

FILED

2008 JAN 16 PM 4:28

CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

BY LA

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
February 2007 Grand Jury

UNITED STATES OF AMERICA, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
GERALD GREEN and )  
PATRICIA GREEN, )  
 )  
Defendants. )

CR No. **08-00059**

I N D I C T M E N T

[18 U.S.C. § 371: Conspiracy;  
15 U.S.C. § 78dd-2(a)(1),  
(g)(2)(A): Foreign Corrupt  
Practices Act; 18 U.S.C. § 2:  
Aiding and Abetting and  
Causing an Act To Be Done]

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

A. THE FOREIGN CORRUPT PRACTICES ACT

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 making it unlawful, among other things, for certain United States persons and business entities defined as "domestic concerns" to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value to a foreign government official for

BHS:bhs **BHS**  
JEL:jel **Jel**

1 the purpose of securing any improper advantage, or of obtaining  
2 or retaining business for and with, or directing business to, any  
3 person.

4 B. RELEVANT PERSONS AND ENTITIES

5 2. Defendant GERALD GREEN ("G. GREEN") was born in South  
6 Africa and was a naturalized citizen of the United States. As a  
7 citizen of the United States, defendant G. GREEN was a "domestic  
8 concern" as that term was defined in the FCPA. Defendant G.  
9 GREEN obtained business for, and negotiated contracts on behalf  
10 of, various business entities located in the Central District of  
11 California collectively referenced in this Indictment as the  
12 "Green Businesses."

13 3. Defendant PATRICIA GREEN ("P. GREEN") was born in  
14 Mexico and was a naturalized citizen of the United States. As a  
15 citizen of the United States, defendant P. GREEN was a "domestic  
16 concern" as that term was defined in the FCPA. Defendant P.  
17 GREEN was the wife of defendant G. GREEN. Defendant P. GREEN  
18 managed the Green Businesses' day-to-day operations, and was  
19 primarily responsible for approving expenses, signing checks, and  
20 wiring funds from the bank accounts of the Green Businesses.

21 4. The "Green Businesses" included the following  
22 California corporations and unincorporated businesses that  
23 defendants G. GREEN and P. GREEN owned and operated in Beverly  
24 Hills, California: Film Festival Management, Inc. ("FFM"); SASO  
25 Entertainment ("SASO"); Artist Design Corp. ("Artist Design");  
26 International Fashion Consultant, Inc. ("IFC"); and entities  
27 doing business as "Creative Ignition," "Ignition," and  
28 "International Festival Consultants." The "Green Businesses"

1 also included Festival of Festivals ("FOF"), a business entity  
2 belonging to an associate of defendants G. GREEN and P. GREEN,  
3 but in the name of which defendants G. GREEN and P. GREEN did  
4 business and received and transferred funds. As entities that  
5 had their principal place of business in the United States, and  
6 that were organized under the laws of a State of the United  
7 States, the Green Businesses were "domestic concerns" as that  
8 term was defined in the FCPA. The Green Businesses were used as  
9 vehicles to help obtain contracts to manage and operate the  
10 annual Bangkok International Film Festival ("BKKIFF").

11 5. The Tourism Authority of Thailand ("TAT") was a  
12 government agency of the Kingdom of Thailand. The TAT, among  
13 other things, administered and funded the annual BKKIFF. The TAT  
14 received from the Kingdom of Thailand a yearly budget equivalent  
15 to millions of United States dollars to disburse for the  
16 operations of the BKKIFF.

17 6. The "Governor" was the senior government officer of the  
18 TAT from in and around 2002 until 2006. As an officer and  
19 employee of a department, agency, and instrumentality of a  
20 foreign government, the Governor was a "foreign official" as that  
21 term was defined in the FCPA. The Governor was the "President"  
22 of the BKKIFF and was involved in the process of selecting the  
23 businesses that would manage and provide other goods and services  
24 to the BKKIFF. The Governor also approved the disbursement of  
25 TAT funds on behalf of the BKKIFF to the Green Businesses.

26 7. The "Daughter" was a Thai citizen, and was the daughter  
27 of the Governor. The Daughter received, for the benefit of the  
28 Governor, payments from the Green Businesses paid in connection

1 with the award of the BKKIFF contracts.

2 8. The "Friend" was a Thai citizen, and was a friend of  
3 the Governor. The Friend also received, for the benefit of the  
4 Governor, payments from the Green Businesses paid in connection  
5 with the award of the BKKIFF contracts.

