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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2023 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

PAULINUS IHEANACHO OKORONKWO,
aka "Pollie,"

Defendant.

CR No. 2:24-cr-00020-JFW

I N D I C T M E N T

[18 U.S.C. § 1957: Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity; 26 U.S.C. § 7201: Tax Evasion; 18 U.S.C. § 1503(a): Obstruction of Justice; 18 U.S.C. § 982, 26 U.S.C. §§ 7301(a)-(e), 7302, 7303, 28 U.S.C. § 2461: Criminal Forfeiture]

The Grand Jury charges:

COUNTS ONE THROUGH THREE

[18 U.S.C. § 1957]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

Relevant Entities and Individuals

1. The Nigerian National Petroleum Corporation ("NNPC") was a state-owned and state-controlled company through which the Nigerian government exploited the country's fossil fuel and natural gas reserves, including through partnership with foreign oil companies.

1 2. The China Petrochemical Corporation, also known as Sinopec
2 Group ("Sinopec Group"), a Chinese state-owned enterprise, was a
3 petroleum, gas, and petrochemical conglomerate headquartered in
4 Beijing, China.

5 3. Addax Petroleum ("Addax"), a wholly-owned subsidiary of
6 Sinopec Group, was an international oil and gas corporation
7 headquartered in Geneva, Switzerland, with a strategic focus on
8 Africa and the Middle East.

9 4. Defendant PAULINUS IHEANACHO OKORONKWO, also known as
10 "Pollie," was a dual citizen of the United States and Nigeria and
11 resided within the Central District of California.

12 a. Defendant OKORONKWO was an attorney admitted to the
13 State Bar of California. In that capacity, he was the sole
14 proprietor of the Law Office of Pollie Okoronkwo, where he practiced
15 immigration law and personal injury matters, such as slip-and-fall
16 and motor vehicle injury cases.

17 b. Defendant OKORONKWO was also a foreign official,
18 serving as the general manager of the NNPC's Upstream Division. In
19 his capacity as the general manager of a state-owned and state-
20 controlled company, defendant OKORONKWO owed a fiduciary duty to the
21 NNPC and the people of Nigeria and was a "public official" within the
22 meaning of Section 98D of the Criminal Code Act of Nigeria.

23 5. Wells Fargo Bank, N.A., and JPMorgan Chase Bank, N.A., were
24 financial institutions whose accounts were insured by the Federal
25 Deposit Insurance Corporation.

26 6. Defendant OKORONKWO was the sole authorized signer for a
27 Wells Fargo business checking Interest on Lawyers' Trust Account in
28 the name of "Law Office of Pollie Okoronkwo" (the "OKORONKWO IOLTA"),

1 a Chase business checking account ending -0717 in the name of "IPO
2 Capital, LLC" (the "0717 IPO Capital Account"), and a Chase business
3 checking account ending -8376 in the name of "IPO Capital, LLC" (the
4 "8376 IPO Capital Account").

5 Statutory Background

6 7. The crime of "official corruption" was prohibited under
7 Section 98B of the Criminal Code Act of Nigeria, which provided:

8 (1) Any person who-

9 (a) corruptly asks for, receives or obtains any
10 property or benefit of any kind for himself or any other
11 person; or

12 (b) corruptly agrees or attempts to receive or obtain
13 any property or benefit of any kind for himself or any
14 other person,

15 on account of-

16 (i) anything already done or omitted, or any
17 favour or disfavour already shown to any person, by a
18 public official . . . in the discharge of his official
19 duties or in relation to any matter connected with the
20 functions, affairs or business of a government department,
21 public body or other organisation or institution in which
22 the public official is serving as such; or

23 (ii) anything to be afterwards done or omitted,
24 or any favour or disfavour to be afterwards shown to any
25 person, by a public official in the discharge of his
26 official duties or in relation to any such matter as
27 aforesaid,

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1 is guilty of the felony of official corruption and is liable to
2 imprisonment for seven years.

3 Official corruption constituted "specified unlawful activity" within
4 the meaning of 18 U.S.C. § 1956(c)(7).

5 Addax's Drilling Rights in Nigeria

6 8. In or about 1998, Addax entered into a production sharing
7 contract with the NNPC. In or about 2001, Addax and the NNPC
8 negotiated a "side letter" to the original production sharing
9 contract that provided favorable fiscal terms for Addax with respect
10 to tax and royalty payments that it was required to make to the
11 government of Nigeria. Following negotiation of the side letter,
12 Addax and the Nigerian government had ongoing disputes concerning the
13 calculation of tax and royalty payments.

