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CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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DEPUTY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

June 2017 Grand Jury

18 CR 3655 JLS

UNITED STATES OF AMERICA,

Case No.

I N D I C T M E N T

v.

RICARTE ICMAT DAVID,

Defendant.

Title 18, U.S.C., Secs. 1349, 1346 and 1343 - Conspiracy To Commit Honest Services Fraud; Title 18, U.S.C., Sec. 981(a)(1)(C), and Title 28, U.S.C., Sec 2461(c) - Criminal Forfeiture

The grand jury charges that, at all times relevant:

1. Defendant RICARTE ICMAT DAVID ("DAVID") was an enlisted sailor in the United States Navy, serving as a Master Chief Petty Officer from September 2003 to April 2012, when he retired from active duty. During this period, DAVID was assigned various logistics positions with the U.S. Navy's Seventh Fleet, including with the Fleet Industrial Supply Center in Yokosuka, Japan from June 2001 to July 2004; on the USS Essex, from July 2004 to August 2007; on the USS Kitty Hawk from September 2007 to August 2008; and on the USS George Washington from September 2008 to July 2010. In these positions, DAVID was responsible for ordering and verifying goods and services for the ships on which he served, including from contractors during port calls.

1 2. As a senior enlisted sailor in the United States Navy, DAVID
2 was at all times a "public official" within the definition of Title 18,
3 United States Code, Section 201(a)(1). As a member of the United States
4 Navy, DAVID owed a fiduciary duty to both the United States Navy and
5 the American public.

6 3. Leonard Glenn Francis, ("Francis"), charged elsewhere, was a
7 citizen of Malaysia, residing in Singapore. Francis was the Chief
8 Executive Officer and President of Glenn Defense Marine (Asia) ("GDMA"),
9 a multi-national corporation with headquarters in Singapore. As of
10 September 2013, GDMA had operating locations in many countries,
11 including Japan, Thailand, Malaysia, Korea, Hong Kong, Indonesia,
12 Australia, Philippines, and the United States. GDMA's main business
13 involved the "husbanding" of marine vessels, a service it had provided
14 across the Seventh Fleet's area of responsibility under various
15 contracts with the U.S. Navy for over 25 years. "Ship husbanding"
16 involves the coordinating, scheduling, and direct and indirect
17 procurement of items and services required by ships and submarines when
18 those vessels arrive at port. Examples of these items and services
19 included, among others, tugboats; fenders; port authority or customs
20 fees; security; food; fuel; water; trash removal; collection, holding,
21 and transfer of liquid waste ("CHT"); and transportation, among many
22 others.

23 4. Alex Wisidagama, ("Wisidagama"), charged elsewhere, a citizen
24 of Singapore, was GDMA's Global Manager for Government Contracts.

25 5. Neil Peterson ("Peterson"), charged elsewhere, a citizen of
26 Singapore, was GDMA's Vice President of Global Operations.

27 //

28 //

1
2 Count 1

3 Conspiracy To Commit Honest Services Fraud

4 (18 U.S.C. §§ 1349, 1346 & 1343)

5 6. The allegations in Paragraphs 1 through 5 of this Indictment
6 are hereby re-alleged and incorporated herein.

7 7. From in or about February 2005 until at least September 2013,
8 on the high seas and out of the jurisdiction of any particular district,
9 defendant RICARTE ICMAT DAVID, ("DAVID"), Leonard Glenn Francis,
10 ("Francis"), (charged elsewhere), and others did knowingly and
11 intentionally conspire and agree to devise a material scheme and artifice
12 to defraud the citizens of the United States and the U.S. Navy of their
13 rights to DAVID's honest, loyal, and faithful, services, decisions,
14 actions, and performance, through bribery and kickbacks and the
15 concealment of material information; and for the purpose of executing
16 this scheme and artifice, defendants and their conspirators transmitted
17 and caused to be transmitted writings, signs, and signals by means of
18 wire communication in interstate and foreign commerce.

19 OBJECT OF THE CONSPIRACY

20 8. It was the object of the conspiracy for DAVID to use his
21 position and influence in the U.S. Navy to advocate for and advance
22 GDMA's interests, as opportunities arose, by, among other things,
23 providing Francis and others with classified U.S. Navy information;
24 providing Francis and others internal, proprietary U.S. Navy
25 information; approving or causing the U.S. Navy to approve the payment
26 of invoices that DAVID knew to contain fraudulent charges; and advocating
27 for the U.S. Navy to procure items under its husbanding contracts from
28 GDMA, and in return, Francis and other GDMA personnel would offer and

1 give things of value to or on behalf of DAVID, such as cash, gifts,
2 entertainment, hotel expenses, and the services of prostitutes, thereby
3 depriving the U.S. Navy and the American public of their rights to
4 DAVID's honest services.

