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U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
June 2001 Grand Jury

UNITED STATES OF AMERICA,
Plaintiff,
v.
ALMON GLENN BRASWELL,
ROBERT BRUCE MILLER, and
WILLIAM E. FRANTZ,
Defendants.

CR 02-1267
I N D I C T M E N T
[18 U.S.C. § 371: Conspiracy;
26 U.S.C. § 7201: Tax Evasion;
26 U.S.C. § 7206(1):
Subscribing To False Return]

The Grand Jury charges:

GENERAL ALLEGATIONS

At all times material to this indictment:

The Defendants

1. Defendant ALMON GLENN BRASWELL ("BRASWELL") was the sole shareholder of a number of affiliated corporations, including (a) a California corporation, G.B. Data Systems, Inc. ("GBDS") and (b) a Florida corporation, Gero Vita International, Inc. ("GVI"). BRASWELL maintained a residence and office in Los Angeles, California.

BHR:phr
[Signature]

COUNT ONE

[18 U.S.C. § 371]

A. PRELIMINARY ALLEGATIONS

The grand jury realleges paragraphs 1 through 20 of the General Allegations set forth above.

B. OBJECT OF THE CONSPIRACY

Beginning on or about December 21, 1994 and continuing through on or about June 23, 1997, in Los Angeles County, within the Central District of California, and elsewhere, defendants BRASWELL and MILLER did willfully and knowingly conspire and agree with each other to commit offenses against the United States, namely: to defraud the United States by impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service of the Treasury Department by deceit, craft, trickery, or means that are dishonest in the ascertainment, computation, assessment, and collection of revenue, to wit, income taxes, through the preparation and filing of federal corporate income tax returns for GVI which falsely stated that GVI had incurred cost of goods sold expenses arising from purchases from Deleon which were entirely fictitious.

C. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE ACCOMPLISHED

The manner and means by which the conspiracy was to be accomplished included the following:

1. BRASWELL and MILLER would cause GVI's and GBDS' purchasing personnel to order the herbal products and other raw

1 materials that GVI was acquiring from the Raw Material Suppliers
2 in Deleon's name (the "Deleon Purchase Orders").

3 2. BRASWELL would cause GVI's and GBDS' purchasing personnel
4 to send copies of the Deleon Purchase Orders to Hemisphere.

5 3. BRASWELL would cause Hemisphere to (a) issue bank drafts
6 against the account in Deleon's name at the Bank of Bermuda, made
7 payable to the Raw Material Suppliers, and (b) send the drafts to
8 BRASWELL.

9 4. BRASWELL would deliver the drafts to GVI's and GBDS'
10 purchasing personnel, in Los Angeles, so that the drafts could be
11 delivered to the Raw Material Suppliers in payment of the Deleon
12 Purchase Orders.

13 5. BRASWELL and MILLER would cause GVI's and GBDS'
14 purchasing personnel to send MILLER summaries of the Deleon
15 Purchase Orders that listed the names of the Suppliers, the
16 nature and amounts of the raw materials that GVI had ordered, and
17 the true purchase prices.

18 6. Based on the summaries, MILLER would prepare invoices in
19 Deleon's name that purported to bill GVI for "nutritional
20 supplements" and other "health care products" (the "Fraudulent
21 Invoices").

22 7. The Fraudulent Invoices would purport to charge GVI from
23 two to ten times the amounts that the Raw Material Suppliers had
24 actually charged for the herbal products and other Raw Materials
25 that GVI had ordered (the "Marked Up Charges").

26 8. MILLER and BRASWELL would cause GBDS' and GVI's
27 accounting personnel to post the Marked Up Charges to expense

1 accounts in GVI's general ledgers.

2 9. BRASWELL would periodically cause GBDS' and GVI's
3 accounting personnel to issue checks to Deleon, care of
4 Hemisphere, in order to pay the Fraudulent Invoices, even though:
5 (a) GVI had not purchased any products from Deleon; and (b) the
6 Marked Up Charges had been fabricated.

7 10. MILLER would prepare adjusting journal entries to GVI's
8 general ledger in order to re-classify non-deductible transfers
9 to Deleon that had been classified as "investments," as
10 deductible cost of goods sold expenses.

