

Dist 3/14

ORIGINAL

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

U. S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
MAR 14 1990
NANCY DOHERTY, CLERK
By ep
Deputy

UNITED STATES OF AMERICA

v.

GEORGE V. MORTON

RECEIVED
DEC 2 1991
NANCY DOHERTY, CLERK
NORTHERN DISTRICT OF TEXAS

CRIMINAL NO. **CR 3-90-061-H**
18 U.S.C. §371; Conspiracy

B-91-111..

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
FILED
MAY 24 1991

The United States Attorney charges that:

Count One

[18 U.S.C. §371; Conspiracy]

A. Introduction

JESSE E. CLARK, CLERK

At all times material to this Information:

1. Eagle Bus Manufacturing, Inc. [Eagle] was a corporation engaged in the manufacture and sale of buses and maintained its place of business in Brownsville, Texas. Eagle was a subsidiary of Greyhound Lines, Inc. [Greyhound], a corporation which has its principal place of business in Dallas, Texas.

2. Saskatchewan Transportation Company [STC] was a corporation owned by the government of the Province of Saskatchewan, Canada, and operated a bus transportation system in that Province.

3. The Foreign Corrupt Practices Act of 1977 [FCPA], as amended, 15 U.S.C. §78dd, et seq., was enacted by the Congress for the purpose of making it unlawful to make payments to foreign government officials to obtain or retain business.

4. Greyhound Lines, Inc., the parent corporation of Eagle, was an issuer as that term is used in the Foreign Corrupt Practices Act of 1977, 15 U.S.C. §78dd-1(a).

5. The Defendant GEORGE V. MORTON, a Canadian national residing in Peterborough in the Province of Ontario, Canada, was an agent representing Eagle in connection with the sale of buses in Canada and, as such, was an agent of an issuer as that term is used in the Foreign Corrupt Practices Act, 15 U.S.C. §78dd-1.

6. Darrell W.T. Lowry and Donald Castle, both Canadian nationals, were the Vice-President and President, respectively, of STC, an instrumentality of the government of the Province of Saskatchewan, Canada and were foreign officials as that term is defined in the Foreign Corrupt Practices Act of 1977, 15 U.S.C. §78dd-1(f)(1).

B. The Conspiracy

Beginning in or about July 1989 and continuing through February 1990, in the Northern District of Texas and elsewhere, the defendant MORTON did unlawfully, willfully and knowingly combine, conspire and confederate with other divers persons known and unknown to the United States Attorney to violate the Foreign Corrupt Practices Act of 1977 by the use of the mails and of means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of money, that is, Canadian \$50,000, to officials of the Government of the Province of Saskatchewan, Canada, that is, to Donald Castle and Darrell W.T. Lowry, both of whom were foreign

officials as that term is used in the Foreign Corrupt Practices Act of 1977, 15 U.S.C. 78dd-1(a) 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 Saskatchewan Transportation Company, a wholly-owned instrumentality of the government of the Province of Saskatchewan, Canada, to affect and influence the acts and decisions of the STC in order to assist the defendant MORTON and his coconspirators in obtaining and retaining business for and directing business to Eagle Bus Manufacturing, Inc. with STC in violation of Title 15, United States Code, Sections 78dd-1(a)(1) and (3) and 78ff(c)(2).

C. Means and Methods of the Conspiracy

The charged conspiracy was accomplished by the following means and methods and in the following manner:

1. It was part of the conspiracy that the defendant MORTON would and did request on behalf of two of his coconspirators that Eagle pay money, in the sum of approximately two percent of the purchase price of 11 buses to be purchased by STC from Eagle, to officials of STC in order to ensure that Eagle received a contract for the sale of the buses.

2. It was a further part of the conspiracy that the defendant MORTON and others known and unknown to the United States Attorney, would and did offer, promise and agree to pay, and authorize the payment of money to officials of the government of the Province of

Saskatchewan, Canada, in order for Eagle to obtain and retain a contract to sell buses to STC, an instrumentality of the Saskatchewan government.

3. It was a further part of the conspiracy that the defendant MORTON, and others known and unknown to the United States Attorney, would and did use various methods to conceal the conspiracy in order to insure the continuing existence and success of the conspiracy, including but not limited to:

a. preparing and using false invoices and other documentation; and

b. arranging to have an STC check drawn payable to a corporation owned and controlled by the defendant MORTON and converting the proceeds into Canadian currency.

