



1 elected body consisting of seven members entrusted to act on behalf of the citizens of Clark County  
2 and was responsible for acting upon matters involving county ordinances, business licenses, liquor  
3 licenses, zoning and land use issues, and other matters.

4           2.       The Clark County Liquor and Gaming Board (the “Liquor and Gaming  
5 Licensing Board”) was a regulatory body in Clark County that was responsible for the approval of  
6 liquor licenses and suitability determinations of shareholders, officers, and key employees for liquor  
7 matters.   The County Commissioners constituted the Liquor and Gaming Licensing Board.

8           3.       Erin Kenny was a member of the County Commission from January 1995 to  
9 January 2003. During 2002, Kenny was a candidate for the office of Lieutenant Governor of the State  
10 of Nevada.

11           4.       Defendant Mary Kincaid-Chauncey was a member of the County Commission  
12 from January 1997 to at least the date of this Indictment.

13           5.       Defendant Dario Herrera was a member of the County Commission from  
14 January 1999 to January 2003. During 2002, defendant Herrera was a candidate for a seat in the  
15 United States Congress.

16           6.       Michael Dean Galardi owned and operated exotic dance establishments in  
17 Nevada. Such establishments were commonly known as “strip clubs” and “gentlemen’s clubs.” One  
18 of Galardi’s clubs was known as Jaguars. Another was known as Cheetahs.

19           7.       Defendant Lance Matthew Malone was a member of the County Commission  
20 from January 1997 to January 2001. Thereafter, he was employed by Galardi.

21           8.       A “red tag” was a procedure by which the Clark County Building Department  
22 (“Building Department”) stopped work on a construction project until compliance with the Clark  
23 County Building Code was met.

24           9.       A “use permit” was a type of zoning permit issued in Clark County that  
25 authorized strip clubs to operate and serve alcohol within Clark County, Nevada.

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Chauncey and Herrera for the purpose of corruptly influencing them in the performance of their official duties;

C. Kenny and defendants Kincaid-Chauncey and Herrera solicited and accepted money, property, and services, directly and indirectly, from defendant Malone, acting on behalf of Galardi, agreed to be influenced in the performance of their official duties, and used their public offices to further, and attempt to further, Galardi's interests; and

D. The members of the conspiracy took steps to conceal from the County Commission and the citizens of Clark County the payments of money, property and services referred to above. Additionally, Kenny and defendants Malone, Kincaid-Chauncey and Herrera failed to disclose their receipt of the money, property, and services as required by law and by their fiduciary duties as public officials.

14. The matters over which defendant Malone was corruptly influenced as a county commissioner and over which he, acting on behalf of Galardi, attempted to corruptly influence and corruptly influenced Kenny and defendants Kincaid-Chauncey and Herrera include, but are not limited to, the following:

A. The change to an existing ordinance to increase the distance between strip clubs from 500 feet to 1000 feet;

B. The issuance of liquor licenses for Jaguars and suitability determinations for Galardi in connection with Jaguars;

C. The issuance of zoning use permits for Jaguars;

D. The lifting of a red tag that had been placed on the construction of Jaguars;

E. The rejection of the application of the acting director of the Building Department for the permanent director position of the Building Department

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because defendant Malone and Galardi believed that the acting director had not worked to expeditiously lift the red tag;

F. The obtaining of an immediate inspection of Jaguars by the Clark County Health District inspectors to the inconvenience of other citizens of and entities in Clark County who had been waiting for such an inspection;

G. The controlling and harassing of Galardi's business competitors, namely: Divas, Spearmint Rhino, and Chez Moi;

H. The change to an existing ordinance to allow totally nude dancing in strip clubs that served alcohol (the "Totally-Nude" Ordinance);

I. The defeat of a proposed ordinance that would have prohibited all touching between dancers and patrons (the "No-Touch Ordinance");

J. The attempted defeat of revisions to the proposed No-Touch Ordinance that permitted limited physical contact between dancers and patrons but prohibited a patron from placing a tip in a dancer's g-string and prohibited anyone under the age of 21, including dancers, from working in and patronizing a strip club that served alcohol (the "Limited-Touch Ordinance");

K. The enactment of an amendment to the Limited-Touch Ordinance to allow certain touching between dancers and patrons and the attempted enactment of an amendment to the Limited-Touch Ordinance to allow dancers between the ages of 18 and 21 to dance in strip clubs that served alcohol; and

L. The attempted annexation of Jaguars from Clark County to the City of Las Vegas where the City ordinances, as perceived by Galardi, were less restrictive than the Limited-Touch Ordinance applicable to strip clubs operating in Clark County.



1 and the Clark County Election Department in which he failed to disclose that he had  
2 received money, property, and services from Galardi and defendant Malone.

3 (7) On or about March 15, 2001, defendant Herrera caused Galardi  
4 to pay approximately \$400 for lap dances that defendant Herrera received from a  
5 dancer in Cheetahs.

6 (8) On March 27, 2001, defendant Herrera filed a Financial  
7 Disclosure Statement with the State of Nevada Commission on Ethics and the Clark  
8 County Election Department in which he failed to disclose that he had received money,  
9 property, and services from Galardi and defendant Malone.

10 (9) On June 6, 2001, during a telephone conversation between  
11 Galardi and defendant Malone, Galardi said that Kenny had not called him, defendant  
12 Malone said that she had not called him either but that he had the money "upstairs."

13 (10) On June 27, 2001, during a telephone conversation between  
14 defendant Malone, who was inside the state of California, and Kenny, who was inside  
15 the state of Nevada, in which they discussed Jaguars' red-tag, Kenny said that she  
16 would call the Building Department immediately.

17 (11) On June 28, 2001, during a telephone conversation between  
18 defendant Malone, who was outside of the State of Nevada, and defendant Herrera,  
19 who was inside the State of Nevada, in which they discussed Jaguars' red tag,  
20 defendant Malone asked defendant Herrera to speak with the Building Department  
21 about the red tag.

22 (12) On July 5, 2001, during a telephone conversation between  
23 defendant Malone and Galardi, in which Galardi said that he had called defendant  
24 Herrera, Galadi said in reference to defendant Herrera, "you know what I'll do with  
25 him." During this same conversation, Galardi said that he'll "throw [defendant  
26 Kincaid-Chauncey] a little donation again."

1 (13) On July 5, 2001, during a telephone conversation between  
2 defendant Malone and Galardi, in which defendant Malone said that he had told Kenny  
3 that she needed to be "a little bit more heavy handed with these people (in the Building  
4 Department)," Galardi said, "You've gotta tell her, somehow, that I'll, I'll tell ya, I'll  
5 give her five, somehow, over the phone, I don't know how you can do it."

6 (14) On July 5, 2001, Kenny called defendant Malone and said, "We  
7 turned down Divas today . . . So at least that's for a while, gone away." Defendant  
8 Malone then arranged to meet Kenny later that day.

9 (15) On July 5, 2001, defendant Malone met Kenny in a car outside  
10 of a convenience store.

