

**FILED**  
At Albuquerque NM

JUL 11 2013

**MATTHEW J. DYKMAN**  
CLERK

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO

UNITED STATES OF AMERICA, )  
)  
Plaintiff, )  
)  
vs. )  
)  
**JOHANNES "JOHN" JARVIS and** )  
**JOHN A. "JACK" HOPE,** )  
)  
Defendants. )  
)  
)  
)  
)  
)

CRIMINAL NO. 13-2379  
Counts 1-21: 18 U.S.C. § 1343: Wire  
Fraud; 18 U.S.C. § 2, Aiding and  
Abetting;  
Count 22: 18 U.S.C. § 1349:  
Conspiracy to Commit Wire Fraud;  
Counts 23-38: 18 U.S.C. § 1957:  
Unlawful Monetary Transactions in  
Criminally Derived Property.

INDICTMENT

The Grand Jury charges:

Counts 1 through 21

1. Beginning in late 2007 and continuing through approximately April 2010, in Bernalillo County, in the District of New Mexico and elsewhere, the defendants, **JOHANNES "JOHN" JARVIS** and **JOHN A. "JACK" HOPE**, knowingly and intentionally devised a scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations, promises, and omissions. For the purpose of executing the defendants' scheme and artifice, the defendants knowingly transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce certain writings, signs, signals, pictures, and sounds.

Introduction

2. Kinesio USA LLC, formerly Kinesio USA Inc., (together, “Kinesio USA”) is a New Mexico company that sells therapeutic elastic tape and related products. Kinesio Holding Corporation (“KHC”) is a related New Mexico company that arranges for the manufacture of Kinesio products and then sells those products to its international partners, including Kinesio USA, for distribution and sale in countries around the world.

3. The two companies (together, “Kinesio”) are managed by Tomoko Kase. Kase is the Vice President of Kinesio USA and the President of KHC.

4. Kinesio USA hired defendant **JOHANNES “JOHN” JARVIS** in 2002. In 2003 defendant **JOHANNES “JOHN” JARVIS** assumed the title of Marketing Director. In addition to marketing, defendant **JOHANNES “JOHN” JARVIS** performed various other duties on behalf of Kinesio.

5. On or about January 1, 2003, defendant **JOHANNES “JOHN” JARVIS** signed an employment agreement with Kinesio USA. Under the agreement, defendant **JOHANNES “JOHN” JARVIS** agreed to “use his best efforts to promote the interests of the Company” and agreed not to “divert any business opportunities from the Company to himself or any other person or entity.”

6. Through his employment with Kinesio, defendant **JOHANNES “JOHN” JARVIS** became acquainted with defendant **JOHN A. “JACK” HOPE**. Defendant **JOHN A. “JACK” HOPE** owned a printing business that operated in China and was married to a Chinese citizen. Kinesio had previously contracted with defendant **JOHN A. “JACK” HOPE’s** printing business to produce marketing materials for Kinesio.

7. In late 2007 or early 2008, the precise date being unknown, Kinesio sought to locate a new manufacturer for its therapeutic elastic tape. Kase assigned the task to defendant **JOHANNES “JOHN” JARVIS**.

8. Defendant **JOHANNES “JOHN” JARVIS** suggested that Kinesio search for a manufacturer in China.

9. On or about January 23, 2008, defendant **JOHANNES “JOHN” JARVIS** told Kase that he believed he had located a suitable manufacturer in China but that Kinesio would need to work through a broker in Hong Kong to coordinate the manufacturing process in China.

10. Grace International (HK) Limited (“Grace International”) was a company incorporated in Hong Kong in or about April 2008. At all relevant times, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** were the sole owners of Grace International.

11. Unaware that Grace International was owned by defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE**, KHC entered into a contract with Grace International on or about July 17, 2008, to purchase Kinesio tape. Under this contract KHC paid Grace International approximately \$4,369,246 for therapeutic elastic tape between July 21, 2008, and January 12, 2010.

12. At all relevant times, defendant **JOHANNES “JOHN” JARVIS** served as an agent of Kinesio in arranging for the production of Kinesio tape in China.

