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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2021 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

JEFFREY FORTENBERRY,

Defendant.

CR 2:21-cr-00491-SB

I N D I C T M E N T

[18 U.S.C. § 1001(a)(1):
Falsifying and Concealing Material
Facts; 18 U.S.C. § 1001(a)(2):
Making False Statements]

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

A. THE FEDERAL ELECTION CAMPAIGN ACT INVESTIGATION

1. The Federal Bureau of Investigation ("FBI") and Internal Revenue Service ("IRS") in Los Angeles and the United States Attorney's Office for the Central District of California ("USAO") were conducting a federal criminal investigation into illegal political campaign contributions made by Gilbert Chagoury, a foreign national, using other individuals as conduits, to defendant JEFFREY FORTENBERRY's 2016 congressional campaign (the "Federal Investigation") and those of other federal candidates in the United

1 States. The Federal Investigation also sought to uncover whether and
2 when any politicians were aware they had received illegal foreign
3 national or conduit contributions and whether any person sought to
4 impermissibly influence the recipient politician in exchange for the
5 contributions.

6 B. RELEVANT PERSONS AND ENTITIES

7 2. Defendant JEFFREY FORTENBERRY was the United States
8 Representative for Nebraska's 1st congressional district, having
9 first been elected as a U.S. Representative in 2004.

10 3. Gilbert Chagoury was a Nigerian-born, billionaire
11 businessperson of Lebanese descent. As a foreign national, Chagoury
12 was prohibited from making donations and contributions directly or
13 indirectly in support of any candidate for federal elected office in
14 the United States.

15 4. Toufic Baaklini was a United States-based businessman who
16 served as a consultant for Chagoury and assisted Chagoury with
17 financial dealings in the United States.

18 5. Individual H resided in Los Angeles. On February 20, 2016,
19 Individual H hosted a political fundraiser for defendant FORTENBERRY
20 in Los Angeles (the "2016 Fundraiser").

21 C. BACKGROUND ON FEDERAL ELECTION LAW

22 6. Under federal law, each federal campaign had to report to
23 the Federal Election Commission ("FEC") the name and address of any
24 individual providing a contribution of more than \$50. The reports
25 were supposed to provide transparency to the identity of donors to
26 federal candidates for office and the amount of those donations.

27 7. To ensure that the donations were transparent and fell
28 within the campaign contribution limits, individuals were not allowed

1 to make contributions to federal candidates for political office in
2 the names of other people, and federal candidates were not allowed to
3 knowingly accept such contributions.

4 8. Foreign nationals were not allowed to make contributions to
5 federal candidates for political office, and federal candidates were
6 not allowed to knowingly accept such contributions.

7 9. Defendant FORTENBERRY was familiar with the legal
8 prohibitions against foreign and conduit contributions.

9 10. Defendant FORTENBERRY knew Chagoury was a foreign national.

10 D. FOREIGN AND CONDUIT POLITICAL CONTRIBUTIONS FROM CHAGOURY TO
11 DEFENDANT FORTENBERRY

12 11. In January 2016, Chagoury arranged for \$30,000 of his money
13 to be contributed through other individuals to the re-election
14 campaign of defendant FORTENBERRY. Baaklini provided \$30,000 in cash
15 he received from Chagoury to Individual H at a restaurant in Los
16 Angeles, California in January 2016. Individual H was to identify
17 multiple individuals who would contribute the funds to defendant
18 FORTENBERRY's campaign. After receiving the cash from Baaklini,
19 Individual H hosted the 2016 Fundraiser, which defendant FORTENBERRY
20 attended. At the 2016 Fundraiser, Individual H and individuals
21 Individual H recruited and reimbursed, using Chagoury's cash that
22 Individual H received from Baaklini, made campaign contributions
23 totaling \$30,200 to defendant FORTENBERRY's campaign fund.

24 E. THE INVESTIGATION OF FOREIGN AND CONDUIT CONTRIBUTIONS RECEIVED
25 BY DEFENDANT FORTENBERRY FROM CHAGOURY

26 12. As part of the Federal Investigation, the FBI, IRS, and
27 USAO sought to determine, among other things: (a) whether defendant
28 FORTENBERRY's congressional campaign received illegal conduit

1 contributions at the 2016 Fundraiser; (b) if and when defendant
2 FORTENBERRY knew about any conduit contributions to his campaign at
3 the 2016 Fundraiser; (c) whether defendant FORTENBERRY'S
4 congressional campaign had received illegal contributions indirectly
5 from Chagoury, a foreign national, at the 2016 Fundraiser; (d) if and
6 when defendant FORTENBERRY knew about any illegal foreign
7 contributions from his congressional campaign received indirectly
8 from Chagoury at the 2016 Fundraiser; and (e) if and when defendant
9 FORTENBERRY had any direct or indirect communication with Chagoury or
10 Baaklini about the contributions his campaign was to and did receive
11 at the 2016 Fundraiser.

12 13. In September 2016, Individual H began cooperating with law
13 enforcement. Individual H informed the FBI of the conduit
14 contributions Individual H and others made to defendant FORTENBERRY'S
15 campaign at the 2016 Fundraiser.