14 9. In or about 2012, after years of failing to reach an
15 agreement, the government of Nigeria nullified the favorable fiscal
16 terms that had been conferred in the 2001 side letter and began to
17 recoup past benefits that had been conferred to Addax by
18 "overlifting," i.e., keeping a greater share of the oil that Addax
19 extracted than the quantity agreed upon. By in or about the end of
20 August 2014, the government of Nigeria had recouped approximately
21 \$510 million in past benefits conferred on Addax.

22 10. Addax calculated that, if the 2001 side letter were
23 rescinded, Addax would be obligated to repay approximately \$2.76
24 billion for the period from 2001 to 2014 and would be deprived of
25 approximately \$2.37 billion in future benefits. Accordingly, Addax
26 stood to incur losses in excess of \$5 billion if the side letter
27 dispute was not successfully resolved.

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1 11. Addax filed a lawsuit in Nigeria for breach of contract
2 against the NNPC. On May 25, 2015, in the last few days of the
3 administration of Nigerian President Jonathan Goodluck, Addax and the
4 NNPC entered into a settlement agreement in which the favorable
5 financial terms of the 2001 side letter were reinstated and future
6 liabilities that Addax faced were nullified.

7 12. By no later than on or about September 7, 2015, new
8 Nigerian President Muhammadu Buhari left in place the portions of the
9 settlement agreement resolving disputes over past benefits that Addax
10 received but nullified the portion of the agreement that guaranteed
11 that those terms would be kept in place going forward. Addax had
12 calculated that the failure to apply the side letter prospectively
13 would cost Addax approximately \$2.37 billion.

14 The Illegal Bribery Scheme

15 13. On or about October 26, 2015, Addax signed an engagement
16 letter with the "Law Office of Pollie Okoronkwo," purportedly based
17 in Lagos, Nigeria. Per the terms of the letter, Addax agreed to pay
18 \$5,263,157.89, including an immediate payment of \$2,105,263.16,
19 purportedly in exchange for firm's work as "Consultants for the
20 negotiation and completion of a Settlement Agreement with NNPC" with
21 respect to Addax's dispute over drilling rights. The engagement
22 letter also included wiring instructions that directed payment to the
23 OKORONKWO IOLTA. In reality, the engagement letter was a ruse
24 intended to conceal the fact that Addax's payment to defendant
25 OKORONKWO constituted a bribe in exchange for his influence in
26 securing more favorable financial terms relating to Addax's
27 extraction of crude oil in Nigeria, and the purported Lagos address
28 for the Law Office of Pollie Okoronkwo housed a different business.

1 14. On or about October 28, 2015, Addax caused a bribe of
2 approximately \$2,105,263 to be transmitted to the OKORONKWO IOLTA by
3 means of an international wire.

4 15. To ensure the favorable financial terms defendant OKORONKWO
5 sought on Addax's behalf were not later revoked or revised, defendant
6 OKORONKWO and Addax took steps to conceal from governmental
7 authorities, auditors, and the public Addax's transfer of funds to
8 the OKORONKWO IOLTA in the following ways:

9 a. Addax falsely characterized the bribe payment to
10 defendant OKORONKWO as a payment for legal or consulting services;

11 b. To create the false impression that the bribe payment
12 constituted client funds, defendant OKORONKWO caused the bribe
13 payment to be sent to the OKORONKWO IOLTA, rather than a traditional
14 personal or business account where legal or consulting income would
15 ordinarily be deposited;

16 c. On May 9, 2016, defendant OKORONKWO caused a Form 1040
17 Individual Income Tax Return for calendar year 2015 to be filed with
18 the Internal Revenue Service that omitted the \$2,105,263 payment from
19 Addax to the OKORONKWO IOLTA;

20 d. On July 13, 2016, after Addax's Senior Vice President
21 of Finance questioned the propriety of the \$2,105,263 payment to the
22 OKORONKWO IOLTA, Addax terminated him;

23 e. From July 2016 to November 2016, Addax knowingly
24 provided its auditor with false information concerning the \$2,105,263
25 payment to the OKORONKWO IOLTA; and

26 f. On June 23, 2022, defendant OKORONKWO falsely told
27 federal investigators that: (1) he did not use funds from the
28 \$2,105,263 payment from Addax to the OKORONKWO IOLTA to purchase a

1 house; (2) the \$2,105,263 payment represented client funds rather
2 than income to the Law Office of Pollie Okoronkwo; and (3) the money
3 paid by Addax to the Law Office of Pollie Okoronkwo "might be"
4 represented by the \$45,000 in gross income represented in his
5 individual tax return. These statements were false because, as
6 defendant OKORONKWO knew: (1) the \$2,105,263 payment represented a
7 bribe defendant OKORONKWO received from Addax in exchange for his
8 influencing the NNPC; (2) the \$2,105,263 payment did not represent
9 client funds but rather illicit income defendant OKORONKWO received;
10 and (3) the \$45,000 in gross income represented in his individual tax
11 return did not include the multimillion-dollar bribe payment he had
12 received.