11 11. MILLER would prepare GVI's federal corporate tax
12 returns. In preparing the returns, MILLER would include false
13 deductions for the fabricated cost of goods sold that GVI had
14 purportedly incurred as a result of the fictitious purchases from
15 Deleon.

16 12. BRASWELL would sign the returns and cause them to be
17 filed with the Internal Revenue Service.

18 D. OVERT ACTS

19 In furtherance of the conspiracy and to accomplish the
20 object of the conspiracy, the following overt acts were committed
21 in the Central District of California and elsewhere:

22 1. On or about December 21, 1994, BRASWELL caused GBDS to
23 issue a check in the amount of \$500,000 to Deleon.

24 2. On or about January 17, 1995, BRASWELL caused GBDS to
25 issue a check in the amount of \$600,000 to Deleon.

26 3. On or about January 20, 1995, BRASWELL caused GBDS to
27 issue a check in the amount of \$600,000 to Deleon.

1 21. On or before February 14, 1996, MILLER prepared
2 approximately 5 invoices in the name of Deleon that purported to
3 charge GVI approximately \$2,063,169.98 for "nutritional
4 supplements" and "health care products" that GVI had purportedly
5 purchased from Deleon.

6 22. On or about February 14, 1996, BRASWELL caused GBDS to
7 issue a check in the amount of \$1,274,677.03 to Deleon.

8 23. On or about March 6, 1997, BRASWELL caused GBDS to
9 issue a check in the amount of \$430,287 to Deleon.

10 24. On or about March 6, 1997, BRASWELL caused GBDS to
11 issue a check in the amount of \$1,577,250.58 to Deleon.

12 25. On or about June 23, 1997, MILLER purchased a set of
13 blank three-part invoices in the name of Deleon.

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COUNT TWO

[26 U.S.C. § 7201]

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3 Between on or about December 21, 1994 and on or about June
4 15, 1995, in Los Angeles County, in the Central District of
5 California, defendants ALMON GLENN BRASWELL ("BRASWELL") and
6 ROBERT BRUCE MILLER ("MILLER") did willfully attempt to evade and
7 defeat the assessment of a substantial part of the federal
8 corporate income taxes due and owing by Gero Vita International,
9 Inc. ("GVI") for the fiscal year ending September 30, 1994, in
10 the amount of approximately \$1,926,762, by committing the
11 following acts, among others: (1) on or before June 13, 1995,
12 MILLER prepared an adjusting journal entry to GVI's books and
13 records that falsely stated that during the fiscal year ending
14 September 30, 1994, Deleon Global Trading Ltd. ("Deleon") had
15 charged GVI a "manufacturing fee," totaling \$4,385,420; (2) on or
16 before June 13, 1995, MILLER prepared an adjusting journal entry
17 to GVI's books and records in order to re-classify approximately
18 \$1,350,000 in assets, that previously had been recorded as an
19 investment, as an expense; (3) on or about June 13, 1995, MILLER
20 prepared a U.S. Corporation Income Tax Return, Form 1120, for GVI
21 for the fiscal year ending September 30, 1994 (the "1993 Return")
22 that purported to truthfully report all of the deductible
23 business expenses that GVI had incurred during the fiscal year;
24 (4) on or about June 15, 1995, BRASWELL signed the 1993 Return;
25 and (5) BRASWELL and MILLER willfully over-stated the amount of
26 the deductible business expenses that GVI had incurred by
27 approximately \$5,735,420 on the 1993 Return, resulting in an

1 under-statement of the tax due and owing of approximately
2 \$1,926,762.