#### The Scheme and Artifice

13. The scheme and artifice is described as follows:

Leading Kinesio into a Contract with Grace International

14. In late 2007 defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** agreed to work together to arrange for the production of Kinesio tape in China with the intention that they would personally profit from the arrangement. In an email exchange dated December 28, 2007, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** discussed their hope that the arrangement would lead to a “very comfortable situation” for both of them.

15. At some time prior to December 28, 2007, defendant **JOHN A. “JACK” HOPE** located a factory in China that he believed could produce the tape.

16. Defendant **JOHANNES “JOHN” JARVIS** traveled to China in mid-January of 2008. After his trip, on or about January 23, 2008, defendant **JOHANNES “JOHN” JARVIS** told Kase in an email that he had visited four factories in China but believed that only one could produce tape of the required quality for Kinesio. Defendant **JOHANNES “JOHN” JARVIS** told Kase that Kinesio would work with a broker in Hong Kong to communicate with the Chinese manufacturer. He wrote that it would be difficult to work directly with the manufacturer because of the “politics of China.”

17. Between April and June of 2008, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** formed Grace International under their ownership in Hong Kong.

18. To disguise the nature of the company, defendant **JOHN A. “JACK” HOPE** suggested in an email to defendant **JOHANNES “JOHN” JARVIS** on or about April 29, 2008, that “the closer the name to being, or sounding like a manufacturing company, the better.”

19. Defendant **JOHANNES “JOHN” JARVIS** falsely represented to Kase that Grace International was an established company that provided brokerage services to many other companies.

20. On or about July 17, 2008, as Kinesio was preparing to send payment for its first order with Grace International, Kase requested that defendant **JOHANNES “JOHN” JARVIS** provide her with a copy of the contract between Kinesio and the manufacturer in China, the broker, or any other parties Kinesio had an agreement with. Defendant **JOHANNES “JOHN” JARVIS** responded that Kinesio’s contract was with Grace International. Kase pressed defendant **JOHANNES “JOHN” JARVIS** for a copy of the contract. Before responding with a copy of the contract, defendant **JOHANNES “JOHN” JARVIS** wrote to Kase, “I ask that you place your faith in me. . . . I am here to get your company where it needs to be. I can honestly say that no one has ever or will ever do as much for you and your company than I do.”

21. In an email dated July 17, 2008, defendant **JOHANNES “JOHN” JARVIS** sent defendant **JOHN A. “JACK” HOPE** a copy of the contract to be entered by Kinesio and Grace. Defendant **JOHANNES “JOHN” JARVIS** told defendant **JOHN A. “JACK” HOPE** to “make it look official as possible, stamp it, lick it, do whatever you need to do.” After having the contract stamped and signed with a Chinese signature, defendant **JOHN A. “JACK” HOPE** then sent the contract by email to Kase.

Concealment of the Defendants’ Involvement and Ownership

22. As part of the scheme and artifice, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** concealed their ownership of and involvement in Grace International from Kinesio.

23. In an email dated April 30, 2008, regarding the sharing of profits from the Kinesio contract, defendant **JOHANNES “JOHN” JARVIS** stated to defendant **JOHN A. “JACK” HOPE**: “The only tricky part is that no one should know who is getting what and why, as well as keeping this out of mind of Kinesio.”

24. When Kase asked whether Kinesio had a contract with defendant **JOHN A. “JACK” HOPE** as part of the Grace International arrangement, defendant **JOHANNES “JOHN” JARVIS** falsely responded in an email dated July 18, 2008, that Hope was “only handling the printing side of the project through Grace Int’l.”

25. On or about August 5, 2008, Tomoko inquired of defendant **JOHANNES “JOHN” JARVIS** whether defendant **JOHN A. “JACK” HOPE** should be added to the Grace International contract. Defendant **JOHANNES “JOHN” JARVIS** falsely stated: “Jack has nothing to do with the manufacturing process of the tape, nor does he want to be involved in the process. Jack more than anything is doing this as a favor to me, as I had asked him if I knew anyone that could assist them with our problems.” Shortly thereafter, in an email to Kase, defendant **JOHANNES “JOHN” JARVIS** reiterated that Hope was helping Kinesio establish a relationship with Grace International as a “favor” to him. He also falsely represented that defendant **JOHN A. “JACK” HOPE** had used Grace International as a broker in the past, and that using Grace International as a broker “insures us the best pricing and protection of what we are looking to do.”