13 B. MONETARY TRANSACTIONS

14 16. On or about the dates set forth below, in Los Angeles
15 County, within the Central District of California, and elsewhere,
16 defendant OKORONKWO, knowing that the property involved represented
17 the proceeds of some form of unlawful activity, knowingly engaged in
18 the following monetary transactions in criminally derived property of
19 a value greater than \$10,000, which property, in fact, was derived
20 from specified unlawful activity, namely, wire fraud involving
21 deprivation of honest services, in violation of Title 18, United

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1 States Code, Sections 1343 and 1346, and official corruption, in
 2 violation of the Criminal Code Act of Nigeria, Section 98B.

COUNT	DATE	MONETARY TRANSACTION
ONE	11/01/2017	Transfer of approximately \$983,200 from the 0717 IPO Capital Account to the 8376 IPO Capital Account
TWO	11/02/2017	Wire transfer of approximately \$500,000 from the 8376 IPO Capital Account to Glen Oaks Escrow in connection with the purchase of a house
THREE	11/03/2017	Wire transfer of approximately \$483,200 from the 8376 IPO Capital Account to Glen Oaks Escrow in connection with the purchase of a house

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COUNT FOUR

[26 U.S.C. § 7201]

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3 17. The Grand Jury realleges paragraphs 1 through 15 of this
4 Indictment here.

5 18. Between in or about October 28, 2015, and in or about May
6 9, 2016, in Los Angeles County, within the Central District of
7 California, and elsewhere, defendant OKORONKWO willfully attempted to
8 evade and defeat income tax due and owing to the United States of
9 America for the calendar year 2015 by committing the following
10 affirmative acts, among others:

11 a. Intentionally failing to provide defendant OKORONKWO's
12 tax preparer with accurate and complete information regarding the
13 October 28, 2015, wire transfer of approximately \$2,105,263 from
14 Addax to the OKORONKWO IOLTA; the subsequent February 16, 2016, wire
15 transfer of approximately \$1,300,000 from the OKORONKWO IOLTA to the
16 8376 IPO Capital Account; and the February 18, 2016, deposit of a
17 cashier's check for approximately \$1,300,000 drawn on the 8376 IPO
18 Capital Account into the 0717 IPO Capital Account; and

19 b. Filing and causing to be filed with the Internal
20 Revenue Service a Form 1040 Individual Income Tax Return for the
21 calendar year 2015 that was false in that it failed to report as
22 income funds defendant OKORONKWO obtained from the wire transfer of
23 approximately \$2,105,263.

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COUNT FIVE

[18 U.S.C. § 1503(a)]

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3 19. The Grand Jury realleges paragraphs 1 through 15 of this
4 Indictment here.

5 20. Beginning no later than in or about 2019, the Federal
6 Bureau of Investigation ("FBI"), later joined by the Internal Revenue
7 Service, Criminal Investigation ("IRS-CI"), and the United States
8 Attorney's Office for the Central District of California were
9 conducting a federal criminal investigation of defendant OKORONKWO
10 for federal crimes, including receipt of illegal kickback payments,
11 engaging in monetary transactions with the proceeds of specified
12 unlawful activity, and tax evasion (the "Federal Investigation").

13 21. On or about June 23, 2022, in Los Angeles County, within
14 the Central District of California, defendant OKORONKWO corruptly
15 endeavored to influence, obstruct, and impede the due administration
16 of justice, namely, the Federal Investigation, by providing false
17 information to, and withholding information from, FBI and IRS-CI. In
18 particular, during a meeting between defendant OKORONKWO and FBI and
19 IRS-CI, defendant OKORONKWO falsely stated that:

20 a. he did not use funds from the \$2,105,263 payment from
21 Addax to the OKORONKWO IOLTA to purchase a house; and

22 b. the \$2,105,263 payment represented client funds rather
23 than income to the Law Office of Pollie Okoronkwo.

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FORFEITURE ALLEGATION ONE

[18 U.S.C. § 982]

22. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 982(a)(1) and Title 28, United States Code, Section 2461(c), in the event of the conviction of defendant PAULINUS IHEANACHO OKORONKWO, also known as "Pollie," on any of the offenses set forth in Counts One through Three of this Indictment.