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COUNT THREE

[26 U.S.C. § 7201]

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3 Between on or about January 17, 1995 and on or about
4 February 14, 1996, in Los Angeles County, in the Central District
5 of California, defendants ALMON GLENN BRASWELL ("BRASWELL") and
6 ROBERT BRUCE MILLER ("MILLER") did willfully attempt to evade and
7 defeat the assessment of a substantial part of the federal
8 corporate income taxes due and owing by Gero Vita International,
9 Inc. ("GVI") for the fiscal year ending September 30, 1995, in
10 the amount of approximately \$2,541,698, by committing the
11 following acts, among others: (1) Between on or about January 17,
12 1995 and on or about November 20, 1995, BRASWELL caused G.B. Data
13 Systems, Inc. ("GBDS") to issue approximately 8 checks payable to
14 Deleon Global Trading, Ltd. ("Deleon"), totaling approximately
15 \$5,374,260 to pay Deleon for raw materials that GVI had
16 purportedly purchased from Deleon; (2) on or before September 13,
17 1995, MILLER prepared approximately 7 invoices in the name of
18 Deleon that purported to charge GVI approximately \$1,079,710 for
19 "nutritional supplements" and "health care products" that GVI had
20 purportedly purchased from Deleon; (3) on or about November 13,
21 1995, MILLER caused GVI to reclassify approximately \$2,200,000 of
22 GVI's assets, that previously had been recorded as an investment,
23 as an expense; (4) on or before January 4, 1996, MILLER prepared
24 an adjusting journal entry to GVI's general ledger that increased
25 GVI's "inventory usage" expense account by approximately
26 \$4,671,000; (5) on or before January 4, 1996, MILLER prepared an
27 adjusting journal entry to GVI's general ledger that decreased

1 GVI's "inventory usage" expense account by approximately
2 \$1,868,400; (6) on or about January 17, 1996, MILLER prepared a
3 U.S. Corporation Income Tax Return, Form 1120, for GVI for the
4 fiscal year ending September 30, 1995 (the "1994 Return"); (7) on
5 or about January 19, 1996, BRASWELL signed the 1994 Return on
6 behalf of GVI; (8) on or about February 9, 1996, BRASWELL caused
7 GBDS to issue a check in the amount of approximately \$788,492.95
8 to Deleon; (9) on or before February 14, 1996, MILLER prepared
9 approximately 5 invoices in the name of Deleon that purported to
10 charge GVI approximately \$2,063,169.98 for "nutritional
11 supplements" and "health care products" that GVI had purportedly
12 purchased from Deleon; (10) on or about February 14, 1996,
13 BRASWELL caused GBDS to issue a check in the amount of
14 \$1,274,677.03 to Deleon; and (11) BRASWELL and MILLER willfully
15 over-stated the amount of the deductible business expenses that
16 GVI had incurred by approximately \$7,242,236 on the 1994 Return,
17 resulting in an under-statement of the tax due and owing of
18 approximately \$2,541,698.

COUNT FOUR

[18 U.S.C. § 371]

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3 A. PRELIMINARY ALLEGATIONS

4 The grand jury realleges paragraphs 1 through 20 of the
5 General Allegations set forth above.

6 B. OBJECT OF THE CONSPIRACY

7 Beginning on or about November 30, 1993 and continuing
8 through on or about October 15, 1998, in Los Angeles County,
9 within the Central District of California, and elsewhere,
10 defendants BRASWELL and FRANTZ did willfully and knowingly
11 conspire and agree with each other to commit offenses against the
12 United States, namely to defraud the United States by impeding,
13 impairing, obstructing, and defeating the lawful government
14 functions of the Internal Revenue Service of the Treasury
15 Department by deceit, craft, trickery, or means that are
16 dishonest in the ascertainment, computation, assessment, and
17 collection of revenue, to wit, income taxes, through the
18 preparation and filing of U.S. Individual Income Tax Returns for
19 BRASWELL which would fail to report income that BRASWELL received
20 from GBDS in the form of transfers by GBDS of corporate funds to
21 the FS&G Account and the Offshore Accounts for BRASWELL's
22 personal benefit.

23 C. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE
24 ACCOMPLISHED

25 The manner and means by which the conspiracy was to be
26 accomplished included the following:

- 27 1. BRASWELL would cause GBDS' and GVI's accounting

1 personnel to transfer funds from GBDS' bank accounts to the FS&G
2 Account. GBDS' and GVI's accounting personnel would record the
3 transfers on GBDS' and the Affiliated Corporations' books and
4 records as corporate assets or investments.