6 C. OVERVIEW OF BKKIFF REVENUES AND BRIBE PAYMENTS

7 9. Beginning in or about 2002, and continuing to in or  
8 about 2007, defendants G. GREEN and P. GREEN, through several of  
9 the Green Businesses, received over \$7 million from the TAT in  
10 connection with work performed on the BKKIFF contracts. During  
11 that same time period, defendants G. GREEN and P. GREEN sent and  
12 caused to be sent at least \$900,000 of those funds via  
13 international wire transfers from the accounts of the Green  
14 Businesses to bank accounts held in the name of either the  
15 Daughter or the Friend at banks in Singapore, the United Kingdom,  
16 and the Isle of Jersey, for the benefit of the Governor.  
17 Defendant G. GREEN also on occasion delivered cash to the  
18 Governor, in person.

19 10. Defendants G. GREEN and P. GREEN caused these bribe  
20 payments, paid to and for the benefit of the Governor in order to  
21 obtain and retain the lucrative BKKIFF contracts, to be disguised  
22 on the Green Businesses' books and records as "sales commissions"  
23 in order to conceal the illegal nature of the payments.

24 D. INCORPORATION BY REFERENCE

25 11. These introductory allegations are incorporated and re-  
26 alleged into each count of this Indictment.

27

28

COUNT ONE

[18 U.S.C. § 371]

A. OBJECT OF THE CONSPIRACY

Beginning in or around 2002, and continuing to in or around 2007, in Los Angeles County, within the Central District of California, and elsewhere, defendants G. GREEN and P. GREEN, and others known and unknown to the Grand Jury, knowingly and willfully agreed with each other to commit an offense against the United States, that is, each being a citizen of the United States and a domestic concern within the meaning of the Foreign Corrupt Practices Act, to willfully make use of means and instrumentalities of interstate and international 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 any foreign official for purposes of: (i) influencing acts and decisions of such foreign official in 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 her influence with a foreign government and instrumentalities thereof to affect and influence acts and decisions of such government and instrumentalities, in order to assist defendants G. GREEN, and P. GREEN, and others known and unknown to the Grand Jury, in obtaining and retaining business for and with, and directing business to, the Green Businesses, in violation of Title 15, United States Code, Section 78dd-2(a)(1).

1 B. THE MANNER AND MEANS OF THE CONSPIRACY

2 The object of the conspiracy was to be accomplished, in  
3 substance, as follows:

4 1. Defendants G. GREEN and P. GREEN would obtain and  
5 retain the lucrative annual BKKIFF contracts with the TAT by  
6 offering and paying bribes to, and for the benefit of, the  
7 Governor in exchange for the award of contracts.

8 2. Defendant G. GREEN and the Governor would agree to the  
9 total amount of the BKKIFF contracts and also to the amount of  
10 the bribe payments as a percentage, ranging between 10% and 20%,  
11 of the monies that the TAT would pay the Green Businesses.

12 3. The Governor had authority to approve TAT payments to  
13 foreign entities up to a certain dollar amount. Therefore, at  
14 the Governor's direction, defendants G. GREEN and P. GREEN would  
15 split up the performance of the BKKIFF contracts between  
16 different Green Businesses. To create the appearance of separate  
17 and distinct businesses, defendants G. GREEN and P. GREEN caused  
18 the Green Businesses to use different bank accounts, mailing  
19 addresses, and telephone numbers in their dealings with the TAT.  
20 Some of these entities and bank accounts would be established  
21 solely for business with the TAT in connection with the BKKIFF.  
22 However, in reality, all of the BKKIFF work would be managed by  
23 the same personnel out of the same Beverly Hills business offices  
24 at the direction of, and to benefit, defendants G. GREEN and P.  
25 GREEN. In this manner, the Governor and defendants G. GREEN and  
26 P. GREEN would conceal from further scrutiny and suspicion by  
27 Thai government officials the large sums of TAT funds paid to the  
28 Green Businesses.

1           4.     Defendants G. GREEN and P. GREEN would prepare and  
2 submit, and cause others to prepare and submit, to the TAT  
3 statements of the scope of work and the costs to the TAT for the  
4 various Green Businesses' services in connection with the BKKIFF  
5 contracts. Defendants G. GREEN and P. GREEN would inflate the  
6 cost amounts submitted to the TAT to include the anticipated  
7 bribe payments to the Governor, in addition to the Green  
8 Businesses' own actual costs and profits.