16 14. On or about March 19, 2018, and again on or about April 9,
17 2018, defendant FORTENBERRY contacted Individual H to inquire about
18 hosting another fundraiser in 2018 in Los Angeles. On or about June
19 4, 2018, Individual H called defendant FORTENBERRY to discuss
20 defendant FORTENBERRY'S requests for an additional fundraiser (the
21 "2018 Call"). In the 2018 Call, Individual H told defendant
22 FORTENBERRY, on multiple occasions, that prior to the 2016
23 Fundraiser, Baaklini provided Individual H with "\$30,000 cash" to
24 give to defendant FORTENBERRY'S campaign.

25 15. In the 2018 Call, Individual H also told defendant
26 FORTENBERRY that:

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1 a. Individual H distributed the \$30,000 cash to other
2 individuals to contribute to defendant FORTENBERRY's campaign at the
3 2016 Fundraiser; and

4 b. The \$30,000 cash Baaklini gave to Individual H
5 "probably did come from Gilbert Chagoury because he was so grateful
6 for your support [for] the cause."

7 16. Despite being told by Individual H about the illegal
8 donations, defendant FORTENBERRY did not file an amended report with
9 the FEC regarding the 2016 Fundraiser. Defendant FORTENBERRY also
10 did not return or otherwise try to disgorge the contributions from
11 the 2016 Fundraiser after learning on the 2018 Call with Individual H
12 that they were illegal contributions. Rather, it was not until after
13 the FBI and USAO interviewed him in July 2019 that defendant
14 FORTENBERRY disgorged the contributions.

15 17. These Introductory Allegations are incorporated into each
16 count of this Indictment.

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COUNT ONE

[18 U.S.C. § 1001(a)(1)]

A. SCHEME TO FALSIFY AND CONCEAL MATERIAL FACTS

18. From on or about June 4, 2018, to in or about July 18, 2019, affecting the Federal Investigation in the Central District of California, and within the jurisdiction of the executive branch of the government of the United States, namely, the FBI, IRS, and USAO, defendant JEFFREY FORTENBERRY knowingly and willfully falsified, concealed, and covered up by trick, scheme, and device material facts, namely that:

a. Defendant FORTENBERRY's congressional campaign had received illicit contributions at the 2016 Fundraiser;

b. Defendant FORTENBERRY had become aware that his campaign received illicit contributions at the 2016 Fundraiser;

c. Baaklini had provided \$30,000 cash to Individual H for Individual H and Individual H's associates to contribute to defendant FORTENBERRY's congressional campaign at the 2016 Fundraiser;

d. Defendant FORTENBERRY had become aware that Baaklini had provided \$30,000 cash to Individual H for Individual H and Individual H's associates to contribute to defendant FORTENBERRY's congressional campaign; and

e. Chagoury was the source of the \$30,000 that Baaklini provided to Individual H for Individual H and Individual H's associates to contribute to defendant FORTENBERRY's congressional campaign at the 2016 Fundraiser.

B. OPERATION OF THE SCHEME

19. Defendant FORTENBERRY carried out the trick, scheme, and device, in substance, in the following manner:

1 a. During an interview on March 23, 2019, by the FBI and
2 IRS at his residence in Lincoln, Nebraska regarding the Federal
3 Investigation, defendant FORTENBERRY made the following false and
4 misleading statements after being advised it was a crime to lie to
5 the federal government:

6 i. To conceal the illicit conduit contributions and
7 his knowledge of them, defendant FORTENBERRY falsely stated that he
8 was not aware of Baaklini ever making any illegal contributions,
9 directing anyone to conduct illegal contributions, or providing money
10 to anyone else to conduct conduit contributions to a political
11 campaign.

12 ii. To conceal the illicit conduit contributions and
13 his knowledge of them, defendant FORTENBERRY falsely stated that the
14 individuals who contributed to the 2016 Fundraiser were all publicly
15 disclosed and that every campaign contribution that his campaign had
16 received was publicly disclosed.

17 iii. To conceal the illicit foreign contributions from
18 Chagoury and his suspicions of them, defendant FORTENBERRY
19 misleadingly stated that he was unaware of any contributions made by
20 foreign nationals to his campaign.

21 b. During an interview on July 18, 2019, by the FBI and
22 the USAO and with his counsel present, at his counsel's office in
23 Washington, D.C., regarding the Federal Investigation (the "July 2019
24 Interview"), defendant FORTENBERRY made the following false and
25 misleading statements after being advised it was a crime to lie to
26 the federal government:

27 i. To cover up that Baaklini had provided \$30,000
28 cash to Individual H to contribute to defendant FORTENBERRY's

1 congressional campaign at the 2016 Fundraiser and defendant
2 FORTENBERRY's knowledge of Baaklini's act, defendant FORTENBERRY
3 falsely stated that he had not been told by Individual H during the
4 2018 Call that Baaklini had given Individual H \$30,000 cash to help
5 fund the 2016 Fundraiser.