5 2. BRASWELL would cause GBDS' and GVI's accounting
6 personnel to issue checks on the Royal Bank of Canada Account,
7 payable to Deleon, care of Hemisphere. BRASWELL and FRANTZ would
8 cause Hemisphere to deposit the checks into the account in
9 Deleon's name at the Bank of Bermuda.

10 3. FRANTZ would periodically cause checks to be issued from
11 the FS&G account for BRASWELL's personal benefit, even though the
12 account had been funded with GBDS', GVI's and the Affiliated
13 Corporations' corporate funds.

14 4. FRANTZ would prepare BRASWELL's U.S. Individual Income
15 Tax Returns. In preparing the returns, FRANTZ would fail to
16 include the amounts that: (a) had been paid for BRASWELL's
17 benefit from the FS&G account; and (b) had been deposited for
18 BRASWELL'S benefit into the account in Deleon's name at the Bank
19 of Bermuda.

20 5. BRASWELL would sign the returns and cause them to be
21 filed with the Internal Revenue Service.

22 D. OVERT ACTS

23 In furtherance of the conspiracy and to accomplish the
24 object of the conspiracy, the following overt acts were committed
25 in the Central District of California and elsewhere:

26 1. On or about November 30, 1993, FRANTZ caused a check in
27 the amount of \$500,000 to be issued from the FS&G account payable

1 to the order of "Hemisphere Trust Co." for deposit into an
2 account in the name of Vita at the Bank of Bermuda.

3 2. On or about January 10, 1994, BRASWELL caused GBDS to
4 transfer \$400,000 from its Bank of America account to the FS&G
5 account.

6 3. On or about January 11, 1994, BRASWELL and FRANTZ caused
7 the name of Vita International, Ltd. to be changed to Deleon
8 Global Trading, Ltd.

9 4. On or about January 18, 1994, BRASWELL caused GBDS to
10 transfer approximately \$300,000 from its Bank of America Account
11 to the FS&G account.

12 5. On or about January 20, 1994, BRASWELL caused GBDS to
13 transfer approximately \$400,000 from its Bank of America Account
14 to the FS&G account.

15 6. On or about January 24, 1994, FRANTZ caused a check in
16 the amount of \$500,000 to be issued from the FS&G account,
17 payable to the Internal Revenue Service.

18 7. On or about January 27, 1994, BRASWELL caused GBDS to
19 transfer approximately \$300,000 from its Bank of America Account
20 to the FS&G account.

21 8. On or about January 31, 1994, FRANTZ caused a check in
22 the amount of \$1,000,000 to be issued from the FS&G Account to
23 the Bank of Butterfield for deposit into BRASWELL's personal
24 account.

25 9. On or about August 25, 1994, FRANTZ caused \$1,000,000 to
26 be transferred from the FS&G account to the Bank of Butterfield
27 for deposit into BRASWELL's personal account.

1 21. On or about October 19, 1995, BRASWELL caused GBDS to
2 issue a check in the amount of \$459,800 to Deleon.

3 22. On or about November 1, 1995, BRASWELL caused GBDS to
4 issue a check in the amount of \$1,178,750 to Deleon.

5 23. On or about November 20, 1995, BRASWELL caused GBDS to
6 issue a check in the amount of \$776,000 to Deleon.

7 24. On or about January 10, 1996, BRASWELL caused GBDS to
8 transfer \$700,000 to the FS&G Account.

9 25. On or about January 22, 1996, FRANTZ caused a check in
10 the amount of \$750,000 to be issued from the FS&G Account for
11 BRASWELL's personal benefit.

12 26. On or about February 9, 1996, BRASWELL caused GBDS to
13 issue a check in the amount of \$788,492.95 to Deleon.

14 27. On or about February 14, 1996, BRASWELL caused GBDS to
15 issue a check in the amount of \$1,274,677.03 to Deleon.

16 28. On or about October 15, 1996, FRANTZ prepared an
17 Individual U.S. Income Tax Return for BRASWELL for 1995 (the
18 "1995 Return"), which failed to report approximately \$6,817,603
19 of taxable income that BRASWELL had received in 1995.