11 (16) On July 6, 2001, during a conversation between Galardi,  
12 defendant Malone, and others, in which they discussed the red tag, defendant Malone  
13 said, "I'm glad we didn't pay [Kenny] yet." Galardi said, "Yeah, no [expletive].  
14 Saved me \$50,000."

15 (17) On July 9, 2001, Kenny left a voice-mail message for defendant  
16 Malone stating that the building inspectors had worked over the weekend on the  
17 Jaguars matter and asking that defendant Malone "Please let Mike know I have pushed  
18 this so hard to have these guys working on the weekend . . . ."

19 (18) On July 13, 2001, during a telephone conversation between  
20 defendant Malone and Galardi, in which they discussed the red tag, Galardi said, "Did  
21 you tell [Kenny] there'll be a little bonus if its lifted today?" Defendant Malone said,  
22 "And I told her, you'd like to contribute to her campaign."

23 (19) On July 26, 2001, during telephone conversation between  
24 defendant Malone and Galardi, Galardi instructed defendant Malone to tell defendant  
25 Kincaid-Chauncey not to support the acting director of the Building Department in his  
26 attempt to become the permanent director of the Building Department and to tell

1 defendant Kincaid-Chauncey that they will give her "another five" whenever she wants  
2 it.

3 (20) On July 31, 2001, during a telephone conversation between  
4 defendant Malone and Galardi, in which they discussed preventing the acting director  
5 for the Building Department from becoming the permanent director in retaliation for  
6 the manner in which the acting director handled the red tag, Galardi said, "Erin and  
7 Mary will definitely go our way; they just need to get Dario somehow." Galardi then  
8 said, "If we sweeten the pot a little for Mister Dario, that will change."

9 (21) On July 31, 2001, Kenny and defendants Kincaid-Chauncey and  
10 Herrera voted to approve liquor licenses for Jaguars and a suitability determination for  
11 Galardi.

12 (22) On August 2, 2001, after defendants Malone and Kincaid-  
13 Chauncey met at a restaurant for lunch, they met alone in defendant Kincaid-  
14 Chauncey's car for about four minutes, during which time, defendant Kincaid-  
15 Chauncey used defendant Malone's cellular telephone to leave a voice-mail message  
16 for Galardi, saying, "thanks for all your help . . . ."

17 (23) On August 6, 2001, during a telephone conversation between  
18 defendant Malone and Kenny, Kenny said that she needed to meet with Galardi.

19 (24) On August 6, 2001, Kenny met with Galardi and defendant  
20 Malone inside of a construction trailer on the building site of Galardi's new house and  
21 received from Galardi several thousand dollars in cash.

22 (25) On August 10, 2001, during a telephone conversation between  
23 Galardi, who was inside the State of California, and defendant Malone, who was inside  
24 the State of Nevada, in which they discussed defendant Herrera wanting to meet with  
25 Galardi, Galardi said, "What do you think he wants?" Defendant Malone, while  
26 laughing, said, "What do you think he wants?" Galardi said, "No [expletive] huh?"

1 (26) On August 10, 2001, during a telephone conversation between  
2 defendant Malone and Kenny, in which they discussed the upcoming vote for the  
3 director position of the Building Department, Kenny said that defendant Herrera  
4 "needs to be told that he can't support [that person]."

5 (27) On August 13, 2001, during a telephone conversation between  
6 defendants Malone and Herrera, in which defendant Herrera told defendant Malone  
7 that a reporter had questioned him about whether he had expedited the building process  
8 on Jaguars, defendant Malone told him that if there was anything they could do for  
9 him, to let them know.

10 (28) On August 29, 2001, Kenny and defendants Kincaid-Chauncey  
11 and Herrera voted to approve liquor licenses for Jaguars.

12 (29) On September 14, 2001, during a telephone conversation  
13 between defendants Malone and Kincaid-Chauncey, defendant Malone said that he and  
14 Galardi wanted to meet her for lunch on September 19, 2001, but that they should meet  
15 after the hearing "[s]o that no one, you know, can say, oh, why were you guys together  
16 before the meeting." Defendant Kincaid-Chauncey said, "Yeah, do it afterwards,  
17 yeah."

18 (30) On September 14, 2001, during a telephone conversation  
19 between defendants Malone and Herrera, defendant Herrera told defendant Malone that  
20 he would be available for the September 19, 2001 vote on a Jaguars matter, but that  
21 on September 25, 2001, he would be in Washington, D.C. and would call in his vote  
22 on another Jaguars matter. Defendant Herrera also said that he and his spouse were  
23 separating, and added, "So I might need a little bit of help getting, you know, getting  
24 a place and stuff, so, I'll let you know."

25 (31) On September 15, 2001, during a telephone conversation  
26 between defendant Malone, who was inside the State of Nevada, and Galardi, who was

1 outside the State of Nevada, in which they discussed a matter affecting Jaguars to be  
2 heard before the County Commission, defendant Malone said that he had spoken with  
3 "all three of them," (Kenny and defendants Kincaid-Chauncey and Herrera) and all  
4 three said they would be there to vote in favor of the matter.

5 (32) On September 18, 2001, defendant Malone met with defendant  
6 Herrera.

7 (33) On September 18, 2001, during a telephone conversation  
8 between Galardi, who was inside the State of California, and defendant Malone, who  
9 was inside the State of Nevada, Galardi asked, "So what's he expecting?" Defendant  
10 Malone said, "he was hoping, uh, he was hoping to hook up, uh, three months in  
11 advance." Galardi said, "Oh, we can do that. Just tell him I'll get it to him on  
12 Thursday."

13 (34) On September 18, 2001, during a telephone conversation  
14 between defendants Malone and Herrera, defendant Herrera asked defendant Malone,  
15 "What did you figure out for me? Anything?"

16 (35) On September 19, 2001, Kenny and defendants Kincaid-  
17 Chauncey and Herrera voted to approve a use permit for Jaguars.

18 (36) On September 19, 2001, during a telephone conversation  
19 between defendant Malone and Kenny, defendant Malone told Kenny that Galardi  
20 wanted to know if they should meet with another county commissioner to find out why  
21 the commissioner had voted against Galardi's interests. Kenny told defendant Malone  
22 to forget about that county commissioner and that it would be best to have defendant  
23 Kincaid-Chauncey contact yet another county commissioner about Galardi's interests.

24 (37) On September 21, 2001, during a telephone conversation  
25 between defendants Malone and Kincaid-Chauncey, defendant Malone asked  
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1 defendant Kincaid-Chauncey if he could meet with her. She said that she was unable  
2 to meet because she feeling ill.

3 (38) On September 21, 2001, during a telephone conversation  
4 between defendants Malone and Herrera, defendant Herrera asked to meet with  
5 defendant Malone later that day.

6 (39) On September 21, 2001, defendant Malone met defendant  
7 Herrera alone in a car outside of a restaurant, where defendant Malone gave defendant  
8 Herrera thousands of dollars in cash from Galardi.

9 (40) On September 21, 2001, defendant Malone, Galardi and Kenny  
10 met together at one of Galardi's businesses for a few minutes.

11 (41) On September 24, 2001, during a telephone conversation  
12 between defendant Malone and Kenny, in which they discussed the vote set for the  
13 next day regarding a Jaguars liquor license, defendant Malone said, "Dario's on board,  
14 and Mary's on board. But, you know Mike, he just wants you to do the speaking."