26. To conceal defendant **JOHANNES “JOHN” JARVIS**’s involvement in Grace International, the defendants primarily used defendant **JOHANNES “JOHN” JARVIS**’s personal email account, johnandkimjarvis@comcast.net, instead of defendant **JOHANNES**

**“JOHN” JARVIS**’s Kinesio email account, jarvis@kinsiotaping.com, to communicate with each other about Grace International.

27. To further conceal their involvement in Grace International, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** established an email address for Grace International and sent emails from that address to personnel at Kinesio. The emails were drafted by defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** but signed as if they were written by an employee of Grace International.

28. To create the appearance that defendant **JOHANNES “JOHN” JARVIS** was communicating with someone at Grace International on behalf of Kinesio, defendant **JOHANNES “JOHN” JARVIS** would also send emails from his Kinesio email account to Grace International, copying Kase or others at Kinesio. Defendant **JOHANNES “JOHN” JARVIS** referred to this type of communication as a “dummy letter.” For instance, on or about September 14, 2009, defendant **JOHANNES “JOHN” JARVIS** sent an email from his Kinesio email address to the Grace International email address, with a copy to Kase, regarding problems with the quality of the tape that Kinesio had received. In the email, defendant **JOHANNES “JOHN” JARVIS** attempted to create the impression that he had been frequently communicating with someone at Grace International about the quality problem, stating, “I appreciate you handling all my calls and inquiries over the past week.”

29. On or about December 1, 2008, to conceal their own involvement in Grace International, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** decided to send emails from the Grace International account to Kinesio using the name “Vivian.” Vivian was a relative of the wife of defendant **JOHN A. “JACK” HOPE** who performed part-time administrative work for Grace International. In an email to defendant

**JOHANNES “JOHN” JARVIS**, defendant **JOHN A. “JACK” HOPE** wrote, “[W]hat do you think if we have a woman by the name of Vivian respond? There may come a time where Tomoko, or some one else may want to talk to someone directly. That, of course, would have to be Vivian.”

30. During approximately December of 2008 and January and February of 2009, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** would send pre-drafted emails to Vivian and ask her to send them to Kinesio from the Grace International account. Defendant **JOHN A. “JACK” HOPE** repeatedly cautioned Vivian not to send the full original email with his instructions directly to Kinesio. On or about November 9, 2008, he told Vivian to be “VERY CAREFUL not to have any other communication attached, or following on your email.” In a later email, he explained: “If any of these instructions are sent by mistake, it will cause a big problem.”

31. On or about February 21, 2009, defendant **JOHN A. “JACK” HOPE** decided to send out emails signed by “Vivian” directly from the Grace International account himself, rather than first giving them to Vivian for her to send to Kinesio. Because he would be sending the emails under Vivian’s name himself, defendant **JOHN A. “JACK” HOPE** informed defendant **JOHANNES “JOHN” JARVIS** that they would “not have to live in fear anymore, of Vivian making a critical mistake.”

32. On or about May 4, 2009, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** began to draft emails as if they were being written by a person named “Ms. Zhou.”

33. To conceal their own role, and to facilitate their scheme by complicating communications between Grace International and Kinesio, defendants **JOHANNES “JOHN”**

JARVIS and JOHN A. "JACK" HOPE composed these emails in broken English. In an email dated July 20, 2009, defendant JOHANNES "JOHN" JARVIS told defendant JOHN A. "JACK" HOPE to make sure that a communication he was planning to send to Kinesio was "Chinesed up."