20 29. On or about October 15, 1996, FRANTZ signed the 1995
21 Return on BRASWELL's behalf and caused it to be filed with the
22 Internal Revenue Service.

23 30. On or about March 6, 1997, BRASWELL caused GBDS to
24 issue a check in the amount of \$430,287 to Deleon.

25 31. On or about March 6, 1997, BRASWELL caused GBDS to
26 issue a check in the amount of \$1,577,250.58 to Deleon.

27 32. On or about April 11, 1997, BRASWELL caused GBDS to
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1 issue a check in the amount of \$500,000 to the FS&G Account.

2 33. On or about May 2, 1997, FRANTZ caused a check in the
3 amount of \$450,000 to be issued from the FS&G Account for
4 BRASWELL's personal benefit.

5 34. On about October 9, 1997 FRANTZ caused an individual at
6 FS&G to sign a U.S. Individual Income Tax Return for BRASWELL for
7 1996 (the "1996 Return"), which failed to report approximately
8 \$4,223,170 of taxable income that BRASWELL had received in 1996.

9 35. On or about October 10, 1997, BRASWELL signed the 1996
10 Return and caused it to be filed with the Internal Revenue
11 Service.

12 36. On or before November 4, 1997, BRASWELL used
13 approximately \$3,500,000 that had been deposited into the account
14 in Deleon's name at the Bank of Bermuda, to purchase a personal
15 residence in Coconut Grove, Florida.

16 37. On or about March 19, 1998, FRANTZ told an Internal
17 Revenue Service International Examiner that BRASWELL did not own
18 Deleon and that he (FRANTZ) had not been able to obtain written
19 information from Hemisphere regarding Deleon's ownership.

20 38. On or about October 10, 1998, FRANTZ prepared an
21 Individual U.S. Income Tax Return for BRASWELL for 1997 (the
22 "1997 Return"), which failed to report approximately \$4,332,537
23 of taxable income that BRASWELL had received in 1997.

24 39. On or about October 15, 1998, BRASWELL signed the 1997
25 Return and caused it to be filed with the Internal Revenue
26 Service.

COUNT FIVE

[26 U.S.C. § 7201]

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3 Between on or about January 7, 1994 and on or about December
4 4, 1994, in Los Angeles County, in the Central District of
5 California, and elsewhere, defendants ALMON GLENN BRASWELL
6 ("BRASWELL") and WILLIAM E. FRANTZ ("FRANTZ") did willfully
7 attempt to evade and defeat the assessment of a substantial part
8 of the federal individual income taxes due and owing by BRASWELL
9 for 1994, in the amount of approximately \$2,865,992 by committing
10 the following acts, among others: (1) between January 10, 1994
11 and September 30, 1994, BRASWELL caused G.B. Data Systems, Inc.
12 ("GBDS") to transfer approximately \$7,300,000 to an account in
13 the name of Frantz, Sanders & Grattan, LLP (the "FS&G Account");
14 (2) between January 7, 1994 and August 25, 1994, FRANTZ caused
15 approximately \$5,000,000 to be transferred from the FS&G account
16 to BRASWELL's personal account at the Bank of Butterfield, in the
17 Cayman Islands; (3) Between January 15, 1994 and December 4,
18 1994, FRANTZ caused checks totaling approximately \$1,195,000 to
19 be issued from the FS&G Account to the Internal Revenue Service,
20 to be applied to BRASWELL's personal tax liability; (4) on or
21 about December 21, 1994, BRASWELL caused GBDS to issue a check in
22 the amount of \$500,000 on GBDS' account at the Royal Bank of
23 Canada to Deleon, care of Hemisphere Management Co.; (6) on or
24 about October 6, 1995, FRANTZ prepared an Individual U.S. Income
25 Tax Return for BRASWELL for 1994 (the "1994 Return") that failed
26 to report or include in BRASWELL's taxable income the amounts
27 that had been paid to the Internal Revenue Service, Deleon and

1 the Bank of Butterfield; (7) On or about October 10, 1995,
2 BRASWELL signed the 1994 Return and caused it to be filed with
3 the Internal Revenue Service; and (8) BRASWELL and FRANTZ
4 willfully under-stated BRASWELL's taxable income on the 1994
5 Return by approximately \$6,865,000, the amounts set forth above
6 that had been paid to the Internal Revenue Service, Deleon and
7 the Bank of Butterfield, resulting in an under-statement of the
8 tax due and owing of approximately \$2,865,992.