5 MANNERS AND MEANS OF THE CONSPIRACY

6 9. In furtherance of this conspiracy, and to accomplish its
7 object, the following manners and means were used, among others:

8 a. DAVID, Francis, and others devised a material scheme and
9 artifice to deprive the U.S. Navy and the American public of their rights
10 to DAVID's honest services.

11 b. DAVID would demand, seek, receive, and accept things of
12 value from Francis and others, including cash, gifts, entertainment,
13 hotel expenses, and the services of prostitutes.

14 c. Francis and others would offer and give things of value
15 to or on behalf of DAVID, including cash, gifts, entertainment, hotel
16 expenses, and the services of prostitutes.

17 d. In return for these things of value, DAVID would use his
18 position and influence in the U.S. Navy to advocate for and advance
19 GDMA's interests, as opportunities arose.

20 e. DAVID would approve or cause to be approved GDMA invoices
21 which DAVID knew contained fraudulent charges.

22 f. DAVID would provide Francis, Wisidagama, Peterson, and
23 others with classified U.S. Navy information.

24 g. DAVID would provide Francis, Wisidagama, Peterson, and
25 others with internal, proprietary U.S. Navy information.

26 h. DAVID, Francis, Wisidagama, Peterson, and others would
27 use coded terminology, personal email accounts, and other means designed
28

1 to obscure the true nature of their corrupt relationship and to avoid
2 detection by law enforcement.

3 OVERT ACTS

4 10. In furtherance of the conspiracy and to effect its objects,
5 the following overt acts, among others, were committed:

6 a. On or about February 11, 2005, GDMA paid for an executive
7 level room at the Singapore Marriot hotel for DAVID at a cost of over
8 \$150.00 per night during a port visit by the USS Essex.

9 b. On or about November 16, 2005, during a USS Essex port
10 visit to Hong Kong, China, Francis gave DAVID approximately \$15,000
11 cash. The cash was provided in exchange for DAVID approving GDMA's
12 fraudulently inflated invoices. On November 16, 2005, DAVID emailed
13 Francis thanking him for the "wonderful Christmas present."

14 c. On or about March 17, 2006, DAVID emailed Francis again
15 asking for cash, referencing the USS Essex's November 2005 Hong Kong
16 port visit: "I have six more years left till I retire perhaps we can
17 make some business again just like we did in Hong Kong[.] [N]eed some
18 cash before I retire[.]"

19 d. On or about May 7, 2006, DAVID emailed Francis requesting
20 a hotel room at the Siam Bayshore during an upcoming USS Essex port
21 visit to Laem Chabang, Thailand. At the direction of Wisidagama, a GDMA
22 employee booked a room for DAVID for May 24-28, 2006, at the requested
23 hotel. DAVID, however, did not show up and GDMA was charged a 2,800
24 Thai baht cancellation fee.

25 e. On or about October 27, 2006, a GDMA employee emailed
26 DAVID informing him a harbor view room at the Grand Hyatt Hong Kong had
27 been reserved for him at Francis's direction: "Leonard has told me to
28 assist you with hotel booking in Hong Kong. I have a harbor view room

1 booked at the Grand Hyatt from the 5th to the 8th of November 06. I
2 will email the hotel confirmation number as soon as I receive it." DAVID
3 responded: "Good to hear from you appreciate your assistance."

4 f. On or about May 2, 2007, DAVID emailed Francis
5 instructing him to inflate GDMA's invoices for the USS Essex's
6 anticipated November 2007 port visit to the Philippines. It was
7 understood that part of the excess in payments would fund the cash bribes
8 paid to DAVID: "Boss, Just in case I'm not on the port visit you can go
9 ahead do your thing[,] put some dollar on the CHT/Water/Trash or Force
10 protection[.] [Y]ou and me are the only one will know[,] just put them
11 on my savings if we can do that . . . more power." DAVID signed this
12 email "V/r, Bad Boy."