34. In approximately November of 2009, a consultant hired by Kinesio repeatedly requested to speak to "Ms. Zhou" over the phone. To conceal the fact that defendants had been writing Ms. Zhou's emails themselves, defendant JOHN A. "JACK" HOPE began to coach a woman by the name of Betty to play the role of "Ms. Zhou." Betty had been an employee of one of defendant JOHN A. "JACK" HOPE's businesses in Hong Kong. In an email dated November 15, 2009, defendant JOHN A. "JACK" HOPE sent to defendant JOHANNES "JOHN" JARVIS a seven-page document titled "INFORMATION THAT YOU NEED TO KNOW ABOUT MS ZHOU AND THE BUSINESS THAT GRACE IS DOING WITH KINESIO HOLDING CORPORATION, IN THE U.S.A." The document gave Betty instructions on falsely portraying herself as "Ms. Zhou" in a telephone conversation with the Kinesio consultant. It stated that "MS. ZHOU (YOU) IS THE MANAGER FOR GRACE" and that Ms. Zhou had "WORKED THERE 3-4 YEARS." It provided Betty with background on the relationship between Kinesio and Grace International. It instructed her to speak in "EXTREMELY POOR" English and to ask the Kinesio consultant to put as many questions as possible in email: "JUST SAY OK, PLEASE E-MAIL ME, AS I'M NOT TOO GOOD UNDERSTANDING. IN THIS WAY, WE CAN OFFER A RESPONSE, INSTEAD OF YOU TRYING TO RESPOND ABOUT ISSUES YOU KNOW NOTHING ABOUT." The document told Betty to deny knowledge of the ownership of the company if asked. It further stated, in larger font, that "JACK HOPE AND JOHN JARVIS HAVE NOTHING TO DO

WITH THE GRACE BUSINESS.” After defendant **JOHANNES “JOHN” JARVIS** approved of the document, defendant **JOHN A. “JACK” HOPE** emailed it to Betty.

Markup and Profit Sharing

35. As part of the scheme and artifice, defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** used Grace International to charge a significant undisclosed markup above the cost of the tape. Defendants **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE** agreed to share and did share the profits that were generated by the markup charged by Grace International to Kinesio.

36. In an email dated March 4, 2008, defendant **JOHANNES “JOHN” JARVIS** wrote to defendant **JOHN A. “JACK” HOPE**: “Let's get this Chinese thing done I need this extra money to support my drinking and prostitute habit.” Defendant **JOHN A. “JACK” HOPE** replied that “any extra money I'm able to come by from this project will be used for exactly the same purpose as you have indicated.”

37. On or about April 30, 2008, defendant **JOHANNES “JOHN” JARVIS** suggested “partnership terms” to defendant **JOHN A. “JACK” HOPE**, under which each defendant would take a percentage of the profits generated by the markup. Defendant **JOHANNES “JOHN” JARVIS** wrote, “I believe that we can make this a long term venture where we will sit back and collect on a monthly basis.”

38. In an email dated July 14, 2008, defendant **JOHANNES “JOHN” JARVIS** sent a document to defendant **JOHN A. “JACK” HOPE** setting forth details of the arrangement with Kinesio and between the defendants. The document showed a markup of one dollar per roll of tape sold to Kinesio. It stated that “net monies will be placed immediately and directly into the accounts of John Jarvis and Jack Hope” at a rate of 65% to defendant **JOHANNES**

**“JOHN” JARVIS** and 35% to defendant **JOHN A. “JACK” HOPE**. Defendant **JOHANNES “JOHN” JARVIS** estimated a profit of \$390,836.70 for himself during the first year of the arrangement and \$303,984.10 for defendant **JOHN A. “JACK” HOPE**. Defendant **JOHANNES “JOHN” JARVIS** wrote, “As you can see we stand to make some incredible monies . . . . Lets get this done partner, we both need and deserve this sailing excursion.”

39. In an email dated April 26, 2009, defendant **JOHN A. “JACK” HOPE** sent defendant **JOHANNES “JOHN” JARVIS** a document discussing pricing for a “pre-cut” tape product for Kinesio to order from the Chinese manufacturer. Defendant **JOHN A. “JACK” HOPE** suggested to defendant **JOHANNES “JOHN” JARVIS** that they charge a 95% markup through Grace International on the pre-cut tape. Defendant **JOHN A. “JACK” HOPE** stated that in his opinion, he and defendant **JOHANNES “JOHN” JARVIS** should not give Kase the details of the “cost structure” for the pre-cut tape because doing so would encourage her to ask further questions.

40. On or about May 12, 2009, defendant **JOHANNES “JOHN” JARVIS** composed an email for defendant **JOHN A. “JACK” HOPE** to send from the Grace International email account back to himself at his Kinesio email account. The email composed by defendant **JOHANNES “JOHN” JARVIS** falsely stated that the Chinese factory would not disclose its cost in manufacturing Kinesio tape but that the fee charged by Grace International was “almost 1 cents USD per roll,” when defendants knew that the actual markup by Grace International was approximately \$1.16 per roll. On or about May 13, 2009, defendant **JOHN A. “JACK” HOPE** sent the email composed by defendant **JOHANNES “JOHN” JARVIS** to defendant **JOHANNES “JOHN” JARVIS**’s Kinesio email address, copying Kase at her Kinesio email address.