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COUNT SIX

[26 U.S.C. § 7201]

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3 Between on or about January 17, 1995 and on or about October
4 15, 1996, in Los Angeles County, in the Central District of
5 California, and elsewhere, defendants ALMON GLENN BRASWELL
6 ("BRASWELL") and WILLIAM E. FRANTZ ("FRANTZ") did willfully
7 attempt to evade and defeat the assessment of a substantial part
8 of the federal individual income taxes due and owing by BRASWELL
9 for 1995, in the amount of approximately \$2,846,204, by
10 committing the following acts, among others: (1) Between on or
11 about January 17, 1995 and on or about November 20, 1995,
12 BRASWELL caused approximately \$5,374,260 to be transferred from
13 an account in the name of G.B. Data Systems, Inc. ("GBDS") at the
14 Royal Bank of Canada to an account in the name of Deleon Global
15 Trading, Ltd. at the Bank of Bermuda, in Hamilton, Bermuda) (the
16 "1995 Deleon Deposits"); (2) between on or about March 28, 1995
17 and on or about September 22, 1995, BRASWELL caused GBDS to
18 transfer approximately \$2,050,000 to an account in the name of
19 Frantz, Sanders & Grattan, LLP (the "FS&G Account"); (3) between
20 on or about January 23, 1995 and on or about October 23, 1995,
21 FRANTZ caused checks totaling approximately \$1,443,343 to be
22 issued from the FS&G Account to the Internal Revenue Service, to
23 be applied to BRASWELL's personal tax liability (the "1995
24 Transferred Funds"); (4) on or about October 15, 1996 FRANTZ
25 prepared an Individual U.S. Income Tax Return for BRASWELL for
26 1995 (the "1995 Return") that failed to report the 1995 Deleon
27 Deposits or the 1995 Transferred Funds or to include them in

1 BRASWELL's taxable income; (5) on or about October 15, 1996,
2 FRANTZ signed the 1995 Return on BRASWELL's behalf and caused it
3 to be filed with the Internal Revenue Service; (6) BRASWELL and
4 FRANTZ willfully under-stated BRASWELL's taxable income on the
5 1995 Return by approximately \$6,817,603, the amounts of the 1995
6 Transferred Funds and the 1995 Deleon Deposits, resulting in an
7 under-statement of the tax due and owing of approximately
8 \$2,846,204.

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COUNT SEVEN

[26 U.S.C. § 7201]

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3 Between on or about February 9, 1996 and on or about October
4 10, 1997, in Los Angeles County, in the Central District of
5 California, and elsewhere, defendants ALMON GLENN BRASWELL
6 ("BRASWELL") and WILLIAM E. FRANTZ ("FRANTZ") did willfully
7 attempt to evade and defeat the assessment of a substantial part
8 of the federal individual income taxes due and owing by BRASWELL
9 for 1996, in the amount of approximately \$1,763,083, by
10 committing the following acts, among others: (1) Between on or
11 about February 9, 1996 and February 14, 1996, BRASWELL caused
12 approximately \$2,063,169.98 to be transferred from an account in
13 the name of G.B. Data Systems, Inc. ("GBDS") at the Royal Bank of
14 Canada to an account in the name of Deleon Global Trading Ltd.
15 ("Deleon") at the Bank of Bermuda, in Hamilton, Bermuda (the "1996
16 Deleon Deposits"); (2) between on or about January 10, 1996 and
17 on or about June 28, 1996, BRASWELL caused GBDS to transfer
18 approximately \$3,300,000 to an account in the name of Frantz,
19 Sanders & Grattan, LLP (the "FS&G Account"); (3) Between on or
20 about January 22, 1996 and on or about September 20, 1996, FRANTZ
21 caused checks totaling approximately \$2,160,000 to be issued from
22 the FS&G Account to the Internal Revenue Service to be applied to
23 BRASWELL's personal tax liability and to an account in BRASWELL's
24 name at the Bank of Butterfield in the Cayman Islands (the "1996
25 Transferred Funds"); (4) on or about October 9, 1997 FRANTZ
26 caused an Individual U.S. Income Tax Return for BRASWELL for 1996
27 (the "1996 Return") to be prepared by another individual at

