

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA

v.

DOUGLAS EDELMAN

and

DELPHINE LE DAIN  
(also known as DELPHINE LE DAIN  
EDELMAN),

Defendants.

CRIMINAL NO.

VIOLATIONS:

Count 1: 18 U.S.C. § 371  
(Conspiracy to Defraud the United States)

Counts 2-3: 18 U.S.C. § 1001  
(False Statements)

Counts 4-18: 26 U.S. C. § 7201;  
18 U.S.C. § 2  
(Tax Evasion)

Counts 19-30: 31 U.S.C. §§ 5314 &  
5322(b); 31 C.F.R. §§ 1010.350,  
1010.306(c)-(d), and 1010.840(b);  
18 U.S.C. § 2  
(Willful Violation of Foreign Bank  
Account Reporting)

**INDICTMENT**

The Grand Jury charges that, at all times material to this Indictment, on or about the dates and at the approximate times stated below:

**INTRODUCTION**

**Overview**

1. Defendant DOUGLAS EDELMAN is a U.S. citizen who made more than \$350 million as a defense contractor during the United States' post-9/11 military efforts in Afghanistan and the Middle East. DOUGLAS EDELMAN is married to defendant DELPHINE LE DAIN, a French citizen. DOUGLAS EDELMAN and DELPHINE LE DAIN have lived in recent years in the United Kingdom and Spain, but currently live in Switzerland.

2. Between 2003 and 2020, DOUGLAS EDELMAN was the 50% owner of Mina Corp. and Red Star Enterprises (collectively, “Mina/Red Star”), a defense contracting business that received more than \$7 billion from contracts with the U.S. Department of Defense to provide jet fuel to U.S. troops in Afghanistan and the Middle East. DOUGLAS EDELMAN founded Mina/Red Star with Individual A, a Kyrgyz businessman.

3. Mina/Red Star became profitable in 2005. DOUGLAS EDELMAN directed his profits from Mina/Red Star into bank accounts in countries other than the United States, such as Switzerland, the Bahamas, Singapore, and the United Arab Emirates. DOUGLAS EDELMAN held the bank accounts in the name of non-U.S. companies incorporated in countries such as Panama, Belize, and the British Virgin Islands. DOUGLAS EDELMAN closed bank accounts and moved funds to avoid disclosure to U.S. authorities. DOUGLAS EDELMAN controlled the money in the bank accounts and used it to fund other business ventures around the world, including a business selling internet services to military troops and contractors at Kandahar Air Base in Afghanistan, a Mexican fuel infrastructure project, and a music television franchise in Eastern Europe. DOUGLAS EDELMAN also used the money to buy a ski chalet in Austria, a house in Spain, a townhouse in London, and multiple yachts.

4. Between 2005 and 2010, DOUGLAS EDELMAN had an obligation to file U.S. tax returns and pay taxes on the tens of millions of dollars of income he made from Mina/Red Star, but he filed no tax returns and paid zero U.S. taxes.

5. In 2010, during a Congressional investigation, U.S. authorities began asking questions about Mina/Red Star’s ownership. Rather than disclose his ownership, and potentially admit that he owed taxes on the millions of dollars he was making from Mina/Red Star, DOUGLAS EDELMAN created the false story that his French wife, DELPHINE LE DAIN, had

founded Mina/Red Star with Individual A and had always been the owner of DOUGLAS EDELMAN's 50% stake. Around this time, DOUGLAS EDELMAN and his co-conspirators caused the creation of false documents to paper over this story, and DOUGLAS EDELMAN removed his name from the bank accounts receiving Mina/Red Star distributions.

6. After telling the false story of Mina/Red Star's creation to the U.S. Congress, DOUGLAS EDELMAN caused the false story to be repeated to several other arms of the U.S. government. In 2015, DOUGLAS EDELMAN submitted false filings to the Internal Revenue Service ("IRS") in an application to the Offshore Voluntary Disclosure Program ("OVDP") for years 2007 to 2014, telling the false story that DELPHINE LE DAIN was Mina/Red Star's founder and owner. DOUGLAS EDELMAN filed false tax returns for years 2015 to 2020 telling the same false story and claiming significantly less income than DOUGLAS EDELMAN made in those years as the 50% owner of Mina/Red Star. DOUGLAS EDELMAN also caused the false story to be repeated to the Defense Logistics Agency ("DLA"), and the U.S. Department of Justice—as well as to banks around the world.

7. Despite knowing the truth, DELPHINE LE DAIN made false statements and signed false documents to confirm DOUGLAS EDELMAN's false story about the creation and ownership of Mina/Red Star.

8. Several other co-conspirators also knew the truth of Mina/Red Star's creation and ownership but nevertheless helped DOUGLAS EDELMAN spread the false story of DELPHINE LE DAIN's purported ownership and conceal DOUGLAS EDELMAN's identity as the 50% owner of Mina/Red Star and receipt of hundreds of millions of dollars in profits from the business, including:

- a. Co-Conspirator 1, DOUGLAS EDELMAN's longtime accountant, a British national;
- b. Co-Conspirator 2, DOUGLAS EDELMAN's financial advisor, a Dutch national;
- c. Co-Conspirator 3, DOUGLAS EDELMAN's longtime friend and business associate, a U.S. national, who worked for various of DOUGLAS EDELMAN's business ventures, including his music television franchise in Eastern Europe; and
- d. Co-Conspirator 4, DOUGLAS EDELMAN's longtime friend and business associate, a dual U.S. and Irish national, who helped DOUGLAS EDELMAN invest his profits from Mina/Red Star in a way that would hide DOUGLAS EDELMAN's control of the money.

9. In 2020, Individual A bought out DOUGLAS EDELMAN's 50% share in Mina/Red Star. DOUGLAS EDELMAN signed a seller's guaranty as part of the sale. Individual A paid more than \$40 million for DOUGLAS EDELMAN's share in Mina/Red Star. DOUGLAS EDELMAN filed a tax return for 2020 that reported approximately \$400,000 in consulting income but made no mention of the \$40 million sale.

10. DOUGLAS EDELMAN, with the assistance of his co-defendant DELPHINE LE DAIN and their co-conspirators, evaded U.S. taxes on more than \$350 million DOUGLAS EDELMAN made from Mina/Red Star and related businesses. In the course of the scheme, DOUGLAS EDELMAN, DELPHINE LE DAIN, and their co-conspirators perpetrated several crimes:

- a. Conspiring to defraud the United States, in violation of 18 U.S.C. § 371;

b. Making and causing false statements to the Executive Branch of the U.S. Government, specifically:

i. the IRS and

ii. the Department of Justice,

in violation of 18 U.S.C. § 1001;

c. Tax evasion for years 2006 to 2020, in violation of 26 U.S.C. § 7201, as well as aiding and abetting tax evasion, in violation of 18 U.S.C. § 2;

d. Willfully violating foreign bank account reporting laws, in violation of 31 U.S.C. §§ 5314 & 5322(b) and 31 C.F.R. 1010.350, 1010.306(c)-(d), and 1010.840(b).

**DOUGLAS EDELMAN's Tax and Foreign Bank Account Reporting Obligations**

11. The IRS was an agency within the U.S. Department of the Treasury responsible for administering the tax laws of the United States and collecting taxes owed to the United States.

12. DOUGLAS EDELMAN began living outside the United States in the mid-1990's. As a U.S. citizen, when he received income above a certain threshold for any year, DOUGLAS EDELMAN had an obligation to report his worldwide income to the IRS and pay any resulting income taxes.

13. United States citizens who had an interest in, or signature authority over, one or more financial accounts in a foreign country with an aggregate value of more than \$10,000 at any time during the prior year were required to file with the Department of the Treasury a Report of Foreign Bank and Financial Accounts ("FBAR"). An FBAR reported, among other things, the names of the financial institutions at which the account were held, the account numbers, and the maximum value of the accounts during the calendar year.

14. From at least the mid-1980s to 2015, DOUGLAS EDELMAN did not file individual U.S. income tax returns or pay U.S. income taxes. Nor did he disclose any foreign bank accounts. From 2015 forward, DOUGLAS EDELMAN filed false and fraudulent U.S. income tax returns that claimed his only income was as a consultant and significantly underreported his income and taxes due and owing. He also filed false FBARs claiming he had only one foreign bank account from 2007 to 2012.