15 (42) On September 24, 2001, during a telephone conversation  
16 between defendants Malone and Kincaid-Chauncey, they discussed the Jaguars liquor  
17 licensing matter set for vote the next day.

18 (43) On September 25, 2001, defendant Kincaid-Chauncey and  
19 Kenny voted to approve liquor licenses for Jaguars and a suitability determination for  
20 Galardi.

21 (44) On September 25, 2001, defendant Herrera called defendant  
22 Malone who was watching a live television broadcast of the hearing in which was  
23 pending the Jaguars liquor licensing matter, and learned from defendant Malone that  
24 he had missed the vote.

25 (45) On September 25, 2001, Kenny met with defendant Malone and  
26 Galardi for about twenty minutes at The Sporting House in Las Vegas, Nevada.

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(46) On September 26, 2001, defendant Malone retrieved a voice-mail message left by defendant Kincaid-Chauncey in which she said that he could meet her at her shop or he could call at her house.

(47) On October 17, 2001, during a telephone conversation between defendant Malone, who was inside the State of Nevada, and Galardi, who was outside of the State of Nevada, in which they discussed meeting with defendant Kincaid-Chauncey, defendant Malone suggested to Galardi that he should be at the meeting to say "hello" and "thank you" and discuss matters that they wanted to discuss with her.

(48) On October 24, 2001, during a telephone conversation between defendants Malone and Kincaid-Chauncey, they agreed to meet that day at defendant Kincaid-Chauncey's house. During that conversation, defendant Kincaid-Chauncey told defendant Malone that her son and his friends wanted to go to one of Galardi's strip clubs. Defendant Malone told her that he would take care of it.

(49) On October 24, 2001, defendant Malone met with defendant Kincaid-Chauncey at her house and gave her \$5,000 in cash. Defendant Kincaid-Chauncey then used defendant Malone's cellular telephone to call Galardi, and say, "Lance is here, so I told him to let me call you and say thanks." Defendant Kincaid-Chauncey also thanked Galardi for taking care of her son.

(50) On October 24, 2001, during a telephone conversation between defendants Malone and Kincaid-Chauncey, in which defendant Malone wanted to make sure that he had not inadvertently given defendant Kincaid-Chauncey less than \$5,000, defendant Malone asked, "Did you get, uh, a total of five?" Defendant Kincaid-Chauncey answered, "Uh hum." Defendant Malone then said, "Oh, okay. All right. My mistake."

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(51) On October 24, 2001, during a telephone conversation between defendant Malone and Galardi, defendant Malone said that defendant Kincaid-Chauncey said that "she got it all."

(52) On October 25, 2001, defendant Malone called a manager at Cheetahs and told him to give defendant Kincaid-Chauncey's son and his friends, "two rounds of buckets of beer, and for [defendant Kincaid-Chauncey's son] only, you know, give 'em, you know, a hundred dollars, uh, in lap dances."

(53) On November 21, 2001, during a telephone conversation between defendant Malone, Galardi and Kenny, Galardi said, "What I'd want to do if we could, I'd want to do the totally nude and the moratorium both at the same time." Kenny said, "We could probably do that."

(54) In or about 2001 through 2002, on at least four separate dates therein, the specific dates being unknown to the grand jury, Galardi paid for defendant Herrera and his guests to receive lap dances and alcohol totaling approximately \$3000 in value.

(55) On January 8, 2002, during a telephone conversation between defendant Malone and Galardi, in which defendant Malone told Galardi that Kenny wanted to meet that afternoon, Galardi instructed defendant Malone to meet with Kenny and "see what she needs . . . and tell her what the [expletive], you know, we want this moratorium and we want this touching law to go the [expletive] away."

(56) On January 8, 2002, defendant Malone and Kenny met inside of defendant Malone's car and discussed the Totally-Nude Ordinance, a moratorium on the opening of new clubs and the extension of the distance requirement between strip clubs from 1000 to 1500 feet.

1 (57) On January 18, 2002, during a telephone conversation between  
2 defendant Malone and Galardi, in which Galardi told defendant Malone that the Health  
3 District inspectors needed to inspect Jaguars before a temporary certificate of  
4 occupancy could be issued, Galardi instructed defendant Malone to tell Kenny "to tell  
5 [the inspectors] to come in and not [expletive] us around, just approve it."

6 (58) On January 18, 2002, during a telephone conversation between  
7 defendant Malone and Kenny, in which Kenny asked defendant Malone if she could  
8 see Galardi that day, defendant Malone asked her if she would get the Health District  
9 inspectors into Jaguars that day.

10 (59) On January 18, 2002, Kenny left a voice-message for defendant  
11 Malone saying that she had arranged for the inspectors to inspect Jaguars that day and  
12 that "they'll stay all night, if they have to" to complete the inspection.

13 (60) On January 18, 2002, during a telephone conversation between  
14 defendant Malone and Kenny, in which Kenny told defendant Malone that everything  
15 went fine with the Health District inspectors, defendant Malone said, "We owe you  
16 big, you know we owe you big time." Kenny said, "Okay, well, if you and Mike can  
17 find me, today, tomorrow, or Sunday, that would be really good."

18 (61) On February 6, 2002, during a telephone conversation between  
19 defendant Malone, who was inside the State of Nevada, and Galardi, who was outside  
20 the State of Nevada, defendant Malone said that defendant Herrera "needs some help  
21 financially" and that they had a lunch appointment set with defendant Herrera when  
22 Galardi returned to Nevada.

23 (62) On February 12, 2002, during a telephone conversation between  
24 defendants Malone and Herrera, in which defendant Herrera asked defendant Malone  
25 how much money Galardi would give towards his campaign, defendant Herrera said,  
26 "The other thing I talked to him was, if he can do ten for me from the personal

1 contributions from like [a Galardi employee], him, his wife, you know, a couple of  
2 employees, that's perfect. And then ten from the corporation. So a total of twenty.  
3 That's, that's, that's huge."

4 (63) On February 23, 2002, defendant Kincaid-Chauncey left  
5 defendant Malone a voice-mail message stating that she could meet him for lunch on  
6 Thursday at Jerry's Nugget.

7 (64) On February 26, 2002, during a telephone conversation between  
8 defendant Malone, who was inside the State of Nevada, and Galardi, who was inside  
9 the State of California, Galardi said, "All right, I gave that five to, uh, to [Galardi's  
10 employee], in case I'm not back on Thursday, but I should be back, so."

11 (65) On February 28, 2002, defendant Malone met Kenny at Jaguars.

12 (66) On February 28, 2002, defendant Kincaid-Chauncey met with  
13 defendant Malone and Galardi for lunch at Jerry's Nugget in North Las Vegas.  
14 Thereafter, defendants Malone and Kincaid-Chauncey met alone in a car in the valet  
15 area for about four minutes.