1 FRANTZ' law firm, that failed to report the 1996 Deleon Deposits
2 or the 1996 Transferred Funds or include them in BRASWELL's
3 taxable income; (5) on or about October 10, 1997, BRASWELL signed
4 the 1996 Return and caused it to be filed with the Internal
5 Revenue Service; (6) BRASWELL and FRANTZ willfully under-stated
6 BRASWELL's taxable income on the 1996 Return by approximately
7 \$4,223,170, the amounts of the 1996 Transferred Funds and the
8 1996 Deleon Deposits, resulting in an under-statement of the tax
9 due and owing of approximately \$1,763,083.

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COUNT EIGHT

[26 U.S.C. § 7201]

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3 Between on or about March 6, 1997 and on or about October
4 15, 1998, in Los Angeles County, in the Central District of
5 California, and elsewhere, defendants ALMON GLENN BRASWELL
6 ("BRASWELL") and WILLIAM E. FRANTZ ("FRANTZ") did willfully
7 attempt to evade and defeat the assessment of a substantial part
8 of the federal individual income taxes due and owing by BRASWELL
9 for 1997, in the amount of approximately \$1,808,743, by
10 committing the following acts, among others: (1) on or about
11 March 6, 1997 BRASWELL caused approximately \$2,007,537.58 to be
12 transferred from an account in the name of G.B. Data Systems,
13 Inc. ("GBDS") at the Royal Bank of Canada to an account in the
14 name of Deleon Global Trading, Ltd. ("Deleon") at the Bank of
15 Bermuda, in Hamilton, Bermuda (the "1997 Deleon Deposits"); (2)
16 between on or about April 11, 1997 and on or about December 4,
17 1997, BRASWELL caused GBDS to transfer approximately \$1,600,000
18 to an account in the name of Frantz, Sanders & Grattan, LLP (the
19 "FS&G Account"); (3) Between on or about January 24, 1997 and
20 December 23, 1997, FRANTZ caused checks totaling approximately
21 \$2,325,000 to be issued from the FS&G Account to the Internal
22 Revenue Service, to be applied to BRASWELL's personal tax
23 liability (the "1997 Transferred Funds"); (4) on or about October
24 10, 1998, FRANTZ prepared an Individual U.S. Income Tax Return
25 for BRASWELL for 1997 (the "1997 Return") that failed to report
26 the 1997 Deleon Deposits or the 1997 Transferred Funds or include
27 them in BRASWELL's taxable income; (5) on or about October 15,

1 1998, BRASWELL signed the 1997 Return and caused it to be filed
2 with the Internal Revenue Service; (6) BRASWELL and FRANTZ
3 willfully under-stated BRASWELL's taxable income on the 1997
4 Return by approximately \$4,332,537.58 the amounts of the 1997
5 Transferred Funds and the 1997 Deleon Deposits, resulting in an
6 under-statement of the tax due and owing of approximately
7 \$1,808,743.

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COUNT NINE

[26 U.S.C. § 7206(1)]

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3 On or about June 15, 1995, in Los Angeles County, within the
4 Central District of California, defendant ALMON GLENN BRASWELL
5 ("BRASWELL"), did willfully make and subscribe to a United States
6 Corporation Income Tax Return, Form 1120, of Gero Vita
7 International, Inc. ("GVI") for the fiscal year ending September
8 30, 1994, which was verified by a written declaration that it was
9 made under the penalties of perjury and was filed with the
10 Internal Revenue Service and which he did not believe to be true
11 and correct as to every material matter contained therein, in
12 that the tax return reported that GVI had incurred cost of goods
13 sold of \$12,159,617, whereas, as BRASWELL then well knew and
14 believed, the reported cost of goods sold figure included
15 substantial amounts that GVI neither paid nor incurred in the
16 fiscal year ending September 30, 1994.
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COUNT TEN

