



Attachment A

COUNT 1

From in or about December 1994 to on or about December 20, 1995, at Parsippany in the District of New Jersey and elsewhere, the defendant

DAVID H. MEAD

did knowingly and willfully conspire, combine, confederate and agree with others to 1) in his own capacity as a "domestic concern" as that term is defined in the Foreign Corrupt Practices Act of 1977, 15 U.S.C. § 78dd-2(h)(1)(A), and as an officer, employee and agent of a "domestic concern" as that term is defined in 15 U.S.C. § 78dd-2(h)(1)(B), did use the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and the authorization of the payment of money, that is, \$50,000, to officials of the Government of Panama, who were foreign officials as that term is used in the Foreign Corrupt Practices Act of 1977, 15 U.S.C. § 78dd-2(h)(2), for the purpose of influencing the acts and decisions of said foreign officials in their official capacities; inducing said foreign officials to do or omit to do acts in violation of their lawful duty; and inducing said foreign officials to use their influence with the Government of Panama, in order to assist the defendant and others in obtaining and retaining business for and directing business to Saybolt, Inc. and related corporations in violation of Title 15, United States Code, Section 78dd-2(a)(1) and 2) travel in foreign commerce and use a facility in foreign commerce with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, commercial bribery prohibited by NJSA 2C:21-10, and thereafter perform and attempt to perform such promotion, management, establishment, carrying on and facilitation of the facilitation, promotion, management, establishment and carrying on of the above unlawful activity, in violation of Title 18, United States Code, Section 1952(a)(3)(A).

OVERT ACTS

In furtherance of the conspiracy, defendant DAVID H. MEAD and his co-conspirators committed the following overt acts in the District of New Jersey and elsewhere:

(a) In or about December 1994, co-conspirator Steven Dunlop spoke with Panamanian officials.

(b) On or about October 23, 1995, defendant DAVID H. MEAD sent an electronic mail message from Parsippany, New Jersey.

(c) Between on or about November 6, 1995 and on or about December 15, 1995, defendant DAVID H. MEAD met with Steven

Dunlop and others in Parsippany, New Jersey.

(d) On or about December 18, 1995, defendant DAVID H. MEAD sent an electronic mail message from Parsippany, New Jersey to Panama.

(e) On or about December 20, 1995, defendant DAVID A. MEAD caused money to be paid to a Panamanian official.

In violation of Title 18, United States Code, Section 371.

COUNT 2

On or about December 20, 1995, in the District of New Jersey and elsewhere defendant

DAVID H. MEAD

did knowingly and willfully use and cause to be used an instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money to a foreign official, to wit, an official of the government of Panama, for purposes of influencing an act and decision of such foreign official in his official capacity.

In violation of Title 15, United States Code, Section 78dd-2(a)(1) and Title 18, United States Code, Section 2.

COUNT 3

On or about December 18, 1995, in the District of New Jersey and elsewhere defendant

DAVID H. MEAD

did use and cause to be used a facility in foreign commerce with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, commercial bribery prohibited by NJSA 2C:21-10, and thereafter perform and attempt to perform such promotion, management, establishment, carrying on and facilitation of the facilitation, promotion, management, establishment and carrying on of the above unlawful activity, in that the defendant sent an electronic mail message from Parsippany, New Jersey to Panama.

In violation of Title 18, United States Code, Section 1952(a)(3)(A) and Title 18, United States Code, Section 2.

Attachment B

1. I am a Special Agent of the United States Environmental Protection Agency, Criminal Investigation Division ("EPA-CID"). I have been employed as an EPA-CID agent since 1994. Prior to my current employment, I was a Special Agent and Supervisory Special Agent for 23 years with the United States Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms ("ATF"). During my tenure with ATF, I conducted, participated in, supervised, and managed, hundreds of investigations which resulted in the application for, and execution of numerous arrest warrants.

2. I am submitting this affidavit in support of a Criminal Complaint charging David H. Mead with violations of the Foreign Corrupt Practices Act (15 U.S.C. § 78dd-2), Interstate Travel in Aid of Racketeering (18 U.S.C. § 1952), Conspiracy (18 U.S.C. § 371), and Aiding and Abetting (18 U.S.C. § 2).