16 (67) On March 5, 2002, during a telephone conversation between  
17 defendant Malone and Galardi, defendant Malone told Galardi that defendant Kincaid-  
18 Chauncey was fine with the Totally-Nude Ordinance which was purportedly set for  
19 vote on March 19, 2002, and that defendant Kincaid-Chauncey should talk to another  
20 county commissioner about the ordinance.

21 (68) On March 7, 2002, during a telephone conversation between  
22 defendant Malone and Galardi, in which defendant Malone told Galardi that Kenny  
23 wanted some negotiation room with the owners of a local club, Pink E's, who wanted  
24 to convert their club to a strip club, Galardi said that the restaurant owners would not  
25 give Kenny "what I'm [sic] [expletive] given her so far."  
26 .....

1 (69) On March 10, 2002, during a telephone conversation between  
2 defendant Malone and Galardi, Galardi instructed defendant Malone to make sure that  
3 defendant Kincaid-Chauncey voted against Spearmint Rhino's application for  
4 expansion as a strip club. During that same conversation, defendant Malone told  
5 Galardi that they were scheduled to meet defendant Herrera at a restaurant and that  
6 afterwards, they should take defendant Herrera into a back office at Jaguars and say  
7 "hello." Galardi said, "[m]aybe we should wait and give it to him after."

8 (70) On March 12, 2002, during a telephone conversation between  
9 defendant Malone and Galardi, Galardi instructed defendant Malone to tell defendant  
10 Herrera that if he does it [the Totally-Nude Ordinance], they will give him "twenty-  
11 five." Defendant Malone interrupted Galardi and said "we will give him a lot for his  
12 campaign," to which Galardi agreed, but stated, "we need his vote."

13 (71) On March 17, 2002, during a telephone conversation between  
14 defendant Malone and Galardi regarding the Totally-Nude Ordinance, defendant  
15 Malone said that defendant Kincaid-Chauncey was solid for them. Galardi said that  
16 he would give Kenny another "five" that week and that defendant Malone was to tell  
17 Kenny that if she "takes care" of Galardi and gets the Totally-Nude Ordinance on the  
18 agenda for March 19, 2002, they would take her to a local automobile dealership and  
19 buy her a Denali.

20 (72) On March 18, 2002, during a telephone conversation between  
21 defendant Malone and Kenny, Kenny said that she could not introduce the Totally-  
22 Nude Ordinance by March 27, 2002, because it had not been written and "you guys"  
23 have not approved it.

24 (73) On March 18, 2002, defendant Kincaid-Chauncey signed and  
25 subsequently filed a Financial Disclosure Statement with the State of Nevada  
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1 Commission on Ethics and the Clark County Election Department in which she failed  
2 to disclose that she had received money from Galardi and defendant Malone.

3 (74) On March 22, 2002, defendant Herrera signed and subsequently  
4 filed a Financial Disclosure Statement with the State of Nevada Commission on Ethics  
5 and the Clark County Election Department in which he failed to disclose that he had  
6 received money, property, and services from Galardi and defendant Malone.

7 (75) On April 1, 2002, Kenny signed and subsequently filed a  
8 Financial Disclosure Statement with the State of Nevada Commission on Ethics and  
9 the Clark County Election Department in which she failed to disclose that she had  
10 received money from Galardi and defendant Malone.

11 (76) On April 16, 2002, during a telephone conversation between  
12 defendant Malone and Kenny, defendant Malone told Kenny to have defendant  
13 Kincaid-Chauncey call the county employee in charge of strip club matters and have  
14 the employee get the Totally-Nude Ordinance on the County Commission's agenda.

15 (77) On April 24, 2002, defendant Malone left a voice-mail message  
16 for defendant Kincaid-Chauncey stating that Galardi liked the idea of defendant  
17 Kincaid-Chauncey voting for another county commissioner's selection for a judicial  
18 position in order to have that commissioner change her position on a provision in the  
19 No-Touch Ordinance.

20 (78) On April 30, 2002, during a telephone conversation between  
21 defendants Malone and Kincaid-Chauncey, defendant Kincaid-Chauncey told  
22 defendant Malone that she had received a frantic telephone call from another county  
23 commissioner who said that she was not going to vote for the Totally-Nude Ordinance  
24 and that she, defendant Kincaid-Chauncey, tried to convince her to vote for the  
25 ordinance.  
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1 (79) On May 22, 2002, during a telephone conversation between  
2 defendant Malone and Kenny, defendant Malone told Kenny that a person whom  
3 Galardi disliked had a licensing matter involving the Chez Moi scheduled before the  
4 Liquor and Gaming Licensing Board at the end of May, and asked her to hold that  
5 person's item for thirty days "to jerk him around, Mike doesn't like him." Kenny said  
6 she would look at the application and "try to find something that's a reasonable thing  
7 to say."

8 (80) On May 24, 2002, during a telephone conversation between  
9 defendant Malone and Kenny, Kenny told defendant Malone that she had taken care  
10 of the matter referred to above and that it had been postponed for a month.

11 (81) On May 30, 2002, during a telephone conversation between  
12 defendant Malone, who was outside of the State of Nevada, and Galardi, who was  
13 inside the State of Nevada, defendant Malone told Galardi that the matter involving  
14 Chez Moi was held from the agenda and that next month they would get defendant  
15 Kincaid-Chauncey to get the matter held again.

16 (82) On June 3, 2002, during a telephone conversation between  
17 defendant Malone and Kenny, Kenny referred to the matter that she was to delay for  
18 Galardi and said, "You know what, I did my duty to God and country," and then she  
19 laughed.

20 (83) On June 3, 2002, during a telephone conversation between  
21 defendants Malone and Kincaid-Chauncey, defendant Kincaid-Chauncey said that her  
22 grandson had been accepted into an Olympic ski school, had been granted a partial  
23 scholarship, but still needed to raise \$15,000. Defendant Kincaid-Chauncey asked  
24 defendant Malone if Galardi could help. Defendant Malone said, "I'll take care of  
25 that."  
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1 (84) On June 5, 2002, during a telephone conversation between  
2 defendants Malone and Kincaid-Chauncey, defendant Malone asked defendant  
3 Kincaid-Chauncey to ask someone at the Clark County Planning Commission to vote  
4 against a plan to build a duplex or triplex behind Galardi's residence. During that  
5 conversation, defendant Kincaid-Chauncey said that her grandson needed the tuition  
6 money "fairly soon or he can't go." Defendant Malone said, "we'll take care of it."

7 (85) In or about June or July 2002, defendant Malone, acting on  
8 behalf of Galardi, gave approximately \$4,000 to defendant Kincaid-Chauncey's  
9 daughter as a contribution toward defendant Kincaid-Chauncey's grandson's ski  
10 school tuition.

11 (86) On June 6, 2002, defendant Malone left a voice-mail message  
12 for Kenny in which he acknowledged her concerns about the political repercussions  
13 that she may feel by opposing the No-Touch Ordinance and said that Galardi "wouldn't  
14 want you to do anything that would jeopardize your, your, your ability to move  
15 forward."

16 (87) On June 19, 2002, during a County Commission hearing, Kenny  
17 and other commissioners voted to approve an "ordinance to temporarily suspend the  
18 acceptance and/or approval of land use applications for adult uses in unincorporated  
19 Clark County."