**Other Relevant Individuals and Entities**

15. Other relevant individuals and entities include:
- a. Attorney 1, a Washington D.C.-based attorney, who represented Mina/Red Star in the 2010 Congressional investigation into Mina/Red Star's contracts with the U.S. Department of Defense;
  - b. Attorneys 2 and 3, Washington D.C.-based attorneys, who represented DOUGLAS EDELMAN in the 2010 Congressional investigation into Mina/Red Star's contracts with the U.S. Department of Defense;
  - c. Attorneys 4 and 5, Washington D.C.-based attorneys, who represented DOUGLAS EDELMAN starting in 2015 related to his filings to the IRS's OVDP and other tax filings.
  - d. Aspen Wind Corporation ("Aspen Wind"), a Belizean company DOUGLAS EDELMAN used starting in 2000 as part of his trading businesses;
  - e. Bartol Limited ("Bartol"), a British Virgin Islands company DOUGLAS EDELMAN used starting in 2001 as part of his trading businesses;

- f. Sunage Foundation, a Panamanian entity DOUGLAS EDELMAN caused to be created in 2008, and for which DELPHINE LE DAIN and her children with DOUGLAS EDELMAN were listed as beneficiaries;
- g. Satellite Support Services Ltd. (“SSSI.”), a British Virgin Islands entity DOUGLAS EDELMAN, Co-Conspirator 1, and Co-Conspirator 4 created and caused to be created in 2008, and thereafter used as a “treasury entity” to pay personal expenses on behalf of DOUGLAS EDELMAN and DELPHINE LE DAIN;
- h. Ifone-Neda, a joint venture formed in Afghanistan and registered in the United Arab Emirates, between Ifone, Inc. (a U.S. company) and Neda Telecommunications (an Afghan company 40% owned by DOUGLAS EDELMAN) that sold internet services to military service members and contractors at Kandahar Air Base in Afghanistan;
- i. Rosbelt International Ltd. (“Rosbelt”), an entity incorporated in British Virgin Islands in 2005, and, starting in 2011, used by DOUGLAS EDELMAN as a holding company for DOUGLAS EDELMAN’s other businesses, including Mina/Red Star.

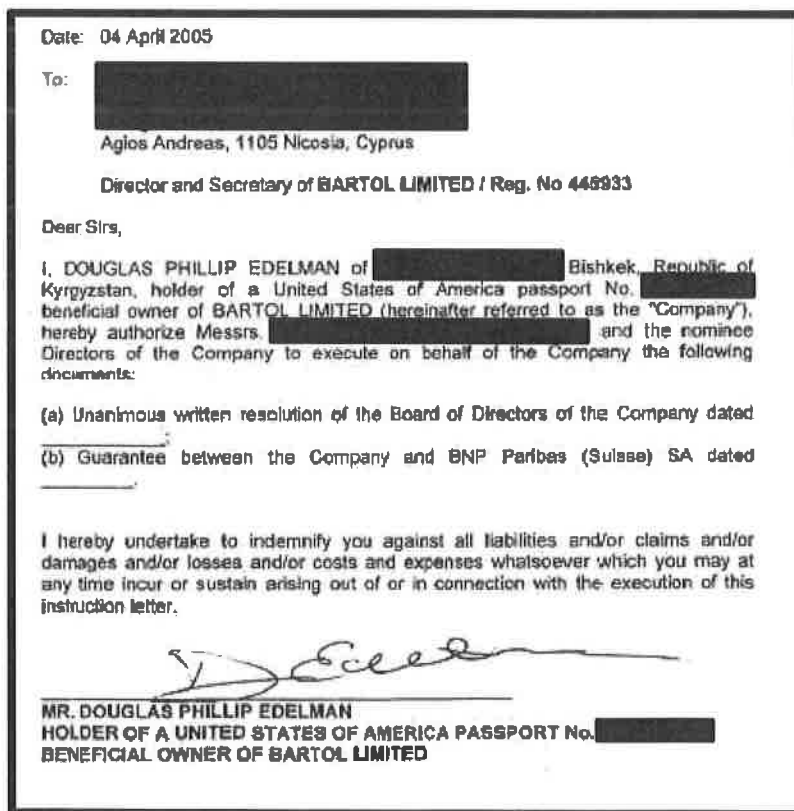
**DOUGLAS EDELMAN’s Entities Aspen Wind and Bartol**

16. In the late 1990s and early 2000s, DOUGLAS EDELMAN worked as a commodities trader near Manas Air Base in Kyrgyzstan. He operated several companies, including Aspen Wind and Bartol.

17. In 2000 and 2001, DOUGLAS EDELMAN opened bank accounts for Aspen Wind and Bartol at Credit Suisse in Switzerland. In March 2003 and May 2005, DOUGLAS EDELMAN opened bank accounts for Aspen Wind and Bartol at BNP Paribas (Suisse) in

Switzerland. DOUGLAS EDELMAN used the Aspen Wind and Bartol bank accounts to receive profits from his businesses, pay associates, send money to his family in the United States, finance other business operations and investments, and pay expenses for himself, DELPHINE LE DAIN, and their families.

18. DOUGLAS EDELMAN held himself out to third parties as the beneficial owner of Aspen Wind and Bartol. For example, in 2005, DOUGLAS EDELMAN submitted corporate documents to Bartol's corporate registration service in Cyprus on behalf of the company as the beneficial owner:



19. In 2004, DOUGLAS EDELMAN hired Co-Conspirator 1 to do bookkeeping and prepare financial statements for Aspen Wind and Bartol. Co-Conspirator 1's role later expanded to include assisting DOUGLAS EDELMAN with his many other bank accounts, entities, and financial transactions, including for Mina/Red Star.



**Formation and Financing of Mina/Red Star**

20. After the attacks on September 11, 2001, the United States increased its military engagement in Afghanistan and the Middle East. Manas Air Base in Kyrgyzstan was a strategic location for staging crucial supplies—such as jet fuel—for U.S. troops in the region.

21. At that point, DOUGLAS EDELMAN had been living in Bishkek, Kyrgyzstan for several years. He had dealings with Russian fuel providers and worked with several local businesspeople, including Individual A, a Kyrgyz national. Using these connections, DOUGLAS EDELMAN and Individual A formed a business to bid on a contract with the combat support agency of the U.S. Department of Defense, the Defense Energy Support Center (“DESC”), later known as the DLA, to provide fuel for U.S. troops. DOUGLAS EDELMAN and Individual A won the contract in the name of Red Star Enterprises Limited, a Canadian company owned by Individual A.

22. Starting as early as 2003, DOUGLAS EDELMAN used hundreds of thousands of dollars from Aspen Wind and Bartol, along with trade financing eventually secured by DOUGLAS EDELMAN and Individual A, to finance much of Red Star’s startup costs and early operations. Red Star grew quickly and continued to win contracts to service U.S. fuel needs in the region, including at Bagram Air Base in Afghanistan.

23. In 2003, DOUGLAS EDELMAN created Mina Corp Limited—a sister company to Red Star—in Gibraltar. DOUGLAS EDELMAN incorporated a new Red Star entity in Gibraltar in 2004.

24. Around this same time, DOUGLAS EDELMAN and Individual A opened bank accounts for the business, presented themselves to the banks as the owners of the business, and signed bank forms indicating that they were the beneficial owners. For example:

- a. A Form A, Establishment of Beneficial Owner's Identity, at Credit Suisse lists DOUGLAS EDELMAN and Individual A as the beneficial owners of Red Star Enterprises Limited:

A

**Establishment of the Beneficial Owner's Identity**  
(Form A as per Art. 3 and 4 CDD)

Account No. \_\_\_\_\_ Operating name  
*RED STAR ENTERPRISES LIMITED*

The undersigned hereby declares:  
(mark with a cross (x) the appropriate box)

that the contracting partner is the beneficial owner of the assets concerned

that the beneficial owner/owners of the assets concerned relate:

\_\_\_\_\_ Address (Outside Country) \_\_\_\_\_  
\_\_\_\_\_ *London UK*

*Douglas Phillip Edelman* *624 2AT*

The contracting partner undertakes to inform the Bank, of his own accord, about any changes.