3. The primary jurisdiction of the EPA-CID is to investigate alleged violations of the environmental laws of the United States. These laws include the Clean Air Act, Title 42, U.S.C. Section 7401, et seq. I have received specialized training in investigating violations of the environmental laws, including the Clean Air Act. I have also received specialized training in investigating various violations of Title 18, United States Code. Pursuant to Title 18, United States Code, Section 3063, as a Special Agent within the EPA-CID, I am authorized to execute warrants issued under the authority of the United States.

4. I am currently investigating the business practices of Saybolt, Inc., a U.S. company whose primary business is to conduct quantitative and qualitative testing of bulk commodities, such as oil, gasoline, and other petrochemicals, as well as grains, vegetable oils and other commodities. The investigation initially centered on the alleged submission of false statements to the EPA about the oxygen content of reformulated gasoline blended in accordance with the requirements of the Clean Air Act. This investigation was initiated by reports of data falsification occurring at Saybolt's facility in Woburn, Massachusetts. Saybolt's executive offices are located in Parsippany, New Jersey.

5. During the course of this investigation, I have interviewed an individual named Steven Dunlop. Dunlop is currently the general manager for Latin American operations for Saybolt, Inc. and formerly held the position of Vice-President and General Manager for Latin American and Caribbean operations. Dunlop has provided the following information, which is corroborated, in part, by (1) documents that Dunlop provided to the government; (2) documents that were obtained pursuant to search warrants executed at Saybolt's Parsippany executive offices on or about November 20, 1996; and (3) additional documents obtained from Saybolt, Inc. through the issuance of grand jury subpoenas. Additionally, in response to a grand jury subpoena and an order to compel his testimony pursuant to 18 U.S.C. §§ 6002 and 6003, Steven Dunlop has testified before a

grand jury convened in the District of Massachusetts concerning the events set forth in this affidavit.

6. Based upon my review of these materials and witness interviews, I understand that Saybolt, Inc., is a Delaware corporation that is part of a multinational corporate structure comprised of subsidiaries and affiliates in dozens of different nations (hereinafter referred to collectively as "Saybolt"). Saybolt, Inc. was incorporated in 1992, in connection with a management buy-out of E.W. Saybolt and Co., Inc., which prior to that time had been a family-owned company. During this same time period, Saybolt North America, Inc., also a Delaware corporation, was created. The management buyout was led by a group of Saybolt's senior management located in Rotterdam, the Netherlands. Between 1992 and May of 1997, the parent/holding company for Saybolt, Inc. was Saybolt International B.V., a Dutch company. In May 1997, the entire stock of Saybolt International B.V. was acquired by a publicly traded company, Core Laboratories, N.V., headquartered in Amsterdam, the Netherlands.

7. Saybolt, Inc. was, at the times referenced in this affidavit, a "domestic concern" as that term is defined in the Foreign Corrupt Practices Act of 1977, as amended, Title 15, United States Code, Section 78dd-2(h)(1)(B). Steven Dunlop was an employee of a domestic concern, and, as an individual who is a citizen of the United States, was himself a "domestic concern," as that term is defined in Title 15, United States Code, Section

78dd-2(h)(1)(A).

8. Beginning in 1992 and continuing until January 1, 1996, Dunlop reported directly to David H. Mead, who was the President and CEO of Saybolt, Inc. Mead was an officer, employee and agent of a domestic concern. Although a national of the United Kingdom, he was and is a resident of the United States and, therefore, was himself a "domestic concern," as that term is defined in Title 15, United States Code, Section 78dd-2(h)(1)(A). During that period, Dunlop, as Vice-President and General Manager for Latin American and Caribbean operations, was responsible for managing all of Saybolt's numerous affiliates in Latin America, including a Panamanian corporation known as Saybolt de Panama, S.A. ("Saybolt Panama"). Beginning some time prior to 1994, Dunlop was employed directly by Saybolt, Inc.

9. According to Dunlop, at some point after the management buyout in 1992 and before 1994, the financial relationship of the Latin American affiliates was altered and subsequently all revenues earned by Saybolt's Latin American subsidiaries were billed by, and paid to, Saybolt, Inc. Saybolt, Inc., in turn, provided funding to the Latin American subsidiaries for their operational budgets. Thus, notwithstanding their separate corporate identities, the flow of revenues and expenses for those Latin American operations was controlled by Saybolt, Inc.