20 (88) On July 30, 2002, during a telephone conversation between  
21 defendants Malone and Kincaid-Chauncey, in which they discussed the likelihood that  
22 the Limited-Touch Ordinance would pass and the repercussions to defendant Kincaid-  
23 Chauncey if she opposed the ordinance, defendant Kincaid-Chauncey said, "I don't  
24 think we should make it a hill to die for . . ." She also said, "So the votes aren't really  
25 there to vote against the ordinance, then I don't think we should be hanging out there  
26 by ourselves." Defendant Malone then said, "If it looks like it's a slam dunk, and you

1 know, I'm sure Mike's not gonna want you to hang your head out there and get it  
2 chopped off."

3 (89) On July 31, 2002, during a telephone conversation between  
4 defendants Malone and Kincaid-Chauncey, in which they discussed the Limited-Touch  
5 Ordinance, defendant Kincaid-Chauncey said she would vote for the ordinance  
6 because she did not want to be the only one voting against it.

7 (90) On July 31, 2002, during two telephone conversations between  
8 defendants Malone and Kincaid-Chauncey, defendant Malone told her how she could  
9 respond to objections raised by the Las Vegas Metropolitan Police Department to the  
10 Limited-Touch Ordinance.

11 (91) On July 31, 2002, defendant Kincaid-Chauncey voted for the  
12 Limited-Touch Ordinance.

13 (92) On August 3, 2002, during a telephone conversation between  
14 defendant Malone, who was inside the State of California, and Galardi, who was inside  
15 the State of Nevada, Galardi instructed defendant Malone to tell defendant Herrera to  
16 get the under 21-year-old restriction lifted and to get the Totally-Nude Ordinance  
17 passed quietly in November.

18 (93) On August 5, 2002, during a telephone conversation between  
19 defendant Malone, who was outside of the State of Nevada, and defendant Kincaid-  
20 Chauncey, who was inside the State of Nevada, they discussed the possibility of the  
21 County Commission reconsidering the Limited-Touch Ordinance and the possibility  
22 of amendments to the ordinance and that defendant Kincaid-Chauncey had asked  
23 defendant Herrera if he would support a reconsideration of the ordinance.

24 (94) On August 5, 2002, during a telephone conversation between  
25 defendant Malone, who was outside of the State of Nevada, and Galardi, who was  
26

1 inside the State of Nevada, defendant Malone said that Kenny and defendants Kincaid-  
2 Chauncey and Herrera would vote for reconsideration of the Limited-Touch Ordinance.

3 (95) On August 8, 2002, during a telephone conversation between  
4 defendants Malone and Kincaid-Chauncey, defendant Kincaid-Chauncey told  
5 defendant Malone that the County Commission was going to give county staff ninety  
6 days to "come up with some amendments" to the ordinance.

7 (96) On August 8, 2002, during a telephone conversation between  
8 defendant Malone and Galardi, in which they discussed proposed amendments to the  
9 Limited-Touch Ordinance, defendant Malone said, "You've had Dario from the very  
10 beginning . . . We've developed that relationship a long, dude, how many times have  
11 we played golf with him, and, you know, when we hired him on. I mean, dude, that's  
12 your, that's your person. Erin's your person . . . Mary's your person."

13 (97) On August 13, 2002, during a telephone conversation between  
14 defendant Malone and Kenny, Kenny told defendant Malone that the County  
15 Commission would vote to delay enforcement of the Limited-Touch Ordinance and  
16 would direct county staff to "re-craft" the ordinance, and that the amendments would  
17 include g-string tipping and authorization for under 21-year-olds to dance in strip clubs  
18 that served alcohol.

19 (98) On August 13, 2002, during a telephone conversation between  
20 defendant Malone and Galardi, defendant Malone told Galardi that the County  
21 Commission would vote to delay enforcement of the Limited-Touch ordinance and  
22 would attempt to amend it. Defendant Malone also told Galardi that he had a meeting  
23 set that afternoon with defendant Herrera. Galardi said, "You gotta come by before  
24 you meet Dario, you know what I mean?" Defendant Malone said, "Yes sir, I know.  
25 Yeah, yeah, yeah, yeah, yeah."  
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(99) On August 13, 2002, during a telephone conversation between defendants Malone and Kincaid-Chauncey, defendant Malone scheduled a meeting with her for two days later.

(100) On August 13, 2002, defendant Malone gave Kenny \$10,000 in cash. Kenny used defendant Malone's cellular telephone to call Galardi, discussed with him campaign related matters, and said, "Lance said to say thank you, and I appreciate everything."

(101) On August 19, 2002, defendant Malone left a voice-mail message for Kenny regarding amendments to the Limited-Touch Ordinance that the County Commission would discuss the next day.

(102) On August 19, 2002, during a telephone conversation between defendants Malone and Kincaid-Chauncey, defendant Kincaid-Chauncey said that she wanted to meet with him before the County Commission meeting to learn Galardi's position on the amendments.

(103) On August 19, 2002, during a telephone conversation between defendants Malone and Kincaid-Chauncey, defendant Malone told her that he wanted to make sure that she discussed only certain matters about the amendments at the County Commission meeting.

(104) On August 20, 2002, at the County Commission meeting, Kenny and defendants Kincaid-Chauncey and Herrera supported the decision to suspend enforcement of the Limited-Touch Ordinance and to direct the staff to develop additional information pertaining to the ordinance.

(105) On August 28, 2002, during a telephone conversation between defendant Malone and Galardi, Galardi said to defendant Malone that they had to "get back on Mary" to pass a moratorium that would forbid additional adult nightclubs from opening in Clark County. Defendant Malone said, "That won't be a problem at all. At

1 least that's what she's telling us." Galardi said, "Let's get back working on that, so we  
2 can get that done. At least get something out of these guys."

3 (106) On September 3, 2002, during a telephone conversation between  
4 defendant Malone and Galardi, in which they discussed the votes needed to annex  
5 Jaguars, defendant Malone said, "I've got Dario and Erin both wanting help." Galardi  
6 responded, "Well, we'll give, definitely, give Dario ten." Defendant Herrera had  
7 earlier solicited a campaign contribution from Galardi for his campaign for United  
8 States Congress.

9 (107) On September 3, 2002, during a telephone conversation between  
10 defendant Malone and Galardi, in which they discussed the annexation of Jaguars from  
11 the county to the city, defendant Malone said that he needed to "let [Kenny] know the  
12 realities, that, I mean, we've been helping her." Galardi later added, "We'll help her  
13 a little bit more, but I need to annex first. I need something from her."

14 (108) On September 5, 2002, during a telephone conversation between  
15 defendants Malone and Herrera, they agreed to meet that day at a restaurant.

16 (109) On September 5, 2002, during a telephone conversation between  
17 defendant Malone and Galardi's bookkeeper, defendant Malone instructed her to make  
18 out a check in the amount of \$10,000 to the Silver State Voter Contact (a political  
19 action committee).

20 (110) On September 5, 2002, defendant Malone gave defendant  
21 Herrera the \$10,000 check referred to above.

