

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Richmond Division

UNITED STATES OF AMERICA,)
)
)
v.)
)
JOHN W. WARWICK,)
)
Defendant.)

Criminal No. 3:09CR449
18 U.S.C. § 371
Conspiracy to Violate the Foreign
Corrupt Practices Act

INDICTMENT

THE GRAND JURY CHARGES THAT AT ALL TIMES MATERIAL TO THIS
INDICTMENT:

General Allegations

1. Congress enacted the Foreign Corrupt Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, *et seq.* ("FCPA"), for the purpose of, among other things, prohibiting United States persons, businesses, and residents, directly or indirectly, from using any means or instrumentality of interstate or foreign commerce corruptly in furtherance of an offer, promise, authorization or payment of money or anything else of value to a foreign government official to assist in obtaining or retaining business for or with, or directing business to, any person. The FCPA also makes it unlawful for any United States person corruptly to do any act outside of the United States in furtherance of an offer, promise, authorization or payment to a foreign government official irrespective of whether such person makes use of the mails or any means or instrumentality of interstate commerce in furtherance of such offer, promise, authorization or payment. 15 U.S.C. § 78dd-2(a)(1)(i).

Relevant Persons and Entities

2. Ports Engineering Consultants Corporation (“PECC”) was a company organized in 1996 under the laws of the Republic of Panama with an office in Richmond, Virginia.

3. Overman Associates was an engineering firm with its principal place of business in Virginia Beach, Virginia. As such, Overman Associates was a domestic concern as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1)(B).

4. Overman de Panama, a company organized under the laws of Panama, was a holding company for investments that its owner, Overman Associates, made in the Republic of Panama. In addition, Overman de Panama had a management interest in PECC.

5. **JOHN W. WARWICK**, a United States citizen, was the President of PECC, the President of Overman Associates, and the President of Overman de Panama. Accordingly, **JOHN W. WARWICK** was a domestic concern as that term is defined in the FCPA and an officer, employee and shareholder of a domestic concern, 15 U.S.C. § 78dd-2(h).

6. CHARLES JUMET, a United States citizen, was the Vice President of PECC and then later the President of PECC.

7. Government Official A was the Administrator of Panama’s National Ports Authority (“APN”), the Panamanian governmental entity responsible for operating and maintaining the lighthouses and buoys in the waterways near the Panama Canal, in 1996 and 1997.

8. Soderville Corporation (“Soderville”) was incorporated in Panama in 1997 and became a majority shareholder of PECC in 1997. Soderville was a shell corporation that belonged to Government Official A.

9. Government Official B was a Deputy Administrator of APN in 1996 and 1997 and the Administrator from 1998 until approximately December 1999.

10. Warmspell Holding Corporation (“Warmspell”) was incorporated in the British Virgin Islands in January 1997 and, in that same year, became a shareholder of PECC. Warmspell’s corporate officers were relatives of Government Official B.

11. Government Official C was a very high-ranking executive official of the Republic of Panama.

Count One
Conspiracy

12. Paragraphs 1 through 11 of this Indictment are re-alleged and incorporated by reference as if set out in full herein.

13. From at least 1997 through at least in and around July 2003, in the Eastern District of Virginia, and elsewhere, the defendant, **JOHN W. WARWICK**, did knowingly combine, conspire, confederate, and agree, with others, known and unknown to the United States, to willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, or offer, or gift, promise to give, and authorization of the giving of anything of value to any foreign official, or to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his and its 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 his influence with a foreign government and instrumentalities thereof to affect and influence acts and decisions of such government and instrumentalities, in order to assist PECC, Overman Associates, and Overman de Panama in obtaining and retaining business for and with, and directing business to PECC, Overman Associates, Overman de Panama, **JOHN W. WARWICK**, and others in violation of Title 18, United States Code, Sections 78dd-2(a) and 78dd-2(i).

Object of the Conspiracy

14. The primary purpose and object of the conspiracy was to corruptly remunerate Panamanian government officials in return for awarding PECC contracts to maintain lighthouses and buoys along Panama's waterways, and to give an improper advantage to and enrich **JOHN W. WARWICK**, **CHARLES JUMET**, PECC, Overman de Panama, Overman Associates, and their business partners.

Manner and Means of the Conspiracy

15. The manner and means by which the defendant, **JOHN W. WARWICK**, **CHARLES JUMET**, and others sought to accomplish the purpose and object of the conspiracy included, but were not limited to, the following:

a. It was a part of the conspiracy that **JOHN W. WARWICK** and **CHARLES JUMET** would create companies under the laws of Panama in order to corruptly receive contracts from the Panamanian government.

b. It was a further part of the conspiracy that Government Official A, the Director of APN, would award PECC first a provisional contract, and subsequently a 20-year contract to collect lighthouse and buoy tariffs, provide engineering consulting services, and maintain aids to navigation in Panama (together the "lighthouse and buoy contracts").

c. It was a further part of the conspiracy that **JOHN W. WARWICK** and **CHARLES JUMET** would allow Government Official B to designate Warmspell and Soderville as shareholders of PECC, enabling Government Official A and Government Official B to receive corrupt payments in the form of purported "dividends" to conceal Government Official A's and Government Official B's receipt of these corrupt payments.

d. It was a further part of the conspiracy that **JOHN W. WARWICK**, **CHARLES JUMET**, and others would authorize PECC to issue “bearer” shares in order to make a corrupt payment to Government Official C.

e. It was a further part of the conspiracy that **JOHN W. WARWICK** would cause Overman de Panama to bring a lawsuit against PECC in order to obtain payments from the Panamanian government of monies purportedly owed under the lighthouse and buoy contracts.