10. Dunlop informed me that during a trip to Panama in December, 1994, he was advised of new business opportunities that

were being offered to Saybolt Panama through the Panamanian Ministry of Commerce and Industries. Specifically, Dunlop met with Hugo Tovar, the General Director of the Hydrocarbon Directorate, a division of the Ministry of Commerce and Industries. Accompanying Tovar was the Sub-Director of the Hydrocarbon Directorate, Audo Escudero. Tovar and Escudero were officials of the Government of Panama and, as such, were "foreign official[s]" as that term is defined in Title 15, United States Code, Section 78-dd(h) (2).

11. These two individuals -- Tovar and Escudero -- offered to Saybolt Panama an opportunity to (1) receive a substantial reduction in Saybolt Panama's tax payments to the government of Panama; (2) obtain lucrative new contracts from the government of Panama; and (3) secure a more permanent facility for Saybolt Panama's operations on highly coveted land near the Panama Canal. Dunlop has stated that the opportunity to lease this coveted parcel was particularly important to Saybolt, because Saybolt Panama only had a tenuous legal claim on its existing facility. As a result, Saybolt Panama's profitable operation, which generated approximately \$2 million in annual revenues, was continually at risk.

12. Dunlop has provided me with a series of electronic mail ("e-mail") messages, memoranda and other documentation concerning the communications and negotiations with officials of the government of Panama. A January 6, 1995 e-mail message

Saybolt, David H. Mead, in Parsippany, New Jersey, describes specifically the offer made by Tovar and Escudero.

13. Dunlop further reported that at some point in the Spring of 1995 he learned that the Panamanian government officials with whom Saybolt Panama was negotiating had requested a cash payment in exchange for ensuring that Saybolt Panama's proposal would receive the necessary approvals from the Panamanian government. Dunlop advised me that the amount of the payment had not been specified by the Panamanian officials at that point in time.

14. I have reviewed a June 2, 1995 e-mail message that Dunlop sent to Mead in Parsippany, New Jersey. In this message, Dunlop advised Mead that such a payment would be necessary. According to Dunlop, Mead did not instruct him to cease negotiations concerning this matter and he did not advise Dunlop to inform the Panamanian officials that Saybolt would not make any such payments.

15. On or about October 16, 1995, Dunlop faxed a detailed memorandum to Mead at Mead's office in New Jersey describing the significant benefits that would be realized by Saybolt Panama if it agreed to the request of the Panamanian government officials. In particular, Dunlop's memorandum states that "this is the best opportunity to ever present itself to Saybolt in Panama. We are dealing with very high levels of the Panamanian government and we are obviously poised to gain a lot from this project."

16. Dunlop's October 16, 1995 memorandum also clearly outlines the "negative side" of the transaction. Specifically, it states that "the 'fee' for all of this being accomplished is \$50,000 (!) . . . We simply submit our paperwork and the cash -- if we pay, all is ours. If we don't, we get nothing. Welcome to the Third World!"

17. Dunlop reported to me that by his use of quotation marks around the word "fee" in his October 16, 1995 memorandum to David Mead and his general description of the transaction, he intended to convey a clear message that this \$50,000 sum was a payoff that had to be made in exchange for Saybolt Panama receiving all the benefits set forth in that same memorandum.

18. In response to the October 16, 1995 memorandum from Dunlop, on October 23, 1995 Mead sent Dunlop an e-mail message in which Mead asked "How will the \$50K 'fee' be justified in writing?" Mead further instructed Dunlop to "ensure that the costs and capex involved in Panama are as controlled as we can make them, even allowing for the manner in which business is done south of the Florida Keys." Dunlop has stated that the term "capex" is a shorthand phrase for capital expenditures.

19. Dunlop reported to me that by virtue of (1) the clear description Dunlop had provided of the \$50,000 payment; (2) Mead's use of quotation marks around the word "fee"; and (3) Mead's reference to the "manner in which business is done" in Latin America, Dunlop concluded that Mead clearly understood that this \$50,000 "fee" was a payment to the Panamanian government

officials that requested the payment in exchange for the necessary government approvals.

