cellular telephone number or via his home telephone number the started working for LMC in 1981. His current responsibilities as Chief Financial Officer include handling all financial matters to include payroll and accounting.

Lee advised that LMC is owned by Keith Lindsey, who serves as President of the company. Steve Scholfield, Rick Zonneville, and Luis Cosio help run LMC. Robert Rice, who serves as Controller also plays a very important part in the day-to-day running of the business. Lindsey, Rice, Assistant Controller Mindy Knok, and himself are authorized to pay bills. Regarding check writing and wire transfers, Lindsey is the only person with single signing authority. All other checks require the signatures of two Manager (i.e. Scholfield, Zonneville, Cosio, or Lee).

Lee and Scholfield are responsible for handling all incoming and outgoing wire transfers. Lee conducts the majority of LCM's wire transfers. Scholfield handles this duty when Lee is out of the office or when Lee is unable to do so. Lindsey reviews a report that is generated for all wire transactions.

LMC sends incoming wire transfers to a LMC account at Bank of America. LMC's main corporate account is at California United Bank. Its account number is 025702. LMC uses this account for all outgoing wires. This is the account LMC used to conduct

Investigation on	11/20/2008 at Azusa	a, California		
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all the wire transfers to Grupo International De Ascsores S.A. (Grupo).

LMC does some business with U.S. based customers, the majority of LMC's business is with international customers. LMC has customers in Central America, South America, India, the Philippines, Canada, and several other countries. LMC works with these customers through local, in country representatives or brokers. The standard commission for brokers in most countries is 10 percent, though it is higher in some countries. For example, In India the standard commission is 14 percent. In the Philippines it is 17 percent. Prior to 2001 or 2002, LMC paid the standard 10 percent commission to its Mexican representative.

Lee stated that most Mexican government contracts were given to the company providing the lowest bid. During 2003, LMC employees flew to Mexico to attend a bid opening meeting in the hope that it would obtain the contract. While Lee was not present he was provided the following information. Employees of competing companies, including a Canadian company, were also present. During the meeting, a Mexican broker named Enrique Aguilar entered the room, placed a bid for his client on the table, and left the room. Almost immediately, the meeting was ended and the companies told that the bid opening was being cancelled. LMC employees related to Lee that Aguilar appeared to be the reason the meeting was ended and that he apparently was a person with significant influence.

After Lee was provided this information, he wanted to hire Aguilar as LMC's Mexican representative. LMC's current representative was not working out particularly well. Lee contracted Aguilar shortly thereafter. Aguilar told Lee that he was working with a Canadian company, SBB, and could not simultaneously work with LMC. Lee advised that LMC courted Aguilar for about a year. During 2003 or 2004, Aguilar called Lee and asked if Lee was ready to talk. LMC flew Aguilar to LMC's office in the United States. Lee, Lindsey, and Aguilar met to discuss business. Aguilar advised that he could get things done and he could obtain contracts between LMC and CFE. He, however, required a thirty percent commission. Lee stated that he and Lindsey knew the thirty percent commission was high, but asked no questions of Aguilar. Lindsey and Lee agreed and hired Aguilar. Aguilar's company was named Grupo. Lee also stated that Aguilar was a medical doctor who found the brokerage business to be more profitable.

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Using Aguilar, LMC began obtaining contracts for its products from a Mexican utility company named Comision Federal De Electricidad (CFE). The subject of commission was never brought up again after Aguilar delivered on the first couple of contracts. Lee advised that LMC passed on Aguilar's entire 30 percent commission to CFE. LMC did not lower its own profit to ensure that it's bid would be competitive. LMC consistently obtained the contracts even though CFE used a bidding process to award contracts and presumably awarded its contracts to the lowest bidder. Lee did not find a reason to question this. Lee routinely wired payment to Aguilar from California United Bank account after receiving an invoice from Aguilar.

During 2006, the overwhelming majority of LMC's business came from CFE contracts. During that year, LMC received contracts totaling approximately \$15-18 million from CFE, via Aguilar. CFE primarily ordered Emergency Restoration System Towers from LMC. Business increased so significantly that LMC institute three shifts for production employees, to ensure that production would continue 24 hours a day. Lee indicated that business dropped off significantly with CFE and Aguilar after 2006. Lee attributed this to market saturation. He acknowledged that CFE only needed a certain number of emergency towers.

Lee advised that he does not know anyone at CFE. He never spoke to CFE employees. All such contact with CFE was Aguilar's responsibility. Aguilar further handled issues regarding timely payment by CFE. Lee said that at most, he might have written a letter or two to CFE. He said that he never spoke to an individual named Nestor Moreno and had never heard of an individual named Angela Aguilar.

Lee acknowledged that Aguilar's commission was high, but he did not question what Aguilar was doing to ensure that LMC obtained CFE contracts. Lee said that if Aguilar was using the money to pay bribes, he had no idea. Lee advised that he once was asked to pay a bride to a Bangladesh official. LMC representative located in Bangladesh relayed that the government official could ensure that LMC obtained a particular contract, but the official wanted to be given a Nissan vehicle. Lee said that he refused.

Agent note: The interview was concluded quickly after Lindsey's wife, Lela Lindsey, abruptly entered Lee's office shouting. She warned him that he should not be talking to interviewers without the company's attorney being present.

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Although Lee indicated that he wished to continue to speak to the interviewing agents, he ceased the interview, stating he wanted to calm Lela Lindsey down.