41. In an email dated January 15, 2010, in response to a question from Kase to Grace International about the fees charged by Grace International, defendant **JOHN A. "JACK" HOPE** sent an email from the Grace International email address to Kase with a copy to defendant **JOHANNES "JOHN" JARVIS's** Kinesio email address and to other personnel at Kinesio. The email stated, "Our pay is depend what we do and arrange with our factory. This really our private business and not normal discuss. In beginning relation Mr John was quite strong with us and try hard to push our price down so now maybe close by ½ percentage for roll. Really now rather small."

The Wires

42. For the purpose of executing such scheme and artifice, on or about the dates listed below, defendants **JOHANNES "JOHN" JARVIS** and **JOHN A. "JACK" HOPE** attempted to and did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce the following writings, signals, and sounds:

<u>Count</u>	<u>Date</u>	<u>Description</u>
1	March 4, 2008	Email message from johnahope@aol.com to jarvis@kinesiotaping.com with the subject "Followup for China."
2	July 14, 2008	Email message from johndkimjarvis@comcast.net to johnahope@aol.com with the subject "china deal."
3	July 21, 2008	Wire transfer in the amount of \$321,450.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #26.
4	October 7, 2008	Wire transfer in the amount of \$321,630.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #34.
5	October 8, 2008	Wire transfer in the amount of \$23,490.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #34.
6	November 13, 2008	Wire transfer in the amount of \$318,180.72 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #26.

7	December 12, 2008	Wire transfer in the amount of \$352,920.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #39.
8	January 21, 2009	Wire transfer in the amount of \$342,181.20 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #34.
9	March 2, 2009	Wire transfer in the amount of \$305,973.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #42.
10	March 25, 2009	Wire transfer in the amount of \$657,120.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase orders #39 and #45.
11	May 12, 2009	Email message from johnandkimjarvis@comcast.net to johnahope@aol.com with subject "Chinese Response Letter."
12	June 11, 2009	Wire transfer in the amount of \$32,763.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #42.
13	June 12, 2009	Wire transfer in the amount of \$359,099.12 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase orders #42 and #47.
14	July 23, 2009	Wire transfer in the amount of \$359,319.60 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #48.
15	August 17, 2009	Wire transfer in the amount of \$216,576.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #45.
16	November 12, 2009	Wire transfer in the amount of \$106,560.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #55.
17	December 21, 2009	Wire transfer in the amount of \$214,368.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #57.
18	December 30, 2009	Wire transfer in the amount of \$101,173.62 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase order #57.
19	January 12, 2010	Wire transfer in the amount of \$359,856.00 from Kinesio Holding Corporation to Grace International (HK) Limited, in payment for purchase orders #58 and 59.
20	January 15, 2010	Email message from gracemail.hk@gmail.com to tkase@kinesiotaping.com with the subject "Re: 12 Jan e-mail."
21	March 26, 2010	Email message from gracemail.hk@gmail.com to ikuko@kinesiotaping.com with the subject "orders."

In violation of 18 U.S.C. §§ 1343 and 2.

Count 22

1. Paragraphs 2 through 41 of Counts 1 through 21 are incorporated as part of Count 17 as if fully restated here.

2. Beginning in late 2007 and continuing through approximately April 2010, in Bernalillo County, in the District of New Mexico and elsewhere, the defendants, **JOHANNES "JOHN" JARVIS** and **JOHN A. "JACK" HOPE**, did knowingly and voluntarily conspire and agree and act interdependently with each other and with others known and unknown to the Grand Jury to commit an offense under 18 U.S.C. § 1343: wire fraud.

In violation of 18 U.S.C. § 1349.