20. On October 25, 1995, Dunlop sent an e-mail to Mead in Parsippany, New Jersey responding to David Mead's request for justification for the "fee" by stating, "I do not know exactly how one justifies a cash 'gift' (payoff)." Dunlop further advised Mead in this message that "no receipts will be given."

21. Dunlop reported to me that at some time between November 6, 1995 and December 15, 1995, while he was at Saybolt, Inc.'s headquarters in Parsippany, New Jersey, he was summoned into a meeting of what he later was informed was a meeting of the Board of Directors of Saybolt, Inc. Present at this meeting were Board members Frerik Plumiers and Philippe Schreiber, as well as David Mead and Saybolt's Chief Financial Officer Robert Petoia. The discussion concerned the \$50,000 payoff demanded by the Panamanian officials with whom Saybolt was negotiating.

22. Dunlop reported to me that following the meeting, he received instructions from Mead that Dunlop was to take the necessary steps to ensure that the \$50,000 was paid to the Panamanian officials in order to secure the deal. Mead further advised Dunlop that the funds for this payment would be transferred from a Saybolt entity in the Netherlands to Saybolt Panama. Lastly, Mead instructed Dunlop that Philippe Schreiber was to be Dunlop's primary contact on all issues concerning the Panamanian transaction.

23. Dunlop reported that in the days leading up to his

departure for Panama he received numerous phone calls from Mr. Schreiber concerning various aspects of this transaction. In these calls, which focused on specific contractual terms and not the \$50,000 payment, Schreiber advised Dunlop that he was in frequent communication with Mead concerning this transaction and that a conference call between Mead, Dunlop and Schreiber would take place before Dunlop's departure.

24. Dunlop reported to me that he did not have any telephone conversations with Mead prior to his departure. In the minutes leading up to the time he was scheduled to leave his house for the airport, however, he received one last call from Schreiber. In this telephone conversation Schreiber discussed some last minute points concerning the contract terms. At the end of the call, Schreiber then advised Dunlop that the action Dunlop was about to take would constitute a violation of the Foreign Corrupt Practices Act. In Schreiber's very next sentence he reminded Dunlop that Dunlop did not have much time to catch his flight.

25. According to Dunlop, he traveled by commercial airline to Panama on December 17, 1995. When he arrived in Panama he learned that the Saybolt funds needed to make this payment had not been received from the Netherlands. On the morning of December 18, 1995, Dunlop called Mead in New Jersey to determine the status of these funds. Mead told Dunlop he would look into the matter and call Dunlop back.

26. Dunlop further advised me that after he received

no response from Mead, Dunlop again called Mead's office in Parsippany, New Jersey. Dunlop was informed by Mead's secretary that Mead had sent Dunlop an e-mail message concerning this matter.

27. I reviewed a December 18, 1995 e-mail message Mead sent Dunlop over the MCI mail system from Mead's office in Parsippany, New Jersey to Saybolt Panama's office in Panama City, Panama. In that message Mead states as follows: "Per telecon undersigned and capo grande Holanda the back-up software can be supplied from The Netherlands. As previously agreed, you to detail directly to NL attn FP."

28. Dunlop advised me that "capo grande Holanda" was a reference to Frerik Pluimers, President of the Dutch holding company that controlled Saybolt, Inc., the U.S. corporation. Dunlop reported that the reference to "back-up software" was a reference to the \$50,000 payment.

29. In response to this instruction from Mead, Dunlop, in turn, instructed a Saybolt Panama employee to send a fax message to Pluimers containing the necessary information concerning the account into which funds should be transferred from the Netherlands. Dunlop provided a copy of this fax and further explained that the money from the Netherlands was to be wired to Citibank, North America in New York City, New York and that the funds would then be wired from New York to Saybolt Panama's account in a Panamanian bank.

30. Dunlop informed me that this wire transfer was

delayed by several days. While he was waiting for the wired funds, Dunlop contacted Mead by telephone at Mead's office in Parsippany, New Jersey because of the pressure Dunlop was receiving from the Panamanian officials to make the \$50,000 payment prior to the upcoming Christmas holidays. Dunlop was also concerned that any further delay would preclude him from returning home for Christmas. Consequently, in this telephone call Mead instructed Dunlop to make the \$50,000 payment using funds that were in the operating account of Saybolt Panama. As noted above, the operating funds maintained by Saybolt Panama, like Saybolt's other Latin American affiliates, are received from Saybolt, Inc., the American company headquartered in New Jersey.