9           5.     Following the Green Businesses' receipt of payment from  
10 the TAT for work performed on the BKKIFF, defendant G. GREEN  
11 would advise defendant P. GREEN when a "commission" payment was  
12 needed for the Governor. Defendant P. GREEN and another employee  
13 at the Green Businesses would then look to see which of the Green  
14 Businesses had the money available for payment.

15           6.     Defendants G. GREEN and P. GREEN would arrange for the  
16 payments to be made, for the benefit of the Governor, via  
17 international wire transfer from the bank accounts of one or more  
18 of the Green Businesses to bank accounts held in the name of the  
19 Daughter or the Friend at banks in the United Kingdom, Singapore,  
20 and the Isle of Jersey.

21           7.     Defendants G. GREEN and P. GREEN would also  
22 occasionally arrange for cash payments to be made directly to the  
23 Governor, including during her trips to Los Angeles, California.

24           8.     Defendant P. GREEN would maintain spreadsheets created  
25 by an employee that calculated and tracked the bribe payments  
26 made to and for the benefit of the Governor in connection with  
27 the BKKIFF contracts.

28

1           9. Defendants G. GREEN and P. GREEN would cause the bribe  
2 payments to, and for the benefit of, the Governor for the BKKIFF  
3 contracts to be characterized as "sales commissions" on the  
4 profit and loss statements and other company books and records  
5 prepared and maintained by the Green Businesses.

6           10. In return for the bribe payments characterized as  
7 "sales commissions," the Governor assisted defendants G. GREEN  
8 and P. GREEN in obtaining and retaining the lucrative BKKIFF  
9 contracts.

10 C.   OVERT ACTS

11           In furtherance of the conspiracy and to accomplish the  
12 object of the conspiracy, defendants G. GREEN and P. GREEN, and  
13 other co-conspirators known and unknown to the Grand Jury,  
14 committed various overt acts in Los Angeles County, within the  
15 Central District of California, and elsewhere, including, but not  
16 limited to, the following:

17           1. In or before July 2002, defendant G. GREEN and the  
18 Governor agreed that defendant G. GREEN would operate and manage  
19 the 2003 BKKIFF.

20           2. On or about July 8, 2002, defendant G. GREEN caused FFM  
21 to be incorporated in the State of California.

22           3. In or before November 2002, defendant G. GREEN agreed  
23 to pay a percentage of the 2003 BKKIFF contract value for the  
24 benefit of the Governor.

25           4. On or about November 8, 2002, defendant G. GREEN  
26 received a facsimile on TAT letterhead providing wire  
27 instructions to the Daughter's bank account at HSBC Bank PLC in  
28 the United Kingdom.

1           5.    On or about November 12, 2002, defendants G. GREEN and  
2 P. GREEN caused a wire transfer of \$30,000 from FFM's bank  
3 account at Bank of America in West Hollywood, California, to the  
4 Daughter's bank account at HSBC Bank PLC in the United Kingdom.

5           6.    In or before May 2003, defendant G. GREEN agreed to pay  
6 a percentage of the 2004 BKKIFF contract value for the benefit of  
7 the Governor.

8           7.    In or about June 2003, defendants G. GREEN and P. GREEN  
9 caused an employee of SASO to execute a scope of work letter  
10 agreement between SASO and the TAT for the 2004 BKKIFF with an  
11 attached payment schedule that included a total of \$468,027 in  
12 payments to SASO.

13           8.    On or about June 23, 2003, defendants G. GREEN and P.  
14 GREEN caused an invoice on SASO letterhead containing a SASO  
15 employee's home address rather than SASO's office address to be  
16 sent to the TAT in the amount of \$24,000.

17           9.    On or about October 23, 2003, defendants G. GREEN and  
18 P. GREEN caused a wire transfer of \$12,500 from FFM's bank  
19 account at Bank of America in West Hollywood, California, to the  
20 Daughter's bank account at HSBC Bank PLC in the United Kingdom.

21           10.   On or about November 14, 2003, defendants G. GREEN and  
22 P. GREEN caused an invoice of FFM to be sent to the TAT in the  
23 amount of \$63,011.

24           11.   In or before September 2004, defendant G. GREEN agreed  
25 to pay a percentage of the 2005 BKKIFF contract value for the  
26 benefit of the Governor.