- b. An account form at BNP Paribas (Suisse) bears DOUGLAS EDELMAN's signature as an authorized account signatory for Red Star Enterprises Limited Gibraltar:

RED STAR ENTERPRISES LIMITED

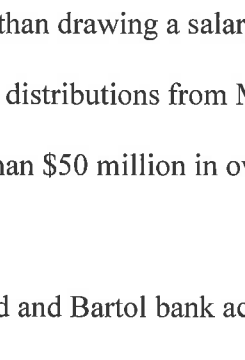
BNP PARIBAS (K/HS)

Account holder(s): Red Star Enterprises Limited Gibraltar

Account No.: 955-6

**AUTHORISED SIGNATORIES**

The individual / collective signature(s) set out below shall bind me / us in respect of BNP PARIBAS (SUISSE) SA

	Surname(s) / first name(s)	Individual	Collective (number of signatories) with	Signature
1	EDELMAN Douglas		JOINT	
2	[REDACTED]		JOINT	[REDACTED]
3				
4				
5				

Signature(s) of account holder(s) overleaf

25. Beginning as early as 2003, DOUGLAS EDELMAN and Individual A also negotiated trade financing agreements with banks so that Mina/Red Star could fund operations between payments from the Department of Defense. DOUGLAS EDELMAN and Individual A held themselves out to trade financiers as the beneficial owners of Mina/Red Star.

**DOUGLAS EDELMAN's Receipt of Mina/Red Star Profits into Bank Accounts He Controlled**

26. Mina/Red Star became profitable in 2005. Rather than drawing a salary, DOUGLAS EDELMAN and Individual A each took owner profit distributions from Mina/Red Star. Between 2005 and 2008 alone, each owner received more than \$50 million in owner profit distributions.

27. DOUGLAS EDELMAN initially used Aspen Wind and Bartol bank accounts at Swiss banks, primarily Credit Suisse, to receive his owner distributions.

28. In May 2008, Credit Suisse questioned the source of the funds in the Aspen Wind and Bartol accounts. DOUGLAS EDELMAN and Co-Conspirator 1 prepared materials for Credit Suisse explaining Aspen Wind and Bartol's relationship to DOUGLAS EDELMAN—

namely, that the companies were owned and controlled by DOUGLAS EDELMAN, and used to control and provide funds for DOUGLAS EDELMAN's "worldwide trading activities":

Subj: **Notes on corporate structure**  
Date: 24/05/2008 13:48:45 GMT Daylight Time  
From: douglas@minacorp.com  
To: douglas@minacorp.com [REDACTED]

see changes or ideas for some small changes

**Bartol Limited**  
**Aspen Wind Corporation**

Introduction

The two companies Bartol Limited ("Bartol") and Aspen Wind Corporation ("AWC") are both owned and controlled by Douglas Edelman ("DE") through nominee shareholders. Bartol is incorporated in Gibraltar and AWC is incorporated in Belize.

Both companies were set up by Mr Edelman to control his various worldwide trading activities and to provide the funds for investment in new ventures, some in partnership with others non-connected parties. There is a agreement between the two companies allowing the mutual transfer of funds through an inter company loan account.

Relationship with Credit Suisse

The main purposes of the relationship with Credit Suisse are as follows:

1. To receive income (primarily by way of distributions/dividends) from interests in the various trading activities of both companies.
2. To make payments (mainly investments) in existing and new ventures which the companies either own or in which they have a significant investment.
3. To make payments (by way of distributions) to ("DE") and his family.

*Internet site established in madinet - 69% .  
→ lead on all shares  
- 2 capital . 2 fold.*

29. Even though the accounts were held in the names of entities, DOUGLAS EDELMAN controlled the money in the Aspen Wind and Bartol accounts at Credit Suisse. For example, in October 2008, DOUGLAS EDELMAN directed Co-Conspirator 1 to send a gift of approximately \$580,000 to a relative from the Bartol account at Credit Suisse.

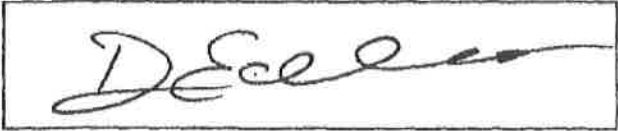
**DOUGLAS EDELMAN's Use of the Sunage Foundation**

30. In April 2008, DOUGLAS EDELMAN caused the creation of the Sunage Foundation in Panama and named DELPHINE LE DAIN and their daughters as beneficiaries.

31. Although DELPHINE LE DAIN was named as a beneficiary of the foundation, DOUGLAS EDELMAN referred to Sunage as "my foundation" and considered using it as a

nominee in transactions such as the purchase of a home and to hold his shares in a music television franchise in Eastern Europe.

32. In September 2008, DOUGLAS EDELMAN opened a Sunage Foundation bank account at Bank Julius Baer (Singapore). DOUGLAS EDELMAN was an authorized signatory on the account:

Master No.	[REDACTED]	<b>Julius Bär</b>			
2. Title:	<input checked="" type="checkbox"/> Mr	<input type="checkbox"/> Ms	<input type="checkbox"/> Dr	<input type="checkbox"/> Other	_____
Name: <small>(Please underline surname)</small>	<u>Douglas Edelman</u>				
Identity Type and No.	<input checked="" type="checkbox"/> Passport	<input type="checkbox"/> ID Card	<input type="checkbox"/> Others	_____	
Identity No.	[REDACTED]				
Specimen Signature:					

33. In November 2008, Credit Suisse notified Co-Conspirator 1 that due to U.S. law enforcement activity regarding the use of Swiss bank accounts for tax evasion, DOUGLAS EDELMAN had a choice: (1) close his Credit Suisse account and move the money, or (2) disclose the accounts to U.S. authorities.

34. In December 2008 and January 2009, DOUGLAS EDELMAN closed his Credit Suisse accounts and moved the funds to his recently opened Sunage Foundation account at Bank Julius Baer (Singapore).

35. After December 2008 and continuing for the next several years, DOUGLAS EDELMAN caused his Mina/Red Star owner distributions to be deposited into the Sunage Foundation account at Bank Julius Baer (Singapore).

**DOUGLAS EDELMAN and DELPHINE LE DAIN's Illegal Scheme to Conceal DOUGLAS EDELMAN's Mina/Red Star Profits from U.S. Authorities**

36. In the years 2000 to 2008, as described above, DOUGLAS EDELMAN used nominee entities to hold his business interests and kept his money in bank accounts outside the United States to conceal his income from U.S. authorities—namely, the IRS.

37. But after late 2008, DOUGLAS EDELMAN began to add an additional layer to his concealment: by recruiting his wife DELPHINE LE DAIN to be the nominee owner for his businesses. In 2010, the House of Representatives Committee on Oversight and Government Reform Subcommittee on National Security and Foreign Affairs (the “Subcommittee”) began investigating allegations of bribery and corruption related to U.S. Department of Defense contracts with Mina/Red Star. The Subcommittee asked the identity of Mina/Red Star’s owners. At this point, DOUGLAS EDELMAN had not filed U.S. tax returns to report the millions of dollars he had earned from Mina/Red Star and had not paid U.S. taxes on his income. Rather than disclose his ownership, DOUGLAS EDELMAN caused his attorneys to tell the Subcommittee the false story that DELPHINE LE DAIN—not DOUGLAS EDELMAN—created Mina/Red Star with Individual A and owned 50% of Mina/Red Star, and that DELPHINE LE DAIN held her interests through the Sunage Foundation. Around the same time as he caused this false representation to the Subcommittee, DOUGLAS EDELMAN caused the creation of false and backdated paperwork to corroborate DELPHINE LE DAIN’s purported ownership and removed his name from the Sunage Foundation bank account at Bank Julius Baer.

38. Around this time, during the solicitation and award process related to a contract with the U.S. Department of Defense worth hundreds of millions of dollars, the DLA asked Mina/Red Star the identity of the company’s owners. DOUGLAS EDELMAN caused Mina/Red Star to certify—falsely—that the business was owned by Individual A and DELPHINE LE

DAIN. In later contract negotiations, the DLA asked for the identity of Mina/Red Star's owners, and the company continued to certify—again, falsely—as it had to the Subcommittee: that Individual A and DELPHINE LE DAIN were the owners.