23. Defendant OKORONKWO, if so convicted, shall forfeit to the United States of America the following:

a. Any property, real or personal, involved in such offense, and any property traceable to such property, including but not limited to the following:

i. The real property located at 25340 Twin Oaks Place, Valencia, California 91381, also referred to as 25340 Twin Oaks Place, Valencia, California 91381, Assessor's Parcel No. 2826143004, more particularly described as Tract #45433, Lot 12, with an Assessor's Parcel number of 2826-143-004, as shown on the public records available in the Los Angeles County Office of the Assessor; and

b. To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

24. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), and Title 18, United States Code, Section 982(b)(2), defendant OKORONKWO, if so convicted, shall forfeit substitute property, if, by

1 any act or omission of defendant OKORONKWO, the property described in
2 the preceding paragraph, or any portion thereof: (a) cannot be
3 located upon the exercise of due diligence; (b) has been transferred,
4 sold to, or deposited with a third party; (c) has been placed beyond
5 the jurisdiction of the court; (d) has been substantially diminished
6 in value; or (e) has been commingled with other property that cannot
7 be divided without difficulty. Substitution of assets shall not be
8 ordered, however, where the convicted defendant acted merely as an
9 intermediary who handled but did not retain the property in the
10 course of the money laundering offense unless the defendant, in
11 committing the offense or offenses giving rise to the forfeiture,
12 conducted three or more separate transactions involving a total of
13 \$100,000.00 or more in any twelve-month period.

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FORFEITURE ALLEGATION TWO

[[26 U.S.C. §§ 7301(a)-(e), 7302, 7303 & 28 U.S.C. § 2461(c)]]

25. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States will seek forfeiture as part of any sentence, pursuant to Title 26, United States Code, Sections 7301(a)-(e), 7302, and 7303 as well as Title 28, United States Code, Section 2461(c), in the event of defendant PAULINUS IHEANACHO OKORONKWO's conviction of the offense set forth in Count Four of this Indictment.

26. Defendant OKORONKWO, if so convicted, shall forfeit to the United States of America the following:

a. All right, title and interest in any and all property used or intended to be used to commit any such offense;

b. Any property sold or removed by defendant OKORONKWO in fraud of the internal revenue laws, or with design to avoid payment of such tax, or which was removed, deposited, or concealed, with intent to defraud the United States of such tax or any part thereof:

i. The real property located at 25340 Twin Oaks Place, Valencia, California 91381, also referred to as 25340 Twin Oaks Place, Valencia, California 91381, Assessor's Parcel No. 2826143004, more particularly described as Tract #45433, Lot 12, with an Assessor's Parcel number of 2826-143-004, as shown on the public records available in the Los Angeles County Office of the Assessor; and

c. All property manufactured into property of a kind subject to tax for the purpose of selling such taxable property in fraud of the internal revenue laws, or with design to evade the payment of such tax;

1 d. All property whatsoever, in the place or building, or
2 any yard or enclosure, where the property described in subsection (a)
3 or (b) is found, or which is intended to be used in the making of
4 property described in subsection (a), with intent to defraud the
5 United States of tax or any part thereof, on the property described
6 in subsection (a);

7 e. All property used as a container for, or which shall
8 have contained, property described in subsection (a) or (b);

9 f. Any property (including aircraft, vehicles, vessels,
10 or draft animals) used to transport or for the deposit or concealment
11 of property described in subsection (a) or (b), or any property used
12 to transport or for the deposit or concealment of property which is
13 intended to be used in the making or packaging of property described
14 in subsection (a); and

15 g. To the extent that such property is not available for
16 forfeiture, a sum of money equal to the total value of the property
17 described in this paragraph.

18 27. Pursuant to Title 21, United States Code, Section 853(p),
19 as incorporated by Title 28, United States Code, Section 2461(c),
20 defendant OKORONKWO, if so convicted, shall forfeit substitute
21 property, up to the total value of the property described in the
22 preceding paragraph if, as the result of any act or omission of
23 defendant OKORONKWO, the property described in the preceding
24 paragraph, or any portion thereof (a) cannot be located upon the
25 exercise of due diligence; (b) has been transferred, sold to or
26 deposited with a third party; (c) has been placed beyond the

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General Information

Case Name	USA v. Okoronkwo
Court	U.S. District Court for the Central District of California
Date Filed	Wed Jan 10 00:00:00 EST 2024
Judge(s)	JOHN F. WALTER
Federal Nature of Suit	Criminal
Docket Number	2:24-cr-00020
Parties	USA; Paulinus Iheanacho Okoronkwo