Overt Acts

18. In furtherance of the conspiracy and to achieve its purpose and object, at least one of the co-conspirators committed and caused to be committed, in the Eastern District of Virginia, and elsewhere, the following overt acts, among others:

a. In or about December 1996, **JOHN W. WARWICK** and **CHARLES JUMET** allowed Government Official B to establish PECC under the laws of Panama.

b. In or about December 1996, **JOHN W. WARWICK** and **CHARLES JUMET** established Overman de Panama under the laws of Panama.

c. In or about January 1997, with assistance from Government Official A and **CHARLES JUMET**, **JOHN W. WARWICK** submitted to APN a proposal for the privatization of APN’s engineering department, which provided that Overman Associates and Overman de Panama would provide engineering services to APN.

d. On or about January 24, 1997, **JOHN W. WARWICK** and **CHARLES JUMET** opened a bank account for PECC at Lloyds Bank in Panama, listing themselves as signatories on the account.

e. In or about December 1997, **JOHN W. WARWICK** signed stock certificates that were issued to PECC shareholders, including “el portador” and Soderville. The stock certificate issued to “El Portador” was given to Government Official C and the stock certificate issued to Soderville was given to Government Official A.

f. In or about December 1997, **JOHN W. WARWICK**, **CHARLES JUMET**, and others authorized PECC to issue “dividend” payments totaling \$300,000 to its shareholders, including **JOHN W. WARWICK**, **CHARLES JUMET**, Warmspell, and Soderville.

g. On or about December 19, 1997, **JOHN W. WARWICK** signed a “dividend” payment check number 018767 drawn from PECC’s Lloyds Bank account in the amount of \$18,000 payable to the “Portador.” The check was subsequently deposited into an account belonging to Government Official C.

h. On or about December 19, 1997, **JOHN W. WARWICK**, **CHARLES JUMET**, and others caused a “dividend” payment of \$81,000 to be issued by check to Warmspell. The check was subsequently deposited into an account controlled by Government Official B and his relatives.

i. On or about December 19, 1997, **JOHN W. WARWICK**, **CHARLES JUMET**, and others caused a “dividend” payment of \$81,000 to be issued by check to Soderville.

j. On or about December 19, 1997, **CHARLES JUMET** caused a “dividend” payment of \$27,000 to be transferred by wire from PECC’s Lloyds Bank account to **JOHN W. WARWICK’S** account at First Virginia Bank of Tidewater, in Virginia Beach, Virginia.

k. On or about December 24, 1997, **JOHN W. WARWICK** had Lloyds Bank remove the stop payment order on the three dividend checks payable to Portador. One of these checks was deposited into an account belonging to Government Official C.

l. In or about September 1999, during the time the Panamanian government's Comptroller General was conducting an investigation concerning PECC's selection as APN's contractor and suspended payments to PECC for services billed under the lighthouse and buoy contracts, **JOHN W. WARWICK** and CHARLES JUMET agreed that PECC would pay \$109,536.50 to Overman de Panama for work performed in connection with the contracts.

m. In or about February 2000, **JOHN W. WARWICK** initiated a civil lawsuit in the Circuit Court for the City of Virginia Beach, Virginia, in which Overman de Panama sought a monetary judgment of \$84,536.50 plus expenses and interest from PECC for services performed.

n. As a result of the lawsuit, PECC paid Overman de Panama \$50,000, which, on or about June 24, 2003, **JOHN W. WARWICK** caused to be wire transferred from Overman de Panama's Lloyds Bank account to Overman Associates's Wachovia bank account in Virginia Beach, Virginia. **JOHN W. WARWICK** then caused the funds to be distributed among Overman Associates's shareholders, and personally received approximately \$33,350.

o. In July 2003, after the Panamanian government resumed making payments to PECC under the lighthouse and buoy contracts, PECC issued "dividend" payments, including a check in the amount of \$32,400 payable to Warmspell, which was deposited into an account belonging to Government Official B and his relatives.

p. As a result of the lawsuit, PECC paid Overman de Panama another \$50,000, which, on or about July 23, 2003, **JOHN W. WARWICK** caused to be wire transferred from Overman de Panama's Lloyds Bank account to Overman Associates's Wachovia bank account in Virginia. **JOHN W. WARWICK** then caused the proceeds to be distributed to Overman Associates's shareholders, giving himself approximately \$33,350.

(All in violation of Title 18, United States Code, Section 371.)

Forfeiture Notice

Pursuant to Rule 32.2 Fed. R. Crim. P., the defendant is hereby notified that upon conviction of the offense alleged in Count One of this Indictment, he shall forfeit any property, real or personal, which constitutes proceeds traceable to the violation charged in Count One. Property subject to forfeiture includes, but is not limited to the sum of \$798,909.44 which represents the proceeds of the offense charged.

If property subject to forfeiture cannot be located, the United States will seek an order forfeiting substitute assets.

(In accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c)).

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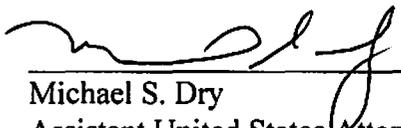
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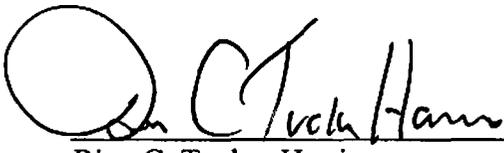
A TRUE BILL

FC

NEIL H. MACBRIDE
UNITED STATES ATTORNEY

STEVEN R. TYRRELL
CHIEF, FRAUD SECTION

By: 
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