39. In July 2015, Co-Conspirator 2 traveled to the United States to meet with attorneys and tax return preparers on DOUGLAS EDELMAN's behalf. At that point, DOUGLAS EDELMAN still had not filed any U.S. tax returns to report the income he made from Mina/Red Star or any other source. Rather than tell them the truth about DOUGLAS EDELMAN's ownership of Mina/Red Star, Co-Conspirator 2 told the tax return preparers, falsely, that the 50% share in the company—and all the resulting profits—belonged to DELPHINE LE DAIN. Over the next few months, Co-Conspirator 1 and Co-Conspirator 2 provided false documents to Attorneys 4 and 5, including an affidavit from DELPHINE LE DAIN declaring that she had founded Mina/Red Star with Individual A and that all of the profits from Mina/Red Star belonged to her. The materials also included the false statement that Aspen Wind and Bartol—the trading companies DOUGLAS EDELMAN used to create and fund Mina/Red Star—were DELPHINE LE DAIN's companies:

**Conclusions**

**The above information clearly demonstrates that**

- 3.1 The original business emanated from an investment made by Delphine le Dain back in the year 2000.**
- 3.2 The initial growth of the business was conducted through a company (Bartol Limited) which was wholly owned by Delphine Le Dain**

40. The materials falsely asserted that DOUGLAS EDELMAN had an interest in only one foreign bank account, at British Bank 1.



41. Based on the false information provided by Co-Conspirator 1 and Co-Conspirator 2, Attorneys 4 and 5 concluded that DOUGLAS EDELMAN was not the owner of Mina/Red Star, and his only reportable income would only be gifts from his wealthy spouse and consulting fees. Based on these conclusions, Attorneys 4 and 5 helped DOUGLAS EDELMAN put together an application to the IRS OVDP for years 2007 to 2014.

42. In March 2016, Attorneys 4 and 5 submitted a Form 14457 Offshore Voluntary Disclosure Letter to the IRS on behalf of DOUGLAS EDELMAN. DELPHINE LE DAIN co-signed the letter under penalty of perjury. The letter falsely stated that, among other things:

- a. In years 2007 to 2014, DOUGLAS EDELMAN was a consultant for foreign entities in which he never had an ownership interest; and
- b. In tax years 2007 to 2014, DOUGLAS EDELMAN had received between \$100,000 to \$1,000,000 in unreported income in each year.

43. In October 2016, Attorneys 4 and 5 made a full submission to the OVDP on DOUGLAS EDELMAN's behalf, including Forms 1040, U.S. Individual Income Tax Returns ("Forms 1040"), for DOUGLAS EDELMAN for years 2007 to 2014, and the false March 2016 letter DOUGLAS EDELMAN co-signed with DELPHINE LE DAIN. The Forms 1040 were false in that they, among other things, reported significantly less income than the amount DOUGLAS EDELMAN had received as the 50% owner of Mina/Red Star. Specifically, DOUGLAS EDELMAN falsely reported the following total amounts per year he received as "gifts" and "consulting payments":



<b>Year</b>	<b>Income Reported</b>
2007	\$ 473,447
2008	\$ 777,468
2009	\$ 661,400
2010	\$ 693,536
2011	\$ 584,715
2012	\$ 764,144
2013	\$ 752,443
2014	\$ 611,287

The tax returns did not report, and DOUGLAS EDELMAN did not pay taxes on, the tens of millions of dollars in each year that DOUGLAS EDELMAN made from his 50% ownership of Mina/Red Star.

44. After applying to the OVDP, DOUGLAS EDELMAN caused the filing of false tax returns for years 2015 to 2019, which—just like the OVDP submission—reported that he was merely a consultant earning less than \$1 million each year. To pay the taxes associated with the OVDP and other tax filings, DELPHINE LE DAIN executed false documents purporting to “gift” DOUGLAS EDELMAN the money—when, in fact, DOUGLAS EDELMAN controlled the money and did not need a gift to make his tax payments.

45. In 2018, after contact from the Department of Justice, DOUGLAS EDELMAN caused Attorneys 2, 4, and 5 to make a presentation to an IRS agent and prosecutors from the Department of Justice claiming that DOUGLAS EDELMAN was merely a consultant and had received less than \$1 million of income in each of the years 2007 to 2014. DOUGLAS EDELMAN caused his attorneys to repeat the false story that DELPHINE LE DAIN and Individual A had partnered to create Mina/Red Star.

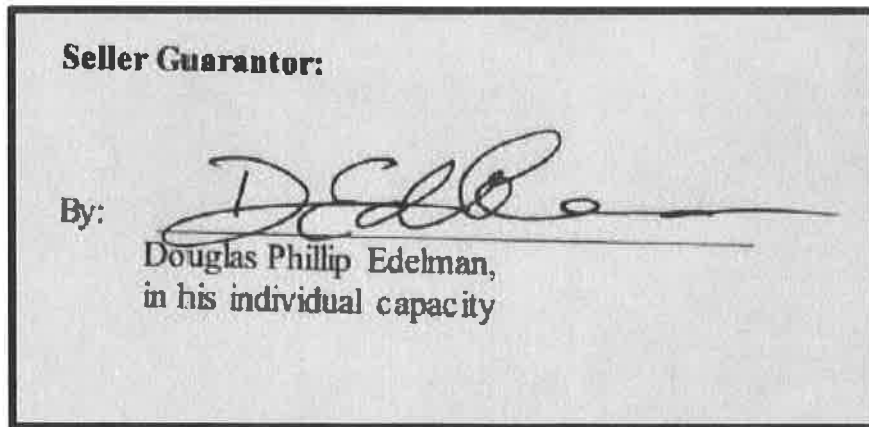
46. During the same years he was causing these misrepresentations to be made to the U.S. government, DOUGLAS EDELMAN received millions of dollars in owner profit distributions from Mina/Red Star. DOUGLAS EDELMAN controlled the money but kept his name off bank accounts and ownership documents.

47. DOUGLAS EDELMAN and his co-conspirators caused the creation of entities and trusts created in Panama, Malta, the British Virgin Islands, and other countries, to hold the various businesses DOUGLAS EDELMAN owned—including Mina/Red Star, and other business ventures he funded with Mina/Red Star profits. For example:


- a. To conceal DOUGLAS EDELMAN's profits from Ifone-Neda, Co-Conspirator 1 and Co-Conspirator 2 caused the creation of a fake "consultancy agreement" between Ifone-Neda and SSSL, which was created in 2017 but backdated to 2015, and fake invoices for consulting fees. Co-Conspirator 4 forwarded fake invoices and requested wires from Ifone-Neda to DOUGLAS EDELMAN in one of his non-U.S. bank accounts;
- b. To conceal DOUGLAS EDELMAN's identity as an investor in a Mexican fuel infrastructure project, Co-Conspirator 1, Co-Conspirator 2, and others layered ownership of the venture in holding companies created in Mexico, the Netherlands, Malta, and British Virgin Islands. Co-Conspirator 2 told the other significant party in the project that the investor was DELPHINE LE DAIN, and that the funds for the project came from other investments owned by DELPHINE LE DAIN.

48. During the years he concealed his ownership of Mina/Red Star, DOUGLAS EDELMAN functioned, along with Individual A, as the head of Mina/Red Star. DOUGLAS EDELMAN and Individual A made high-level strategic decisions for the business, including deciding whether or not to sell the business, and hiring and firing Mina/Red Star executives. But DOUGLAS EDELMAN's use of a complex web of offshore entities to conceal his ownership put increasing pressure on Mina/Red Star's business and its ability to continue relationships with banks and lenders.

49. In early 2020, Individual A urged DOUGLAS EDELMAN to come out as Mina/Red Star's 50% beneficial owner. DOUGLAS EDELMAN refused. Relations between the two men broke down, and in October 2020, Individual A bought out DOUGLAS EDELMAN's 50% interest in Mina/Red Star. As part of the agreement, DOUGLAS EDELMAN personally signed as a "Seller Guarantor":



**Seller Guarantor:**

By: 

Douglas Phillip Edelman,  
in his individual capacity

50. Around this same time, DOUGLAS EDELMAN, DELPHINE LE DAIN, and their co-conspirators attempted to alter records and conceal information that might link DOUGLAS EDELMAN to Mina/Red Star.