[26 U.S.C. § 7206(1)]

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3 On or about January 19, 1996, in Los Angeles County, within
4 the Central District of California, defendant ALMON GLENN
5 BRASWELL ("BRASWELL") did willfully make and subscribe to a
6 United States Corporation Income Tax Return, Form 1120, of Gero
7 Vita International, Inc. ("GVI") for the fiscal year ending
8 September 30, 1995, which was verified by a written declaration
9 that it was made under the penalties of perjury and was filed
10 with the Internal Revenue Service and which he did not believe to
11 be true and correct as to every material matter contained
12 therein, in that the tax return reported that GVI had incurred
13 cost of goods sold of \$19,416,456, whereas, as BRASWELL then well
14 knew and believed, the reported cost of goods sold figure
15 included substantial amounts that GVI neither paid nor incurred
16 in the fiscal year ending September 30, 1995.
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COUNT ELEVEN

[26 U.S.C. § 7206(1)]

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3 On or about October 10, 1995, in Los Angeles County, within
4 the Central District of California, defendant ALMON GLENN
5 BRASWELL ("BRASWELL") did willfully make and subscribe to a
6 United States Income Tax Return, Form 1040, for the taxable year
7 1994, which was verified by a written declaration that it was
8 made under the penalties of perjury and was filed with the
9 Internal Revenue Service and which he did not believe to be true
10 and correct as to every material matter contained therein, in
11 that the tax return reported that BRASWELL's total income for
12 1994 was \$3,187,177, whereas, as BRASWELL then well knew and
13 believed, the reported total income figure did not include income
14 that BRASWELL received in 1994, by causing one of his
15 corporations, G.B. Data Systems, Inc., to transfer funds to an
16 attorney escrow account and offshore accounts for BRASWELL's
17 personal benefit.
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COUNT TWELVE

[26 U.S.C. § 7206(1)]

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3 On or about October 10, 1997, in Los Angeles County, within
4 the Central District of California, defendant ALMON GLENN
5 BRASWELL ("BRASWELL") did willfully make and subscribe to a
6 United States Income Tax Return, Form 1040, for the taxable year
7 1996, which was verified by a written declaration that it was .
8 made under the penalties of perjury and was filed with the
9 Internal Revenue Service and which he did not believe to be true
10 and correct as to every material matter contained therein, in
11 that the tax return reported that BRASWELL's total income for
12 1996 was \$4,887,992, whereas, as BRASWELL then well knew and
13 believed, the reported total income figure did not include income
14 that BRASWELL received in 1996 by causing one of his
15 corporations, G.B. Data Systems, Inc., to transfer funds to an
16 attorney escrow account and offshore accounts for BRASWELL's
17 personal benefit.
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COUNT THIRTEEN

[26 U.S.C. § 7206(1)]

1 On or about October 15, 1998, in Los Angeles County, within
2 the Central District of California, defendant ALMON GLENN
3 BRASWELL ("BRASWELL") did willfully make and subscribe to a
4 United States Income Tax Return, Form 1040, for the taxable year
5 1997, which was verified by a written declaration that it was
6 made under the penalties of perjury and was filed with the
7 Internal Revenue Service and which he did not believe to be true
8 and correct as to every material matter contained therein, in
9 that the tax return reported that BRASWELL's total income for
10 1997 was \$15,991,288, whereas, as BRASWELL then well knew and
11 believed, the reported total income figure did not include income
12 that BRASWELL received in 1997 by causing one of his
13 corporations, G.B. Data Systems, Inc., to transfer funds to an
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1 attorney escrow account and offshore accounts for BRASWELL's
2 personal benefit.

3
4 A TRUE BILL

5
6 Foreperson

7 DEBRA W. YANG
8 United States Attorney

9
10 JACQUELINE CHOOLJIAN
11 Assistant United States Attorney
12 Chief, Criminal Division

13 LAWRENCE MIDDLETON
14 Assistant United States Attorney
15 Chief, Public Corruption and
16 Government Fraud Section
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