22 (111) On September 5, 2002, during a telephone conversation between  
23 defendant Malone and Galardi, defendant Malone talked about his meeting with  
24 defendant Herrera. He said that defendant Herrera was "fine. Dude, he's like,  
25 whatever your guys want, it's not a big deal." Defendant Malone also said that he told  
26 defendant Herrera that "Mike will be able to help out . . . but, you know, he wants to

1 make sure first that things get annexed and things go, you know, quietly, and, and get  
2 this thing over with. And, you know, he can help out some more."

3 (112) On September 5, 2002, during a telephone conversation between  
4 defendants Malone and Kincaid-Chauncey, in which they discussed amendments to  
5 the Limited-Touch Ordinance, defendant Kincaid-Chauncey said, "I think that's a  
6 much better way to go than the annexation," and agreed to put the item on the agenda  
7 if Kenny did not want to because of her Lieutenant Governor's race.

8 (113) On September 10, 2002, during a telephone conversation  
9 between defendant Malone, who was outside of the State of Nevada, and Kenny, who  
10 was inside the State of Nevada, they discussed Galardi's efforts to have Jaguars  
11 annexed to the City of Las Vegas and the ramification of such.

12 (114) On September 30, 2002, during a telephone conversation  
13 between defendant Malone, who was outside of the State of Nevada, and Kenny, who  
14 was inside the State of Nevada, in which Kenny talked about her need for campaign  
15 money, defendant Malone told her that Galardi said that he had given "everybody so  
16 much money, and yet, when [he] need[s] something, [he] can't get it on." Kenny said,  
17 "That's not true. You know what, that's [expletive]. You know I have come through  
18 for him on Jaguars and every other . . . thing."

19 (115) On September 30, 2002, during a telephone conversation  
20 between defendant Malone, who was outside of the State of Nevada, and Galardi, who  
21 was inside the State of Nevada, in which defendant Malone told Galardi about his  
22 conversation with Kenny, defendant Malone said that he told Kenny "anything you've  
23 ever done for us, it's not like you just did for free . . . You've always been  
24 compensated. Uh, very heavily . . ."

25 (116) On October 14, 2002, during a telephone conversation between  
26 defendant Malone and Kenny in which Kenny discussed her need for campaign

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money from Galardi, Kenny said, "I know what he wants. I understand what he wants."

(117) On October 16, 2002, during a telephone conversation between defendant Malone and Kenny, in which Kenny discussed getting campaign money from Galardi, Kenny said, "I'm ready to cry uncle. But I, if I cry uncle, it's gotta be substantial." Defendant Malone said, "It's gonna be what?" Kenny said, "It's gonna be substantial." Defendant Malone said, "Okay." Kenny said, "I mean, I mean it. And it has to be today."

(118) On October 16, 2002, defendants Kincaid-Chauncey and Herrera voted to extend a moratorium against adult use clubs.

(119) On October 28, 2002, during a telephone conversation between defendant Malone, who was inside the State of Utah, and Kenny, who was inside the State of Nevada, Kenny said, "Tell me what I've got to do, but I've gotta have money from him . . . I'm begging now . . . I'm on my knees begging."

(120) On October 30, 2002, Kenny left a voice-mail message for defendant Malone stating that she wanted more than the \$10,000 that defendant Malone said Galardi would give her, and that "he's gonna be asking me to do the biggest thing in the world for him right now, you know what I mean? And that's, that's what I'm doing . . . ."

(121) On October 31, 2002, during a telephone conversation between defendant Malone and Kenny, Kenny said that she would not sign an annexation letter but that she would attempt to help get Jaguars annexed.

(122) On November 1, 2002, during a telephone conversation between defendant Malone and Kenny, Kenny acknowledged that she had received a \$10,000 check from Galardi.

.....

1 (123) On November 7, 2002, during a telephone conversation between  
2 defendants Malone and Kincaid-Chauncey, in which defendant Malone said that he  
3 and Galardi wanted a permanent moratorium against new nightclubs to replace a  
4 temporary moratorium currently in effect, defendant Kincaid-Chauncey said, "Maybe  
5 we could get it on so that it's more of a permanent type moratorium."

6 (124) On December 3, 2002, Kenny and defendants Kincaid-  
7 Chauncey and Herrera voted to adopt an ordinance amending the Limited-Touch  
8 Ordinance to permit g-string tipping of dancers.

9 (125) On March 24, 2003, defendant Kincaid-Chauncey signed and  
10 subsequently filed a Financial Disclosure Statement with the State of Nevada  
11 Commission on Ethics and the Clark County Election Department in which she failed  
12 to disclosure that she had received money from Galardi and defendant Malone.  
13 All in violation of Title 18, United States Code, Section 371.

14 **COUNTS TWO THROUGH FIFTEEN**  
15 **Wire Fraud**

16 1. The allegations contained in paragraphs 1 through 10 and 12 through  
17 15 of Count One of this Indictment are incorporated herein by reference as if set forth in full.

18 2. From an unknown date, but no later than in or about 1999, to in or about  
19 March 2003, in the District of Nevada, and elsewhere,

20 **LANCE MATTHEW MALONE,**  
21 **MARY KINCAID-CHAUNCEY, and**  
22 **DARIO HERRERA,**

23 defendants herein, and others known and unknown to the grand jury, did devise and intend to devise  
24 a scheme and artifice to defraud, as more fully described in Count One of this Indictment, that is, to  
25 deprive the County Commission and the citizens of Clark County of their intangible right of the  
26 honest services of Kenny and defendants Malone, Kincaid-Chauncey and Herrera.

3. On or about the dates set forth below, for the purpose of executing the  
scheme and artifice, the defendants, as named in the individual counts set forth below, did transmit

1 and cause to be transmitted by means of wire communication in interstate commerce, certain signs,  
 2 signals and sounds, that is, telephone calls between the persons named below, with one of the two  
 3 participants in the telephone call being in the State of Nevada and the other participant being outside  
 4 the State of Nevada during each telephone call. All in violation of Title 18, United States Code,  
 5 Sections 1343, 1346, and 2.

6	<b>Count</b>	<b>Defendants</b>	<b>Date</b>	<b>Participants</b>
7	2	Malone	6/27/01	Malone and Kenny
8	3	Malone Herrera	6/28/01	Malone and Herrera
9	4	Malone Herrera	8/10/01	Malone and Galardi
10				
11	5	Malone Kincaid-Chauncey Herrera	9/15/01	Malone and Galardi
12				
13	6	Malone Herrera	9/18/01	Malone and Galardi
14				
15	7	Malone Kincaid-Chauncey	10/17/01	Malone and Galardi
16	8	Malone Herrera	2/6/02	Malone and Galardi
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18	9	Malone Kincaid-Chauncey	5/30/02	Malone and Galardi
19	10	Malone Herrera	8/3/02	Malone and Galardi
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21	11	Malone Kincaid-Chauncey	8/5/02	Malone and Kincaid-Chauncey
22	12	Malone Kincaid-Chauncey Herrera	8/5/02	Malone and Galardi
23				
24	13	Malone	9/10/02	Malone and Kenny
25	14	Malone	9/30/02	Malone and Galardi
26	15	Malone	10/28/02	Malone and Galardi

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**COUNTS SIXTEEN THROUGH NINETEEN**  
Extortion Under Color of Official Right

1. The allegations set forth in paragraphs 1 through 10 and 12 through 15 of Count One of this Indictment are incorporated herein by reference as if set forth in full.