51. In October and November 2020, Individual A paid more than \$40 million to buy out DOUGLAS EDELMAN's 50% share of Mina/Red Star, which DOUGLAS EDELMAN

caused to be wired to Rosbelt bank accounts. In December 2021, DOUGLAS EDELMAN caused the filing of a U.S. tax return for 2020 claiming that his only income was earned as a consultant and omitting mention of the \$40 million payment from Individual A.

52. As a result of this scheme, between 2003 and 2020, DOUGLAS EDELMAN evaded taxes on more than \$350 million of income he made from Mina/Red Star and other businesses funded with Mina/Red Star profits.

**COUNT ONE**  
**(Conspiracy to Defraud the United States—18 U.S.C. § 371)**

53. Paragraphs 1 through 52 are incorporated here by reference.

**The Conspiracy**

54. From in or about April 2008 through in or about December 2021, in the District of Columbia and elsewhere, defendants DOUGLAS EDELMAN and DELPHINE LE DAIN did unlawfully, voluntarily, intentionally, and knowingly combine, conspire, confederate, and agree with Co-Conspirator 1, Co-Conspirator 2, Co-Conspirator 3, and Co-Conspirator 4, as well as other co-conspirators known and unknown to the Grand Jury, to defraud the United States of America by impeding, impairing, defeating, and obstructing the lawful government functions of the United States and an agency thereof, to wit, the Internal Revenue Service, in the ascertainment, evaluation, assessment, and collection of income taxes.

**Manner and Means of the Conspiracy**

55. DOUGLAS EDELMAN, DELPHINE LE DAIN, and their co-conspirators sought to accomplish the object of the conspiracy through the following manner and means, among others:

- a. Using nominees, including DELPHINE LE DAIN, other family members and business associates, entities, and trusts, to hold and conceal assets and

foreign bank accounts and receive income ultimately owned and controlled by DOUGLAS EDELMAN;

- b. Layering entities and trusts into complex holding structures to conceal the ownership of assets and foreign bank accounts ultimately owned and controlled by DOUGLAS EDELMAN;
- c. Causing DOUGLAS EDELMAN's income and funds to be deposited into bank accounts opened and held in the names of nominee entities in banks known to shield the identity of account holders from disclosure to U.S. authorities;
- d. Closing accounts and moving funds to avoid DOUGLAS EDELMAN's name being disclosed to U.S. authorities in connection with a foreign bank account;
- e. Submitting false Know Your Customer ("KYC") information to foreign banks to conceal the owner of the businesses holding the accounts, and the source of the funds in the accounts;
- f. Making and causing to be made false statements to the U.S. government about the creation and ownership of Mina/Red Star and the identity of the persons receiving profits from the business, specifically:
  - i. Making and causing others to make false statements to a U.S. Congressional subcommittee during a 2010 investigation into the Department of Defense's contracts with Mina/Red Star;
  - ii. Making and causing others to make false statements to the Department of Defense during solicitations for contracts, contract

- negotiations, and servicing of contracts to provide jet fuel to U.S. troops;
- iii. Making and causing others to make false statements to the IRS during the submission of an application to the IRS OVDP in 2016, including false individual income tax returns for tax years 2007 to 2014; and
  - iv. Making and causing others to make false statements to an IRS agent and prosecutors from the Department of Justice during a 2018 presentation;
- g. Causing the preparation and filing of false tax returns and FBARs, specifically:
- i. False and fraudulent U.S. individual income tax returns for DOUGLAS EDELMAN for tax years 2015 to 2020; and
  - ii. False FBARs with the U.S. Department of Treasury and IRS for 2007-2012;
- h. Providing false information to attorneys, advisors, and tax preparers about DOUGLAS EDELMAN and DELPHINE LE DAIN, and their respective financial history, income, assets, foreign bank accounts, and relationship to Mina/Red Star; and
- i. Causing the creation of false, backdated, or otherwise misleading documents and records regarding DOUGLAS EDELMAN and DELPHINE LE DAIN's entities, financial transactions, and source of wealth.

Overt Acts

56. In furtherance of the conspiracy, and to effect the illegal object thereof, defendants DOUGLAS EDELMAN and DELPHINE LE DAIN, and their co-conspirators, committed and caused to be committed the following overt acts in the District of Columbia and elsewhere:

- a. On December 8, 2008, to avoid DOUGLAS EDELMAN's connection to Credit Suisse accounts being disclosed to U.S. authorities, DOUGLAS EDELMAN and Co-Conspirator 1 directed Credit Suisse to close the Aspen Wind and Bartol accounts and move the funds to the Sunage Foundation account at Bank Julius Baer (Singapore), where DOUGLAS EDELMAN was a signatory;
- b. Between December 29, 2009, and April 10, 2010, DOUGLAS EDELMAN instructed Co-Conspirator 1 to purchase a £27 million (approximately \$43 million) townhome in London's Kensington neighborhood in the name of Beta Ventures, a nominee entity;



- c. In April or May 2010, after the Congressional Subcommittee investigating Mina/Red Star's contracts with the Department of Defense asked about Mina/Red Star's ownership, DOUGLAS EDELMAN instructed Mina/Red Star's attorney, Attorney 1, to tell the Subcommittee that Mina/Red Star would stop servicing contracts to provide fuel to U.S. troops rather than disclose the identity of the company's owners;
- d. On May 10, 2010, DOUGLAS EDELMAN emailed Co-Conspirator 1 and instructed him to remove DOUGLAS EDELMAN's name from Mina/Red Star corporate documents:

<b>From:</b>	Douglas E <douglas@minacorp.com>
<b>To:</b>	[REDACTED]
<b>Sent:</b>	5/10/2010 12:50:19 PM
<b>Subject:</b>	Re: Mina Corp Ltd., Our Ref: 8433

[REDACTED]  
basically i want and need my name OFF of everything...

- e. In July 2010, at DOUGLAS EDELMAN's instruction, Co-Conspirator 1 requested the creation of backdated shareholding agreements and nominee agreements to falsely show DELPHINE LE DAIN as the 50% owner of Mina/Red Star;
- f. On July 18, 2010, DOUGLAS EDELMAN told Attorneys 2 and 3—retained to represent him in the Congressional investigation—the false story that DELPHINE LE DAIN had created and financed Mina/Red Star and was the 50% owner of Mina/Red Star, along with Individual A, from



the formation of the companies. DOUGLAS EDELMAN falsely told Attorneys 2 and 3, among other things, that:

- i. “Then 9/11. . . . As time went by the US Govt opened an open tender [at Manas] for new fuel suppliers. As my wife (prior to being my wife) had been a shareholder in an aviation fuel company (she was the primary investor) and it had a few employees it made sense to bid on this new US Govt contract . . . . A partnership was established between [Individual A] and [DELPHINE LE DAIN], a French citizen.”;
  - ii. “By the way, all initial seed capital needed was invested by [DELPHINE LE DAIN].”;
- g. On July 18, 2010, DOUGLAS EDELMAN provided additional false and fraudulent written assertions to Attorneys 2 and 3, including that DELPHINE LE DAIN funded and owned Mina/Red Star from the start, and DOUGLAS EDELMAN never received money from Mina/Red Star;
- h. On July 19, 2010, DOUGLAS EDELMAN caused Attorneys 2 and 3 to proffer falsely to Subcommittee staff that DOUGLAS EDELMAN was not an owner of Mina/Red Star and had never received profits or distributions from the companies, and that DELPHINE LE DAIN was the 50% owner of Mina/Red Star;
- i. On July 23, 2010, DOUGLAS EDELMAN caused Attorney 1 to write a letter to the Subcommittee falsely asserting that the owners of Mina/Red Star were “citizens of foreign countries;”

- j. In August 2010, at an in-person meeting, DELPHINE LE DAIN falsely stated to Attorney 3 that she was the 50% owner of Mina/Red Star;
- k. On November 4 and 5, 2010, DOUGLAS EDELMAN caused a Mina/Red Star representative to certify to the DLA, falsely, that Individual A and DELPHINE LE DAIN owned the companies;
- l. On November 16, 2010, DOUGLAS EDELMAN caused a request to be sent to Bank Julius Baer (Singapore) to (1) remove his name as a signatory on the Sunage Foundation account, and (2) add Co-Conspirator 4, who used his Irish passport, rather than his U.S. passport, in the identification documents presented to the bank;
- m. In April 2011, acting on DOUGLAS EDELMAN's instructions, Co-Conspirator 1 caused the formation of a nominee entity called "Little Ajax," which was used to purchase a ski chalet in Austria. At DOUGLAS EDELMAN's direction, Co-Conspirator 1 transferred approximately \$955,000 from the Sunage Foundation account as a down payment. DOUGLAS EDELMAN used one of DELPHINE LE DAIN's French relatives as a nominee for his portion of the chalet;