D. OVERT ACTS

In order to further the objects and purposes of this conspiracy, the defendant MORTON and his coconspirators, known and unknown to the United States Attorney, did commit and cause to be committed the following and other overt acts within the Northern District of Texas and elsewhere:

1. On or about July 21, 1989, the defendant MORTON travelled from Peterborough, Ontario to Regina, Saskatchewan for the purpose of meeting with a coconspirator, an official of STC.

2. On or about July 27, 1989, in Regina, Saskatchewan, the defendant MORTON -- acting as the Canadian agent of Eagle -- assisted in the preparation of an STC purchase order for eleven (11) Eagle buses.

3. On or about August 1, 1989, the defendant MORTON travelled from Toronto, Ontario, to Harlingen, Texas, by commercial aircraft via the Dallas-Fort Worth International Airport in the Northern District of Texas.

4. On or about August 2, 1989, in Brownsville, Texas, the defendant MORTON met with two of his coconspirators to discuss the payment of money to officials of STC in order to obtain and retain a contract to sell the eleven (11) buses.

5. On or about August 14, 1989, in Regina, Saskatchewan, the defendant MORTON met in an automobile with two of his coconspirators to discuss the manner in which a payment would be made to STC officials Lowry and Castle.

6. On or about August 15, 1989, in Regina, Saskatchewan, the defendant MORTON and his coconspirators, known and unknown to the United States Attorney, caused STC to issue a check in the amount of Canadian \$52,000 payable to a Canadian corporation owned and controlled by the defendant MORTON.

7. On or about August 17, 1989, in Peterborough, Ontario, the defendant MORTON deposited the Canadian \$52,000 check into Account No. 126-642-8 at the Royal Bank of Canada.

8. On or about August 21, 1989, in Peterborough, Ontario, the defendant MORTON obtained a bank draft payable to himself in the amount of Canadian \$50,000.

9. On or about August 22, 1989, the defendant MORTON travelled from Toronto, Ontario to Regina, Saskatchewan by commercial aircraft, carrying the Canadian \$50,000 bank draft

payable to himself.

10. On or about August 23, 1989, in Regina, Saskatchewan, the defendant MORTON cashed the Canadian \$50,000 bank draft at the Main Branch of the Royal Bank of Canada and received 50 Canadian \$1,000 denomination bills.

11. On or about August 23, 1989, in Regina, Saskatchewan, the defendant MORTON travelled by taxi to the offices of STC.

12. On or about August 23, 1989, in Regina, Saskatchewan, at the offices of STC, the defendant MORTON met with a coconspirator and delivered into his hand the 50 Canadian \$1,000 denomination bills he had obtained from the Royal Bank of Canada.

13. In or about October 1989, in Brownsville, Texas, a conconspirator directed the defendant MORTON to prepare a letter on the letterhead of Eagle to Ontario Bus Industries, Inc., the Canadian firm which was assisting Eagle in the sale of the 11 buses to STC, falsely stating that STC had been granted a "volume discount" amounting to United States \$43,940.

14. On or about October 24, 1989, in Toronto, Ontario, a coconspirator returned to the defendant MORTON 25 Canadian \$1,000 denomination bills with the instruction to convert these bills into Canadian \$100 denomination bills.

15. On or about October 25, 1989, in Rexdale, Ontario, the defendant MORTON deposited 25 Canadian \$1,000 denomination bills in a branch of the Royal Bank of Canada, for credit to Account 126-642-8 at the Royal Bank of Canada branch in Peterborough, Ontario.

16. On or about November 6, 1989, in Peterborough, Ontario,

the defendant MORTON withdrew 250 Canadian \$100 denomination bills from the Royal Bank of Canada and delivered the funds to a coconspirator.

17. On or about November 16, 1989, in Peterborough, Ontario, a coconspirator delivered to the defendant MORTON 25 Canadian \$1,000 denomination bills.

18. On or about November 16, 1989, in Peterborough, Ontario, the defendant MORTON deposited 25 Canadian \$1,000 denomination bills for Account No. 126-642-8 at the Royal Bank of Canada.

19. On or about November 27, 1989, in Peterborough, Ontario, the defendant MORTON withdrew Canadian \$25,000 in \$100 denomination bills from the Royal Bank of Canada.

20. On or about November 27, 1989, in Peterborough, Ontario, the sum of Canadian \$25,000 in \$100 denomination bills was given by the defendant MORTON to another coconspirator.

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

Dated: March 14, 1990.

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By:

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