2. On or about the dates set forth below, in the District of Nevada,  
**MARY KINCAID-CHAUNCEY,**  
defendant herein, did knowingly, willfully, and unlawfully affect, and attempt to affect, interstate commerce and the movement of articles and commodities in interstate commerce by extortion, in that defendant Kincaid-Chauncey, under color of official right, unlawfully obtained money from Galardi with his consent, for the benefit of defendant Kincaid-Chauncey. All in violation of Title 18, United State Code, Section 1951.

<u>Count</u>	<u>Date</u>
16	8/2/01
17	10/24/01
18	2/28/02
19	6/02

**COUNTS TWENTY THROUGH TWENTY-SEVEN**  
Extortion Under Color of Official Right

1. The allegations set forth in paragraphs 1 through 10 and 12 through 15 of Count One of this Indictment are incorporated herein by reference as if set forth in full.

2. On or about the dates set forth below, in the District of Nevada,  
**DARIO HERRERA,**  
defendant herein, did knowingly, willfully, and unlawfully affect, and attempt to affect, interstate commerce and the movement of articles and commodities in interstate commerce by extortion, in that defendant Herrera, under color of official right, unlawfully obtained money from Galardi with his

1 consent, for the benefit of defendant Herrera. All in violation of Title 18, United State Code, Section  
2 1951.

3	<u>Count</u>	<u>Date</u>
4	20	2000
5	21	2001
6	22	2001
7	23	2001
8	24	2001
9	25	3/15/01
10	26	9/21/01
11	27	9/5/02

12  
13 **COUNT TWENTY-EIGHT**  
14 **RICO Conspiracy**

15 1. The allegations contained in paragraphs 1 through 10 and 12 through 15 of  
16 Count One of this Indictment are incorporated herein by reference as if set forth in full.

17 **The Enterprise**

18 2. The following individuals and legal entities constituted an enterprise  
19 (hereinafter the "Enterprise"), as that term is defined in Title 18, United States Code, Section 1961(4),  
20 that is, an association in fact, which was engaged in, and the activities of which affected, interstate  
21 commerce:

22 A. **Individuals:** Galardi, defendants Malone, Kincaid-Chauncey,  
23 and Herrera, and Kenny, and other individuals known to the grand jury; and

24 B. **Legal Entities:** Jaguars and Cheetahs.

25 3. The Enterprise constituted an ongoing organization whose members functioned  
26 as a continuing unit for a common purpose of achieving the objectives of the Enterprise.



**The RICO Conspiracy**

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2           7.       From no later than in or about 1999, to in or about March 2003, in the District  
3 of Nevada and elsewhere,

**LANCE MATTHEW MALONE,**

4  
5 defendant herein, together with persons known and unknown to the Grand Jury, being persons  
6 employed by and associated with the Enterprise described above, an enterprise which was engaged  
7 in, and the activities of which affected, interstate commerce, did knowingly, willfully, and unlawfully  
8 conspire and agree together and with other persons known and unknown to the grand jury to violate  
9 Title 18, United States Code, Section 1962(c), that is, to conduct and participate, directly and  
10 indirectly, in the conduct of the affairs of the Enterprise through a pattern of racketeering activity, as  
11 that term is defined in Title 18, United States Code, Sections 1961(1) and (5).

12           8.       The pattern of racketeering activity consisted of: (a) multiple acts involving  
13 bribery, in violation of Nevada Revised Statutes, Sections 197.020 and 197.040; and (b) acts  
14 indictable under Title 18, United States Code, Sections 1343 and 1346 (wire fraud).

15           9.       It was part of the conspiracy that the defendant agreed that a conspirator would  
16 commit at least two acts of racketeering activity in the conduct of the affairs of the Enterprise.

17           All in violation of Title 18, United States Code, Section 1962(d).

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**FORFEITURE ALLEGATION ONE**  
Conspiracy

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3           1.     The allegations contained in Count One of this Indictment are incorporated  
4 herein by reference as if set forth in full for the purpose of alleging forfeiture pursuant to the  
5 provisions of Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and  
6 Title 28, United States Code, Section 2461(c).

7           2.     Upon a conviction of the felony offense charged in Count One of this  
8 Indictment,

**LANCE MATTHEW MALONE,**

9  
10 defendant herein, shall forfeit to the United States of America any property, real or personal, which  
11 constitutes and is derived from proceeds traceable to violations of Title 18, United States Code,  
12 Sections 1343 and 1346, and a conspiracy to commit such offenses in violation of Title 18, United  
13 States Code, Section 371. Such property includes \$350,000 in United States Currency.

14           3.     If any property being subject to forfeiture pursuant to Title 18, United States  
15 Code, Section 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section  
16 2461(c), as a result of any act or omission of the defendant -

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

23 it is the intent of the United States of America, pursuant to Title 21, United States Code, Section  
24 853(p), to seek forfeiture of properties of the defendant up to \$350,000 in United States Currency.

25 . . .

26 . . .

1 All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and  
2 1961(1)(B), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section  
3 853(p).

4  
5 **FORFEITURE ALLEGATION TWO**  
6 **Wire Fraud**

7 1. The allegations contained in Counts Two through Fifteen of this Indictment are  
8 hereby incorporated herein by reference as if set forth in full for the purpose of alleging forfeiture  
9 pursuant to the provisions of Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and  
10 1961(1)(B), and Title 28, United States Code, Section 2461(c).

11 2. Upon a conviction of the felony offenses charged in Counts Two through  
12 Fifteen of this Indictment,

13 **LANCE MATTHEW MALONE,**

14 defendant herein, shall forfeit to the United States of America any property, real or personal, which  
15 constitutes or is derived from proceeds traceable to violations of Title 18, United States Code, Section  
16 1343. Such property includes up to \$350,000 in United States Currency.

17 3. If any property being subject to forfeiture pursuant to Title 18, United States  
18 Code, Section 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section  
19 2461(c), as a result of any act or omission of the defendant -

- 20 a. cannot be located upon the exercise of due diligence;
- 21 b. has been transferred or sold to, or deposited with, a third party;
- 22 c. has been placed beyond the jurisdiction of the court;
- 23 d. has been substantially diminished in value; or
- 24 e. has been commingled with other property that cannot be divided  
25 without difficulty;
- 26

1 it is the intent of the United States of America, pursuant to Title 21, United States Code, Section  
2 853(p), to seek forfeiture of properties of the defendant up to \$350,000 in United States Currency.

3 All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and  
4 1961(1)(B), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section  
5 853(p).

6 **FORFEITURE ALLEGATION THREE**  
7 **RICO Conspiracy**

8 1. The allegations contained in Count Twenty-Eight of this Indictment are  
9 incorporated herein by reference as if set forth in full for the purpose of alleging forfeiture pursuant  
10 to the provisions of Title 18, United States Code, Section 1963.