- n. On November 28, 2011, in response to a request from the DLA seeking information about the ownership of Mina/Red Star during solicitation for a contract worth more than \$630 million, DOUGLAS EDELMAN and Co-Conspirator 1 caused a Mina/Red Star official to falsely represent that other than Individual A, DELPHINE LE DAIN, and DELPHINE LE DAIN's children, no other person benefitted directly or indirectly from Mina/Red Star;
- o. On February 29, 2012, DELPHINE LE DAIN signed a sworn affidavit in which she falsely stated that she had set up Mina/Red Star with a partner and was the 50% beneficial owner from the start;
- p. In September 2013, DOUGLAS EDELMAN caused Co-Conspirator 1 to transfer funds from the Sunage Foundation bank account at Bank Julius Baer (Singapore) to purchase approximately \$500,000 of shares in a then-privately held U.S. technology company;
- q. On April 15, 2014, DOUGLAS EDELMAN caused a Swiss attorney to ask BNP Paribas (Suisse) to remove Mina/Red Star accounts from information being disclosed to the Department of Justice, by falsely representing to BNP Paribas (Suisse) that Mina/Red Star was owned by Individual A and the Sunage Foundation, the founder of which was DELPHINE LE DAIN;
- r. In May and June 2014, DOUGLAS EDELMAN caused the Sunage Foundation and SSSL accounts at Bank Julius Baer (Singapore) to be

closed, and the money to be transferred to newly established accounts at Mirabaud (Middle East) held in the names of SSSL and Rosbelt;

- s. In July 2014, DOUGLAS EDELMAN caused Co-Conspirator 4 to negotiate terms and caused Co-Conspirator 1 to transfer €790,000 (approximately \$1,074,000) from an SSSL account at Mirabaud (Middle East), which had been funded primarily with Mina/Red Star distributions from the Sunage Foundation accounts, for the purchase a 63-ton, 70-foot pleasure yacht called “Divinity.” DOUGLAS EDELMAN used SSSL as a nominee for the purchase of the yacht;



- t. In March 2015, DOUGLAS EDELMAN caused Co-Conspirator 4 to negotiate terms and Co-Conspirator 1 to transfer €325,000 (approximately \$347,587) from an SSSL account at Mirabaud (Middle East), which had

been funded primarily with Mina/Red Star distributions from the Sunage Foundation accounts, to purchase a yacht called “Princess Juliet.”

DOUGLAS EDELMAN used SSSL as a nominee for the purchase of the yacht;



- u. On July 16, 2015, DOUGLAS EDELMAN caused Co-Conspirator 2 to meet with Attorney 4 and several tax return preparers about DOUGLAS EDELMAN’s U.S. tax obligations and falsely tell them that the 50% share in Mina/Red Star, and all the resulting profits, belonged to DELPHINE LE DAIN;
- v. On July 31, 2015, DOUGLAS EDELMAN caused Co-Conspirator 1 and Co-Conspirator 2 to meet with Attorneys 4 and 5 to provide false documents and information supporting the false story that DELPHINE LE DAIN—not DOUGLAS EDELMAN—was the 50% owner of Mina/Red Star from the beginning;

- w. In October 2015, Co-Conspirator 2 called Attorney 4 at his office in Washington, D.C. to relay the false story that DELPHINE LE DAIN's purported seed investment in the jet fuel business that became Mina/Red Star was made before September 11, 2001;
- x. In November 2015, DOUGLAS EDELMAN caused Attorney 4 to submit, from his office in Washington, D.C., a false OVDP Preclearance Request to the IRS, which falsely asserted that DOUGLAS EDELMAN had interests in only one foreign bank account, and was merely an advisor to entities owned by his non-U.S. spouse (DELPHINE LE DAIN);
- y. In March 15, 2016, DOUGLAS EDELMAN caused Attorney 4 to submit, from Attorney 4's office in Washington, D.C., a false application letter to the IRS OVDP—signed by DELPHINE LE DAIN and DOUGLAS EDELMAN under penalty of perjury—and falsely asserting that DOUGLAS EDELMAN received less than \$1 million in income in each of the years 2007 to 2014, and had only one non-U.S. bank account in any of those years;
- z. On March 18, 2016, representatives of DOUGLAS EDELMAN opened accounts for several of DOUGLAS EDELMAN's entities, including Rosbelt, at Bank J. Safra Sarasin, a Swiss bank. Co-Conspirator 1 and others provided "Know Your Customer" information to the bank falsely asserting that the source of the wealth in the accounts was from DELPHINE LE DAIN's "seed investment" in Central Asia;

- aa. On April 13, 2016, Co-Conspirator 1 sent an email to Attorneys 4 and 5, and to DOUGLAS EDELMAN's tax preparers, including an attachment summarizing the amount of money DOUGLAS EDELMAN sent to his U.S. family members in 2008, which was false in that it did not include the \$580,000 DOUGLAS EDELMAN had sent to a family member in October 2008 from the Bartol account at Credit Suisse;
- bb. In June 2016, DELPHINE LE DAIN signed, and Co-Conspirator 3 signed as a witness, a deed of gift for \$4 million, falsely purporting to be a gift from DELPHINE LE DAIN to DOUGLAS EDELMAN for the payment of DOUGLAS EDELMAN's U.S. tax liabilities;
- cc. In September 2016, DELPHINE LE DAIN signed a declaration falsely stating that she was the sole owner of one of the entities involved in the Mexican fuel infrastructure project;
- dd. On October 3, 2016, DOUGLAS EDELMAN caused the filing of false FBARs to the Department of Treasury, falsely reporting that DOUGLAS EDELMAN had financial interest in and signatory authority over only one foreign bank account in years 2007 to 2012;
- ee. On October 4, 2016, DOUGLAS EDELMAN caused Attorney 4 to submit to the IRS, from his office in Washington, D.C., a false OVDP submission, which included false Forms 1040 for years 2007 to 2014, significantly underreporting DOUGLAS EDELMAN's taxable income in each of those years and falsely reporting that DOUGLAS EDELMAN had

no interest in the companies or entities purportedly owned by his non-U.S. spouse (DELPHINE LE DAIN);

- ff. On October 20, 2016, DOUGLAS EDELMAN caused the filing of a false Form 1040 for tax year 2015, which was false in that it reported only \$791,712 of income DOUGLAS EDELMAN earned, purportedly as a consultant, and reported that DOUGLAS EDELMAN had no interest in or signatory authority over a foreign financial account with a balance over \$10,000;
- gg. On February 1, 2017, responding to a question from Bank J. Safra Sarasin about who owned the money in accounts at the bank, Co-Conspirator 2 falsely represented that DELPHINE LE DAIN was the sole beneficial owner of Rosbelt and the related entities, and that DOUGLAS EDELMAN had no legal entitlement to the funds in the accounts;
- hh. In June 2017, DELPHINE LE DAIN signed a “deed of gift” falsely purporting to gift \$200,000 from DELPHINE LE DAIN to DOUGLAS EDELMAN for the payment of DOUGLAS EDELMAN’s U.S. tax liabilities;
- ii. On July 13, 2017, Co-Conspirator 4 sent a fake bill purporting to be for consulting fees to Ifone-Neda’s bookkeeper, requested that a dividend be issued from Ifone-Neda, and directed that \$945,000 representing DOUGLAS EDELMAN’s share of the dividend be wired to an SSSL account at Mirabaud (Middle East);