13 g. On or about May 9, 2007, DAVID emailed Francis again
14 reiterating his instruction to inflate GDMA's invoices in exchange for
15 a cash bribe: "Just in case I'm not on that port visit you can go ahead
16 do your thing put some dollar on the CHT/Water/Trash or Force
17 protection[.] [J]ust you and me are the only one will know[.] [J]ust
18 put them on my savings if we can do that . . . just getting ready for
19 my retirement home in P.I. [M]ore power to you."

20 h. On or about July 11, 2007, DAVID sent a third email
21 instructing Francis to inflate the invoices during the USS Essex port
22 visit to the Philippines: "Good day to you, just to let you know i'm
23 heading to the mighty Kitty Shitty [USS Kitty Hawk] and the Essex will
24 be there in Subic sometimes in November[.] [T]he one who replace me here
25 in stock control dont have any clue so i'am giving you the permission
26 to do whatever you want to do with the bills...throw extra dollar on the
27 CHT/Water etc... [T]hey w[ere] all Automatic take ups which the ship don't
28

1 pay for it... just don't forget me please[.] [M]y house in P.I. is not
2 finish yet, ok?"

3 i. On or about May 8, 2008, GDMA paid approximately
4 84,637.00 HKD for hotel reservations at the Grand Hyatt Hong Kong for
5 U.S. Navy personnel assigned to the USS Kitty Hawk including 10,396 HKD
6 for DAVID's four-night stay in a harbor view room.

7 j. On or about July 13, 2009, DAVID emailed Francis
8 explicitly asking for cash: "if you can please help me out with some
9 (\$cash) I really need some help to build my retirement home . . ."

10 k. On or about August 6, 2009, DAVID sent Wisidagama an
11 email thanking him for a four-night stay in a Pacific Club King room at
12 the Pan Pacific Orchard hotel during a USS George Washington port visit
13 to Singapore: "Who is the main man in Manila as far as Husbanding agent?
14 also I need a phone number please. Thanks a millions for the room[.]
15 [M]e and my GF enjoyed it." Wisidagama responded that Peterson was the
16 main man in the Philippines.

17 l. On or about August 6, 2009, DAVID sent Francis a follow-
18 up email concerning his unfulfilled request for cash: "do you have the
19 below [cash] I ask you[.] [L]et me know please." Francis responded:
20 "It will be delivered in MANILA."

21 m. Five days later, on or about August 11 to 15, 2009,
22 Francis caused approximately \$15,000 cash to be delivered to DAVID while
23 the USS George Washington made a port visit to Manila.

24 n. On or about September 15, 2009, Peterson sent an email
25 to a GDMA employee directing that a hotel room be reserved at the
26 Renaissance Hotel in Hong Kong from October 29 to November 3, 2009 for
27 DAVID, a "longtime supporter of GDMA." Francis and Wisidagama were both
28 copied on this email.

1 p. On or about November 3, 2009, DAVID emailed a thank you
2 email to the GDMA employee and Francis for "everything advance [sic]
3 Merry Christmas and prosperous New [Y]ear to all."

4 All in violation of Title 18, United States Code, Sections 1349, 1346
5 and 1343.

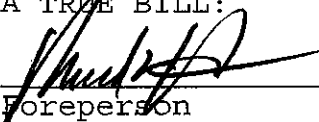
6 **FORFEITURE ALLEGATIONS**

7 11. The allegations in Count 1 of this Indictment are incorporated
8 by reference for the purpose of alleging forfeiture pursuant to Title 18,
9 United States Code, Section 981(a)(1)(C), and Title 28, United States
10 Code, Section 2461(c).

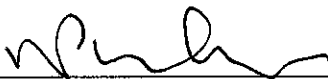
11 12. Upon conviction of the offense set forth in Count 1 defendant
12 RICARTE ICMAT DAVID shall forfeit to all property, real and personal,
13 which constitutes or is derived from proceeds traceable to Count 1
14 pursuant to Title 18, United States Code, Section 981(a)(1)(C), and
15 Title 28, United States Code, Section 2461(c), including but not limited
16 to a money judgment in an amount not less than the proceeds of the
17 offense set forth in Count 1.

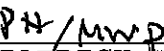
18 DATED: August 16, 2018.

19 A TRUE BILL:

20 
21 _____
22 foreperson

21 ADAM L. BRAVERMAN
22 United States Attorney

23 By: 
24 _____
25 MARK W. PLETCHER
26 Assistant U.S. Attorney

27 By: 
28 _____
29 PATRICK HOVAKIMIAN
30 Assistant U.S. Attorney