11 2. Upon a conviction of the felony offense charged in Count Twenty-Eight of this  
12 Indictment,

13 **LANCE MATTHEW MALONE,**

14 defendant herein, shall forfeit to the United States of America any interest acquired and maintained  
15 in violation of Title 18, United States Code, Section 1962, any interest in, security of, claim against,  
16 and any property and contractual right of any kind affording a source of influence over, any enterprise  
17 defendant has established, operated, controlled, conducted, and participated in the conduct of, in  
18 violation of Title 18, United States Code, Section 1962; and any property constituting and derived  
19 from, proceeds obtained, directly or indirectly, from racketeering activity in violation of Title 18,  
20 United States Code, Section 1962. Such property includes \$750,000 in United States Currency.

21 3. If any property being subject to forfeiture pursuant to Title 18, United States  
22 Code, Section 1963, as a result of any act or omission of the defendant -

- 23 a. cannot be located upon the exercise of due diligence;  
24 b. has been transferred or sold to, or deposited with, a third party;  
25 c. has been placed beyond the jurisdiction of the court;  
26 d. has been substantially diminished in value; or

1 e. has been commingled with other property that cannot be divided  
2 without difficulty;  
3 it is the intent of the United States of America, pursuant to Title 18, United States Code, Section 1963,  
4 to seek forfeiture of properties of the defendant up to \$750,000 in United States Currency. All  
5 pursuant to Title 18, United States Code, Sections 1963.

6  
7 **FORFEITURE ALLEGATION FOUR**  
8 **Conspiracy**

9 1. The allegations contained in Count One of this Indictment are incorporated  
10 herein by reference as if set forth in full for the purpose of alleging forfeiture pursuant to the  
11 provisions of Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and  
12 Title 28, United States Code, Section 2461(c).

13 2. Upon a conviction of the felony offense charged in Count One of this  
14 Indictment,

15 **MARY KINCAID-CHAUNCEY,**

16 defendant herein, shall forfeit to the United States of America any property, real and personal, which  
17 constitutes and is derived from proceeds traceable to violations of Title 18, United States Code,  
18 Sections 1343 and 1346, or a conspiracy to commit such offenses. Such property includes \$40,000  
19 in United States Currency.

20 3. If any property being subject to forfeiture pursuant to Title 18, United States  
21 Code, Section 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section  
22 2461(c), as a result of any act or omission of the defendant -

- 23 a. cannot be located upon the exercise of due diligence;
- 24 b. has been transferred or sold to, or deposited with, a third party;
- 25 c. has been placed beyond the jurisdiction of the court;
- 26 d. has been substantially diminished in value; or

1 e. has been commingled with other property that cannot be divided  
2 without difficulty;

3 it is the intent of the United States of America, pursuant to Title 21, United States Code, Section  
4 853(p), to seek forfeiture of properties of the defendant up to \$40,000 in United States Currency.  
5 All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B),  
6 Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853(p).

7  
8 **FORFEITURE ALLEGATION FIVE**

9 **Wire Fraud**

10 1. The allegations contained in Counts One, Five, Seven, Nine, Eleven and  
11 Twelve of this Indictment are hereby incorporated herein by reference as if set forth in full for the  
12 purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections  
13 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section 2461(c).

14 2. Upon a conviction of the felony offenses charged in Counts Five, Seven, Nine,  
15 Eleven, and Twelve of this Indictment,

16 **MARY KINCAID-CHAUNCEY,**

17 defendant herein, shall forfeit to the United States of America any property, real and personal, which  
18 constitutes and is derived from proceeds traceable to violations of Title 18, United States Code,  
19 Section 1343. Such property includes up to \$40,000 in United States Currency.

20 3. If any property being subject to forfeiture pursuant to Title 18, United States  
21 Code, Section 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section  
22 2461(c), as a result of any act or omission of the defendant -

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

it is the intent of the United States of America, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of properties of the defendant up to \$40,000 in United States Currency.

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853(p).

**FORFEITURE ALLEGATION SIX**  
Extortion Under Color of Official Right

1. The allegations contained in Counts One, and Sixteen through Nineteen of this Indictment are incorporated herein by reference as if set forth in full for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section 2461(c).

2. Upon a conviction of the felony offenses charged in Counts Fifteen through Nineteen of this Indictment,

**MARY KINCAID-CHAUNCEY,**

defendant herein, shall forfeit to the United States of America any property, real and personal, which constitutes and is derived from proceeds traceable to violations of Title 18, United States Code, Section 1951, and a conspiracy to commit such offenses. Such property includes \$20,000 in United States Currency.

3. If any property being subject to forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section 2461(c), 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 that cannot be divided without difficulty;

it is the intent of the United States of America, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of properties of the defendant up to \$20,000.00 in United States Currency. All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853(p).

#### **FORFEITURE ALLEGATION SEVEN**

##### Conspiracy

1. The allegations contained in Count One of this Indictment are incorporated herein by reference as if set forth in full for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section 2461(c).

2. Upon a conviction of the felony offense charged in Count One of this Indictment,

#### **DARIO HERRERA,**

defendant herein, shall forfeit to the United States of America any property, real and personal, which constitutes and is derived from proceeds traceable to violations of Title 18, United States Code, Sections 1343 and 1346, or a conspiracy to commit such offenses. Such property includes \$60,000 in United States Currency.

3. If any property being subject to forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section 2461(c), as a result of any act or omission of the defendant -

- a. cannot be located upon the exercise of due diligence;

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- 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 that cannot be divided without difficulty;

it is the intent of the United States of America, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of properties of the defendant up to \$60,000.00 in United States Currency.

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853(p).

**FORFEITURE ALLEGATION EIGHT**  
Wire Fraud

1. The allegations contained in Counts Three, Four, Five, Six, Eight, Ten, and Twelve of this Indictment are hereby realleged and incorporated herein by reference for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), and Title 28, United States Code, Section 2461(c).

2. Upon a conviction of the felony offenses charged in Counts Three, Four, Five, Six, Eight, Ten and Twelve of this Indictment, defendant

**DARIO HERRERA,**

shall forfeit to the United States of America any property, real and personal, which constitutes and is derived from proceeds traceable to violations of Title 18, United States Code, Section 1343. Such property includes up to \$60,000.00 in United States Currency.



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- 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 that cannot be divided without difficulty;

it is the intent of the United States of America, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of properties of the defendant up to \$50,000.00 in United States Currency. All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), and 1961(1)(B), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853(p).

**DATED:** this 10 day of November 2003.

**A TRUE BILL:**

*Daniel G. Bogden*  
 DANIEL G. BOGDEN  
 United States Attorney

*Deborah J. Johnson*  
 FOREPERSON OF THE GRAND JURY

*Steven W. Myhre*  
 STEVEN W. MYHRE  
 First Assistant United States Attorney

*Daniel R. Schless*  
 DANIEL R. SCHLESS  
 Assistant United States Attorney

*Thomas P. Ott*  
 THOMAS P. OTT  
 Trial Attorney  
 U.S. Department of Justice

*David E. Malagold*  
 DAVID E. MALAGOLD  
 Trial Attorney  
 U.S. Department of Justice