27           12.   On or about October 22, 2004, defendants G. GREEN and  
28 P. GREEN caused a wire transfer of \$28,000 from FFM's bank

1 account at Bank of America in West Hollywood, California, to the  
2 Daughter's bank account at HSBC Bank International Limited in the  
3 Isle of Jersey.

4 13. In or about 2005, defendant P. GREEN opened up a bank  
5 account at Wells Fargo Bank in West Hollywood, California, in the  
6 name of FOF, a business owned by an associate of defendants G.  
7 GREEN and P. GREEN.

8 14. On or about February 24, 2005, defendants G. GREEN and  
9 P. GREEN caused a wire transfer of \$100,000 from FOF's bank  
10 account at Wells Fargo Bank in West Hollywood, California, to the  
11 Daughter's bank account at HSBC Bank International Limited in the  
12 Isle of Jersey.

13 15. On or about March 11, 2005, defendants G. GREEN and P.  
14 GREEN caused a wire transfer of \$100,000 from FOF's bank account  
15 at Wells Fargo Bank in West Hollywood, California, to the  
16 Friend's bank account at Citibank in Singapore.

17 16. In or before September 2005, defendant G. GREEN agreed  
18 to pay a percentage of the 2006 BKKIFF contract value for the  
19 benefit of the Governor.

20 17. On or about January 19, 2006, defendants G. GREEN and  
21 P. GREEN caused a wire transfer of \$78,000 from IFC's bank  
22 account at Wells Fargo Bank in West Hollywood, California, to the  
23 Daughter's bank account at Citibank in Singapore.

COUNTS TWO THROUGH SEVEN

[15 U.S.C. § 78dd-2(a)(1), (g)(2)(A); 18 U.S.C. § 2]

On or about the dates set forth below, in Los Angeles County, within the Central District of California, and elsewhere, defendants GERALD GREEN ("G. GREEN") and PATRICIA GREEN ("P. GREEN"), who were citizens of the United States and domestic concerns within the meaning of the Foreign Corrupt Practices Act, willfully used, and aided, abetted, and caused others to use, means and instrumentalities of interstate and international 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 any foreign official for purposes of: (i) influencing acts and decisions of such foreign official in 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 her influence with a foreign government and instrumentality thereof to affect and influence any acts and decisions of such government and instrumentality, in order to assist defendants G. GREEN, P. GREEN, and others known and unknown to the Grand Jury, in obtaining and retaining business for and with, and directing business to, the Green Businesses, namely, contracts to manage and operate the BKKIFF, as follows:

<u>COUNT</u>	<u>DATE</u>	<u>WIRE TRANSFERS</u>
TWO	11/12/02	Wire transfer of \$30,000 from FFM's bank account at Bank of America in West Hollywood, California, to the Daughter's bank account at HSBC Bank PLC in the United Kingdom

1 THREE 10/23/03 Wire transfer of \$12,500 from FFM's bank  
2 account at Bank of America in West  
3 Hollywood, California, to the Daughter's  
4 FOUR 10/22/04 Wire transfer of \$28,000 from FFM's  
5 bank account at Bank of America in West  
6 Hollywood, California, to the Daughter's  
7 FIVE 2/24/05 Wire transfer of \$100,000 from FOF's  
8 bank account at Wells Fargo Bank in West  
9 Hollywood, California, to the Daughter's  
10 SIX 3/11/05 Wire transfer of \$100,000 from FOF's  
11 bank account at Wells Fargo Bank in West  
12 Hollywood, California, to the Friend's  
13 SEVEN 1/19/06 Wire transfer of \$78,000 from IFC's bank  
14 account at Wells Fargo Bank in West  
15 Hollywood, California, to the Daughter's  
16 bank account at Citibank in Singapore

17 A TRUE BILL

18 15/  
19 Foreperson

20 THOMAS P. O'BRIEN  
21 United States Attorney

22 *Christine C. Ewell*

23 CHRISTINE C. EWELL  
24 Assistant United States Attorney  
25 Chief, Criminal Division

26 BRUCE H. SEARBY  
27 Assistant United States Attorney  
28 Public Integrity & Environmental Crimes Section

29 *Mark F. Mendelsohn* b7E  
30 STEVEN A. TYRRELL, Chief  
31 MARK F. MENDELSON, Deputy Chief  
32 Fraud Section, Criminal Division  
33 U.S. Department of Justice

34 JONATHAN E. LOPEZ, Trial Attorney  
35 Fraud Section, Criminal Division  
36 U.S. Department of Justice