6 ii. To cover up the illicit foreign and conduit
7 contributions made to defendant FORTENBERRY's congressional campaign
8 at the 2016 Fundraiser, his knowledge of the illicit conduit
9 contributions, and the illicit foreign contributions, defendant
10 FORTENBERRY falsely stated that he was not aware of any illicit
11 donation made during the 2016 Fundraiser.

12 iii. To cover up the illicit foreign and conduit
13 contributions made to defendant FORTENBERRY's congressional campaign
14 at the 2016 Fundraiser, his knowledge of the illicit conduit
15 contributions, and his suspicion of the illicit foreign
16 contributions, defendant FORTENBERRY misleadingly stated he ended the
17 2018 Call with Individual H after Individual H made a "concerning
18 comment" during the call. In fact, as defendant FORTENBERRY then
19 knew, after Individual H told him repeatedly and explicitly about
20 illegal conduit contributions and referenced an illegal foreign
21 national contribution, defendant FORTENBERRY continued to ask
22 Individual H to host another fundraiser for defendant FORTENBERRY's
23 campaign.

24 iv. To conceal his knowledge of the illicit conduit
25 contributions to his congressional campaign at the 2016 Fundraiser
26 and that Baaklini provided \$30,000 to Individual H for Individual H
27 and Individual H's associates to contribute at the 2016 Fundraiser,
28 defendant FORTENBERRY misleadingly stated that he would have been

1 "horrified" if he had learned from Individual H during the 2018 Call
2 that Baaklini had provided Individual H money to contribute to the
3 2016 Fundraiser. In fact, as defendant FORTENBERRY then knew, rather
4 than acting horrified after Individual H told him repeatedly and
5 explicitly about illegal conduit contributions and Baaklini providing
6 \$30,000 to Individual H and Individual H's associates to contribute
7 at the 2016 Fundraiser, defendant FORTENBERRY continued to ask
8 Individual H to host another fundraiser for defendant FORTENBERRY's
9 campaign.

10 c. To conceal the illegal conduit contributions, his
11 knowledge of them, the illegal foreign contributions by Chagoury, and
12 his suspicions of them, at no time did defendant FORTENBERRY cause
13 his campaign to file amended FEC reports with accurate information
14 about the 2016 Fundraiser, including the true contributors and the
15 amounts of their contributions.

COUNT TWO

[18 U.S.C. § 1001(a)(2)]

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3 20. On or about March 23, 2019, in an interview affecting the
4 Federal Investigation in the Central District of California, and in a
5 matter within the jurisdiction of the executive branch of the
6 government of the United States, namely, the FBI, IRS, and USAO,
7 defendant JEFFREY FORTENBERRY knowingly and willfully made materially
8 false statements and representations to the FBI and IRS knowing that
9 these statements and representations were untrue:

10 a. Defendant FORTENBERRY falsely stated that he was not
11 aware of Baaklini making any illegal contributions, directing anyone
12 to conduct illegal contributions, or providing money to anyone else
13 to conduct conduit campaign contributions. In fact, as defendant
14 FORTENBERRY then knew, as of no later than the June 2018 call with
15 Individual H, he was aware that Baaklini provided money to
16 Individual H in order to make illegal conduit contributions at the
17 2016 Fundraiser.

18 b. Defendant FORTENBERRY falsely stated that the
19 individuals who contributed to the 2016 Fundraiser were all publicly
20 disclosed. In fact, as defendant FORTENBERRY then knew, his campaign
21 had never disclosed the names of individuals who were the true
22 sources of the conduit contributions at the 2016 Fundraiser.

23 c. Defendant FORTENBERRY falsely stated that every
24 campaign contribution that he had received was publicly disclosed.
25 In fact, as defendant FORTENBERRY then knew, his campaign had never
26 disclosed the names of individuals who were the true sources of the
27 conduit contributions at the 2016 Fundraiser.

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COUNT THREE

[18 U.S.C. § 1001(a)(2)]

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3 21. On or about July 18, 2019, in an interview affecting the
4 Federal Investigation in the Central District of California, and in a
5 matter within the jurisdiction of the executive branch of the
6 government of the United States, namely, the FBI, IRS-CI, and USAO,
7 defendant JEFFREY FORTENBERRY knowingly and willfully made the
8 following materially false statements and representations to the FBI
9 and USAO knowing that these statements and representations were
10 untrue:

11 a. Defendant FORTENBERRY falsely stated that he had not
12 been told by Individual H during the 2018 Call that Baaklini had
13 given Individual H \$30,000 cash to help fund the 2016 Fundraiser. In
14 fact, as defendant FORTENBERRY then knew, during the 2018 Call,
15 Individual H repeatedly told defendant FORTENBERRY that Baaklini had
16 given \$30,000 in cash to Individual H in order for Individual H to
17 make contributions to defendant FORTENBERRY's 2016 congressional
18 campaign.

19 b. Defendant FORTENBERRY falsely stated that he was not
20 aware of any illicit donation made during the 2016 Fundraiser. In
21 fact, as defendant FORTENBERRY then knew, during the 2018 Call,

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