- jj. On July 20, 2017, DOUGLAS EDELMAN caused the filing of a false Form 1040 for tax year 2016, which was false in that it reported only \$797,558 of income DOUGLAS EDELMAN earned, purportedly as a consultant, and reported that DOUGLAS EDELMAN had no interest in or signatory authority over a foreign financial account with a balance over \$10,000;
- kk. In January 2018, DOUGLAS EDELMAN caused Co-Conspirator 1 and Co-Conspirator 2 to falsely tell Attorneys 2, 4, and 5 that DOUGLAS EDELMAN had no interests in foreign bank accounts or foreign entities;
- ll. On March 19, 2018, DOUGLAS EDELMAN caused Attorneys 2, 4, and 5 to make a presentation at a Department of Justice office in Washington, D.C., to federal prosecutors and a law enforcement agent from the IRS, on DOUGLAS EDELMAN's behalf, which was false in that it claimed that:
  - i. DOUGLAS EDELMAN was merely a consultant for foreign entities in which he never had an ownership interest;
  - ii. in tax years 2007 to 2014, DOUGLAS EDELMAN received between \$100,000 to \$1,000,000 of unreported income in each year; and
  - iii. in tax years 2007 to 2012, DOUGLAS EDELMAN was the beneficial owner of only one foreign financial account, at British Bank 1;
- mm. On April 10, 2018, Co-Conspirator 1 sent a tax organizer to Attorneys 4 and 5, as well as DOUGLAS EDELMAN's tax preparers,

falsely reporting that in 2017, DOUGLAS EDELMAN had no interests in foreign businesses and received no distributions from Mina/Red Star or any other company;

- nn. On June 13, 2018, DOUGLAS EDELMAN caused the filing of a false Form 1040 for tax year 2017, which was false in that it reported only \$745,783 of DOUGLAS EDELMAN's income, which he reported earning, purportedly as a consultant, and reported that DOUGLAS EDELMAN had no interest in or signatory authority over a foreign financial account with a balance over \$10,000;
- oo. In June 2019, DELPHINE LE DAIN signed a "deed of gift" falsely purporting to gift \$75,000 from DELPHINE LE DAIN to DOUGLAS EDELMAN for the payment of DOUGLAS EDELMAN's U.S. tax liabilities;
- pp. On June 24, 2019, Co-Conspirator 2 submitted false information to an investment partner in DOUGLAS EDELMAN's Mexican fuel infrastructure project, asserting that DELPHINE LE DAIN was the owner of the entities making the investment and that the funds came from DELPHINE LE DAIN's other investments;
- qq. On October 8, 2019, DOUGLAS EDELMAN caused the filing of a false Form 1040 for tax year 2018, which was false in that it reported only \$851,987 of income DOUGLAS EDELMAN earned, purportedly as a consultant, and reported that DOUGLAS EDELMAN had no interest in or

- signatory authority over a foreign financial account with a balance over \$10,000;
- rr. In March 2020, DELPHINE LE DAIN signed a “deed of gift” falsely purporting to gift \$60,000 from DELPHINE LE DAIN to DOUGLAS EDELMAN for the payment of DOUGLAS EDELMAN’s U.S. tax liabilities and professional fees;
- ss. In May 2020, DELPHINE LE DAIN contacted a close associate of Individual A and asked her to persuade Individual A not to disclose the truth about the ownership of Mina/Red Star;
- tt. In June 2020, Co-Conspirator 3 contacted a Gibraltar corporate services business to ask that the public registration information for Mina Corp. and Red Star Enterprises be changed to reflect, falsely, that the 50% owner of the companies was DELPHINE LE DAIN, not DOUGLAS EDELMAN;
- uu. On October 14, 2020, DOUGLAS EDELMAN caused the filing of a false Form 1040 for tax year 2019, which was false in that it reported only \$726,136 of income DOUGLAS EDELMAN earned, purportedly as a consultant, and reported that DOUGLAS EDELMAN had no interest in or signatory authority over a foreign financial account with a balance over \$10,000;
- vv. In November 2020, when search warrants were executed in the United Kingdom at DOUGLAS EDELMAN and DELPHINE LE DAIN’s residence, as well as Co-Conspirator 1’s residence, Co-Conspirator 1 falsely told law enforcement agents that he worked for DELPHINE LE

DAIN, and that she had put up the initial investment for Mina/Red Star and grown wealthy from her investment;

ww. On December 28, 2021, DOUGLAS EDELMAN caused the filing of a false Form 1040 for tax year 2020, which was false in that it reported only \$455,508 of income DOUGLAS EDELMAN earned, purportedly as a consultant, but made no mention of the \$40 million DOUGLAS EDELMAN received from Individual A for his 50% share in Mina/Red Star; and reported that DOUGLAS EDELMAN had no interest in or signatory authority over a foreign financial account with a balance over \$10,000.

(In violation of Title 18, United States Code, Section 371)

**COUNT TWO**

**(False Statements to the Executive Branch, Internal Revenue Service—18 U.S.C. § 1001)**

57. Paragraphs 1 through 52, and 56 are incorporated here by reference.

58. On or about October 4, 2016, defendant DOUGLAS EDELMAN willfully made and knowingly made and caused to be made materially false, fictitious, and fraudulent statements and representations in a matter within the jurisdiction of the executive branch of the Government of the United States by falsely stating, in a submission to the Internal Revenue Service with respect to its Offshore Voluntary Disclosure Program, that (a) in tax years 2007 to 2014, he had no reportable interest in companies owned by his non-U.S. spouse, (b) made less than \$1 million in each year, and (c) had a reportable interest in only one foreign bank account in any of those years.

(In violation of Title 18, United States Code, Sections 1001, 2)

**COUNT THREE**

**(False Statements to the Executive Branch, Department of Justice—18 U.S.C. § 1001)**

59. Paragraphs 1 through 52, and 56 are incorporated here by reference.

60. On or about March 19, 2018, defendant DOUGLAS EDELMAN willfully made and knowingly made and caused to be made materially false, fictitious, and fraudulent statements and representations in a matter within the jurisdiction of the executive branch of the Government of the United States by falsely causing his attorneys to state, in a presentation to federal prosecutors from the Department of Justice and an agent from the Internal Revenue Service – Criminal Investigation, that (a) DELPHINE LE DAIN—not DOUGLAS EDELMAN—formed a partnership with Individual A to create the business that became Mina/Red Star; (b) DOUGLAS EDELMAN was merely a consultant for Mina/Red Star; (c) DOUGLAS EDELMAN’s only income each year was occasional payments and fees, as well as gifts from DELPHINE LE DAIN, totalling less than \$1 million in each year.

(In violation of Title 18, United States Code, Sections 1001, 2)

**COUNT FOUR**

**(Tax Evasion 2006—26 U.S.C. § 7201)**

61. Paragraphs 1 through 52, and 56 are incorporated here by reference.

62. During the calendar year 2006 DOUGLAS EDELMAN received taxable income on which there was income tax due and owing to the United States. Knowing the foregoing facts and failing to make an income tax return on or before June 15, 2007, as required by law, to any proper office of the IRS, and failing to pay the income tax to the IRS, defendants DOUGLAS EDELMAN and DELPHINE LE DAIN, from on or about January 2006 through in or about at least May 2020, in the District of Columbia and elsewhere, willfully attempted to evade and

defeat income taxes due and owing by DOUGLAS EDELMAN to the United States by committing and causing to be committed the following affirmative acts, among others:

- a. Making and causing false statements to be made to U.S. authorities about the ownership of Mina/Red Star;
- b. Using nominees, including DELPHINE LE DAIN, to conceal DOUGLAS EDELMAN's income and assets;
- c. Creating and signing false documents about DELPHINE LE DAIN's relationship to Mina/Red Star, and DOUGLAS EDELMAN's income and assets;
- d. Causing DOUGLAS EDELMAN's income and funds to be deposited into bank accounts opened and held in the name of various nominee entities in banks known to shield the identity of account holders from disclosure;
- e. Closing accounts and moving funds to avoid DOUGLAS EDELMAN's name being disclosed to U.S. authorities as having a connection to a foreign bank account;
- f. Providing false information to banks, attorneys, and tax return preparers about DOUGLAS EDELMAN and DELPHINE LE DAIN's income, assets, and financial accounts, and DELPHINE LE DAIN's purported founding and ownership of Mina/Red Star;
- g. Attempting to influence others to prevent them from disclosing DOUGLAS EDELMAN's ownership of Mina/Red Star to U.S. authorities.