Counts 23 through 38

1. On or about the dates set forth below, in the District of New Mexico and elsewhere, the defendants, **JOHANNES "JOHN" JARVIS** and **JOHN A. "JACK" HOPE**, did knowingly engage and attempt to engage in a monetary transaction by, through, and to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, that being the withdrawal, deposit, and transfer of funds and monetary instruments, such property having been derived from wire fraud, a specified unlawful activity:

<u>Count</u>	<u>Date</u>	<u>Description</u>
23	August 1, 2008	Wire transfer in the amount of \$65,000.00 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit Union from John Hope and Yan Hope at Wachovia Bank.
24	October 21, 2008	Official check in the amount of \$21,000 drawn on the account of John and Yan Hope at Wachovia Bank to John Jarvis, deposited into the account of A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit Union.
25	November 21, 2008	Wire transfer in the amount of \$44,500 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit Union from John Hope and Yan Hope at Wachovia Bank.

26	November 26, 2008	Wire transfer in the amount of \$44,500 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit Union from John Hope and Yan Hope at Wachovia Bank.
27	December 24, 2008	Wire transfer in the amount of \$35,000 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit from Hope China Manufacturing Services LLC at Wachovia Bank.
28	December 31, 2008	Wire transfer in the amount of \$35,000 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit from Hope China Manufacturing Services LLC at Wachovia Bank.
29	January 2, 2009	Wire transfer in the amount of \$28,315.00 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit from Hope China Manufacturing Services LLC at Wachovia Bank.
30	February 2, 2009	Wire transfer in the amount of \$90,000.00 to A.K. Deleo and Johannes Jarvis at New Mexico Educators Federal Credit from Hope China Manufacturing Services LLC at Wachovia Bank.
31	April 1, 2009	Official check in the amount of \$83,000.00 drawn on the account of Hope China Manufacturing Services LLC at Wachovia Bank, deposited into the account of Jarmony International Consulting Incorporated at Wells Fargo Bank.
32	April 9, 2009	Wire transfer in the amount of \$100,000.00 to Jarmony International Consulting Incorporated from Hope China Manufacturing Services LLC at Wachovia Bank.
33	July 2, 2009	Wire transfer in the amount of \$33,091.56 to Jarmony International Consulting Incorporated from Grace International (HK) Limited.
34	August 27, 2009	Wire transfer in the amount of \$49,965.00 to Jarmony International Consulting Incorporated from Grace International (HK) Limited.
35	August 28, 2009	Wire transfer in the amount of \$49,965.00 to Jarmony International Consulting Incorporated from Grace International (HK) Limited.
36	August 31, 2009	Wire transfer in the amount of \$49,965.00 to Jarmony International Consulting Incorporated from Grace International (HK) Limited.
37	January 4, 2010	Wire transfer in the amount of \$56,000.00 to Jarmony International Consulting Incorporated from Grace International (HK) Limited.
38	January 19, 2010	Wire transfer in the amount of \$99,965.00 to Jarmony International Consulting Incorporated from Grace International (HK) Limited.

In violation of 18 U.S.C. §§ 1957 and 2.

**FORFEITURE ALLEGATION**

Counts 1 through 38 of this indictment are incorporated as part of this section of the indictment as if fully re-alleged herein for the purpose of alleging forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C), 28 U.S.C. § 2461, and 18 U.S.C. § 982(a)(1).

Upon conviction of any offense in violation of 18 U.S.C. §§ 1343 or 1349, the defendants, **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE**, shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461 any property, real or personal, which constitutes or is derived from proceeds traceable to such violation, or a conspiracy to commit such offense.

Upon conviction of any offense in violation of 18 U.S.C. § 1957, the defendants, **JOHANNES “JOHN” JARVIS** and **JOHN A. “JACK” HOPE**, shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(1) any property, real or personal, involved in such offense, or any property traceable to such property.

The property to be forfeited includes, but is not limited to, the following:

**REAL PROPERTY:**

- a. 3152 SW Fairmount Blvd, Portland, OR 97239-1467, more particularly described as:  
Section 16 1S 1E, TL 4200 0.36 ACRES;
- b. 1601 Huntingdon Road, Huntingdon Valley, PA 19006, more particularly described as:

**ALL THAT CERTAIN** lot or piece of land **SITUATE** in the Township of Upper Moreland, County of Montgomery and Commonwealth of Pennsylvania, described according to a Plan of Property made for Henry Hope made by Charles E. Shoemaker, Inc., dated September 10, 1973, said plan being recorded in the Office of the Recorder of Deeds for Montgomery County at Norristown, Pennsylvania in Plan Book B-26 page 80 on January 02, 1975, as follows, to wit:

**BEGINNING** at an interior point, at a corner of Lot No. 4, said point being on the Easterly side of a certain 25 feet wide Access Easement and being 604.60 feet North 18 degrees 00 minutes West from a point on the Northerly side of Huntingdon Road (41.50 feet wide); thence extending South 72 degrees 00 minutes West crossing the said Access

Easement and along the said Lot No.4 the distance of 300.00 feet to a point; thence extending North 18 degrees 00 minutes West along Lot No. 1 the distance of 129.42 feet to a point; thence extending North 72 degrees 00 minutes East and re-crossing the said Access Easement the distance of 301.45 feet to a point; thence extending South 18 degrees 00 minutes East along the Easterly side of the said Access Easement the distance of 160.98 feet to the first mentioned point and place of beginning.

**CONTAINING** therein 1.00 acre of land more or less.

**BEING** all of Lot 5 as shown on the above mentioned Plan.

**TOGETHER** with the use of a certain 25 feet wide Access Easement.

**BEING** known as 1601 Huntingdon Road, Huntingdon Valley, Pennsylvania 19006.

**BEING Parcel No.:** 59-00-09841-03-6.

**BEING** the same premise which Virginia P. Pierie and Thomas W. Pierie, her husband, by Deed dated 02/09/1973 and recorded at Norristown in the Office for the Recorder of Deeds in and for the County of Montgomery on 02/14/1973 in Deed Book 3827 page 484 granted and conveyed unto Henry Hope, his heirs and assigns, in fee.

**ALSO BEING** the same premise which Henry Hope and Hazel Hope, his wife, by Deed dated 07/09/1985 and recorded at Norristown in the Office for the Recorder of Deeds in and for the County of Montgomery on 08/12/1985 in Deed Book 4775 page 98 granted and conveyed unto Henry Hope and Hazel Hope, his wife, their heirs and assigns, as tenants by the entireties, in fee.

**AND** the said Henry Hope has since departed this life on 10/06/1990 whereby title to said premises became vested unto Hazel Hope, his wife, by operation of law.

**AND ALSO BEING** the same premise which Hazel Hope, by Deed dated 09/15/2003 and recorded at Norristown in the Office for the Recorder of Deeds in and for the County of Montgomery on 12/05/2003 in Deed Book 5484 page 2124 granted and conveyed unto John A. Hope, his heirs and assigns, in fee.

**AND ALSO BEING** the same premise which John A. Hope, by Deed dated 09/17/2010 and recorded at Norristown in the Office for the Recorder of Deeds in and for the County of Montgomery on 10/14/2010 in Deed Book 5782 page 746 granted and conveyed unto John A. Hope and Yan Qun Hope, husband and wife, their heirs and assigns, as tenants by the entirety, in fee.

PERSONAL PROPERTY:

- a. 6 Pieces of Miscellaneous Jewelry:
  - (1) Chanel J12 Automatic 38 mm Watch (item #h1709c);
  - (2) IWC Portuguese Automatic Steel Black Men's Watch (Model #IW500109);
  - (3) David Yurman 1.37 ct Waverly Pave Bracelet With Diamonds (Style #B08305SSADIDIM);
  - (4) Gucci Horsebit Necklace Yellow Gold (Item #153327J8500);
  - (5) Gucci Horsebit Cocktail Pendant Yellow Gold & Chain (Item #170812J8540);
  - (6) Gucci Horsebit Cocktail Earrings Yellow Gold (Item #170811J8540);
- b. 2006 Mercedes-Benz ML 500, VIN: 4JGBB75E86A010452; and
- c. 2004 Mercedes-Benz S500, VIN: WDBNG75J84A432944.

MONEY JUDGMENT:

A sum of money equal to at least **\$1,270,075.99** in U.S. currency, including any interest accruing to the date of the judgment, representing the amount of money constituting or derived from proceeds of the offense, for which Defendants are jointly and severally liable.

SUBSTITUTE ASSETS

If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), 18 U.S.C. § 982(b) and 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

A TRUE BILL:

/s

\_\_\_\_\_  
FOREPERSON OF THE GRAND JURY

  
\_\_\_\_\_  
Assistant United States Attorney