31. Dunlop further advised me that following this telephone call that he had with Mead, that on or about December 20, 1995 an individual working for Saybolt Panama made arrangements to obtain \$50,000 in cash by laundering a check through a local construction company. According to Dunlop, a sack full of currency was then physically handed over to Audo Escudero, one of the two Panamanian government officials from the Ministry of Commerce and Industries, at a bar in Panama City by the individual who was serving as Saybolt Panama's liaison with Escudero. Shortly after this payment was made, the Ministry of Commerce and Industries and other necessary governmental agencies acted favorably on Saybolt's proposal.

32. Dunlop further informed me that the wire transfer of funds to Saybolt Panama from the Netherlands, via New York

City -- the purpose of which was to replenish the funds of Saybolt Panama that were used to make this payment to Escudero on or about December 20, 1995 -- was eventually accomplished.

33. In addition to the information reported to government agents verbally by Steven Dunlop and facts government agents have gleaned from the documentary evidence Dunlop provided, government agents have reviewed a document that appears to be the daily journal/log of David H. Mead, which was seized from the executive offices of Saybolt, Inc. in Parsippany, N.J. on or about November 20, 1996. That document corroborates several of the particulars of the version of events described by Dunlop and the documents he provided. In particular, note should be taken of the following entries from Mead's log:

- A. "11/9/95 FP & SNAI-BOD Mtg PSES"

These abbreviations can be interpreted as follows:

"FP" Frerik Pluimers, Chairman of the Board of Directors, Saybolt North America Inc.  
"SNAI" Saybolt North America Inc.  
"BOD" Board of Directors  
"PSES" Philippe Schreiber, a director of Saybolt North America, Inc.

- B. "11/15/95 . . . PSES/RGP/SPD re Panama"

These abbreviations can be interpreted as follows:

"RGP" Robert G. Petoia, Treasurer and Secretary of Saybolt North America, Inc. and Treasurer and Executive Vice-President/Chief Financial Officer, Saybolt, Inc.  
"SPD" Steven P. Dunlop

- C. "12/15/95 . . . PSES called re Panama (\$50K) followed SPD call go down Monday?"

- D. "12/18/95 -after various teleconf W/E TMH, SPD & PSES.

official for the purposes of influencing any act or decision of such foreign official in his official capacity, or inducing such official's lawful duty, or inducing the foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist the domestic concern in obtaining or retaining business for or with, or directing business to, any person.

37. Based on the foregoing, there is probable cause to believe that on or about December 20, 1995, David H. Mead, aided and abetted Steven Dunlop in his use of the instrumentalities of interstate commerce to corruptly offer money to a foreign official for the purpose of influencing the act of a foreign official in order to obtain or retain business, in violation of 15 U.S.C. § 78dd-2 and 18 U.S.C. § 2, in Parsippany, New Jersey and in the District of New Jersey.

38. Further, based on the foregoing, there is probable cause to believe that David Mead aided and abetted Steven Dunlop in the travel in foreign commerce or the use of facilities in interstate or foreign commerce with intent to promote, manage, establish or carry on a specified unlawful activity, as defined under 18 U.S.C. § 1952(b), and that Mead thereafter aided and abetted in the commission of specified unlawful activity, as defined under 18 U.S.C. § 1952(b), all in violation of 18 U.S.C. § 1952(a) and 18 U.S.C. § 2, in Parsippany, New Jersey and in the District of New Jersey. For purposes of this paragraph, the

specified unlawful activity at issue is bribery in violation of the laws of the state in which the act was committed, which, in this case, is N.J. Rev. Stat. § 2C:21-10 (1998), the state's commercial bribery statute.

39. Lastly, based on the foregoing, there is probable cause to believe that David H. Mead conspired with Steven Dunlop, Philippe Schreiber, Frerik Pluimers, Robert Petoia and other individuals to violate both the Foreign Corrupt Practices Act (15 U.S.C. §78dd-2) and engage in interstate travel or use interstate facilities in aid of racketeering (18 U.S.C. § 1952), and that overt acts as described in part herein were done in furtherance of this conspiracy, all in violation of all in violation of 18 U.S.C. § 371.