(In violation of Title 26, United States Code, Sections 7201;  
Title 18, United States Code, Section 2)

**COUNTS FIVE - EIGHTEEN**  
**(Tax Evasion 2007 to 2020—26 U.S.C. § 7201)**

63. Paragraphs 1 through 52, and 56 are incorporated here by reference.

64. Beginning on January 1, 2007, through on or about December 28, 2021, and on the dates listed below related to each tax year, in the District of Columbia and elsewhere, defendants DOUGLAS EDELMAN and DELPHINE LE DAIN willfully attempted to evade and defeat income taxes due and owing by DOUGLAS EDELMAN to the United States of America, for each of the calendar years listed below, by committing and causing to be committed affirmative acts of evasion for each year listed below, including:

- a. Making and causing false statements to be made to U.S. authorities about the ownership of Mina/Red Star;
- b. Using nominees, including DELPHINE LE DAIN, to conceal DOUGLAS EDELMAN's income and assets;
- c. Creating and signing false documents about DELPHINE LE DAIN's relationship to Mina/Red Star, and DOUGLAS EDELMAN's income and assets;
- d. Causing DOUGLAS EDELMAN's income and funds to be deposited into bank accounts opened and held in the name of various nominee entities in banks known to shield the identity of account holders from disclosure;
- e. Closing accounts and moving funds to avoid DOUGLAS EDELMAN's name being disclosed to U.S. authorities as having a connection to a foreign bank account;
- f. Providing false information to banks, attorneys, and tax return preparers about DOUGLAS EDELMAN and DELPHINE LE DAIN's income,

assets, and financial accounts, and DELPHINE LE DAIN's purported founding and ownership of Mina/Red Star;

- g. Attempting to influence others to prevent them from disclosing DOUGLAS EDELMAN's ownership of Mina/Red Star to U.S. authorities;
- h. Preparing and filing false documents with the IRS relating to DOUGLAS EDELMAN's attempted participation in the IRS's Offshore Voluntary Disclosure Program; and
- i. Preparing and causing to be prepared, and signing and causing to be signed, and filing and causing to be filed with the IRS a false and fraudulent Form 1040, U.S. Individual Income Tax Return ("Form 1040"), for each tax year:

COUNT	TAX YEAR	RETURN	APPROX. FILING DATE
5	2007	Form 1040	10/4/2016
6	2008	Form 1040	10/4/2016
7	2009	Form 1040	10/4/2016
8	2010	Form 1040	10/4/2016
9	2011	Form 1040	10/4/2016
10	2012	Form 1040	10/4/2016
11	2013	Form 1040	10/4/2016
12	2014	Form 1040	10/4/2016
13	2015	Form 1040	10/20/2016
14	2016	Form 1040	07/20/2017
15	2017	Form 1040	06/13/2018
16	2018	Form 1040	10/08/2019
17	2019	Form 1040	10/14/2020
18	2020	Form 1040	12/28/2021

(In violation of Title 26, United States Code, Sections 7201;  
Title 18, United States Code, Section 2)



**COUNTS NINETEEN - TWENTY-FOUR**

**(Willfully Filing False FBARs for 2007-2012—31 U.S.C. §§ 5314 and 5322(b); C.F.R. 31 C.F.R. §§ 1010.350, 1010.306(c)-(d), and 1010.840(b))**

65. Paragraphs 1 through 52, and 56 are incorporated here by reference.

66. On or about the dates set forth below, in the District of Columbia and elsewhere, while violating another law of the United States and as part of a pattern of any illegal activity involving more than \$100,000 in a 12-month period, to wit, conspiracy to defraud the United States, in violation of 18 U.S.C. § 371, and tax evasion, in violation of 26 U.S.C. § 7201, defendant DOUGLAS EDELMAN did unlawfully, willfully, and knowingly file and cause to be filed with the U.S. Department of Treasury, false and fraudulent Reports of Foreign Bank and Financial Accounts, which were false and fraudulent in that they reported that he had only one financial interest in, and signatory and other authority over a bank, securities, and financial account at United Kingdom Bank 1, when in fact DOUGLAS EDELMAN knew that he had other financial interests in, and signatory and other authority over bank, securities, and financial accounts, each of which had an aggregate value of more than \$10,000 at any time during the years listed below, that were not disclosed:

COUNT	YEAR	APPROX. FBAR FILING DATE	ACCOUNT(S) NOT DISCLOSED (ACCOUNT ENDING)
19	2007	10/3/2016	Credit Suisse: #97-52, #76-32, #94-52 BNP Paribas (Suisse): #3822, #3815, #3954, #3955
20	2008	10/3/2016	Credit Suisse: #97 52, #76-32, #94-52; BNP Paribas (Suisse): #3822, #3815, #3954, #3955
21	2009	10/3/2016	BNP Paribas (Suisse): #3822, #3815, #3954, #3955 Bank Julius Baer (Singapore): #0927
22	2010	10/3/2016	BNP Paribas (Suisse): #3822, #3815, #3954, #3955; Bank Julius Baer (Singapore): #0927, #0400
23	2011	10/3/2016	BNP Paribas (Suisse): #3954, #3955; Bank Julius Baer (Singapore): #0927, #0400
24	2012	10/3/2016	BNP Paribas (Suisse): #3954, #3955; Bank Julius Baer (Singapore): #0927, #0400

(In violation of Title 31, United States Code, Sections 5314 and 5322(b); Code of Federal Regulations 1010.350, 1010.306(c)-(d), and 1010.840(b); Title 18, United States Code, Section 2)

**COUNTS TWENTY-FIVE - THIRTY**

**(Willful Failure to file FBARs for 2015-2020—31 U.S.C. §§ 5314 and 5322(b); C.F.R. 31 C.F.R. §§ 1010.350, 1010.306(c)-(d), and 1010.840(b))**

67. Paragraphs 1 through 52, and 56 are incorporated here by reference.

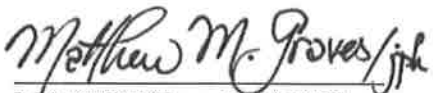
68. On or about the dates set forth below, in the District of Columbia and elsewhere, while violating another law of the United States and as part of a pattern of any illegal activity involving more than \$100,000 in a 12-month period, to wit, conspiracy to defraud the United States, in violation of 18 U.S.C. § 371, and tax evasion, in violation of 26 U.S.C. § 7201, defendant DOUGLAS EDELMAN did unlawfully, willfully, and knowingly violate his obligation to file with the U.S. Department of Treasury Reports of Foreign Bank and Financial Accounts disclosing that he had a financial interest in, and signature and other authority over, a bank, securities, and financial account in a foreign country, which had an aggregate value in excess of \$10,000 during the years listed below:

COUNT	YEAR	APPROX. FBAR DUE DATE	ACCOUNT(S) FOR WHICH NO FBAR WAS FILED (ACCOUNT ENDING)
25	2015	06/30/2016	CBH (Bahamas): #8025, #8027 Mirabaud (ME): #0869, #0972
26	2016	04/15/2017	CBH (Bahamas): #8025, #8027 Mirabaud (ME): #0869, #0972 Bank J. Safra Sarasin: #4560, #4577
27	2017	04/15/2018	CBH (Bahamas): #8025, #8027 Mirabaud (ME): #0869, #0972 Bank J. Safra Sarasin: #4560, #4577
28	2018	04/15/2019	CBH (Bahamas): #8025, #8027 Mirabaud (ME): #0869, #0972 Bank J. Safra Sarasin: #4560, #4577
29	2019	04/15/2020	CBH (Bahamas): #8025, #8027 Mirabaud (ME): #0869, #0972 Bank J. Safra Sarasin: #4560, #4577
30	2020	04/15/2021	Mirabaud (ME): #0869, #0972 Bank J. Safra Sarasin: #4560, #4577

(In violation of Title 31, United States Code, Sections 5314 and 5322(b); Code of Federal Regulations 1010.350, 1010.306(c)-(d), and 1010.840(b); Title 18, United States Code, Section 2)

A TRUE BILL

\_\_\_\_\_  
Grand Jury Foreperson

By   
MATTHEW M. GRAVES  
UNITED STATES ATTORNEY IN AND FOR  
THE DISTRICT OF COLUMBIA

  
STUART GOLDBERG  
ACTING DEPUTY ASSISTANT ATTORNEY GENERAL, TAX DIVISION  
U.S. DEPARTMENT OF JUSTICE