

SECOND JUDICIAL DISTRICT COURT  
COUNTY OF BERNALILLO  
STATE OF NEW MEXICO

FILED  
SECOND JUDICIAL DISTRICT

2005 JUN 19 AM 10:46

No. CR 200902947  
AGO#:747-037PC

*Juanita M. Brown*

STATE OF NEW MEXICO,

Plaintiff,

vs.

CHARLES W. BROWN

VINCENT "SMILEY" GALLEGOS,

Defendant.

**CRIMES CHARGED**

FRAUD (OVER \$20,000), OR, IN THE ALTERNATIVE,  
EMBEZZLEMENT (OVER \$20,000); FRAUDULENT PRACTICES,  
SALE OF SECURITIES; MONEY LAUNDERING (OVER \$100,000) (4  
COUNTS); CONSPIRACY.

**GRAND JURY INDICTMENT**

THE GRAND JURY CHARGES:

COUNT 1.: FRAUD (OVER \$20,000).

That on or about December 16, 2004, in New Mexico, the above-named defendant did intentionally misappropriate or take money in excess of \$20,000 belonging to the State of New Mexico and/or the Bank of Albuquerque and/or another, by means of fraudulent conduct, practices or representations, contrary to §§30-16-6 and 30-1-13, NMSA 1978.

ALTERNATIVE TO COUNT 1: EMBEZZLEMENT (OVER \$20,000)

That on or between December 16, 2004 and January 11, 2005, in New Mexico, the above-named defendant did embezzle or convert to defendant's own purpose \$300,000.00, which belonged to the State of New Mexico and/or the Bank of Albuquerque and/or another, and with which defendant had been entrusted, with fraudulent intent at the time of conversion to deprive the owner of the property,

contrary to §§30-16-8 and 30-1-13, NMSA 1978.

**COUNT 2.: FRAUDULENT PRACTICES, SALE OF SECURITIES**

That on or between November, 2004 and January, 2005, in New Mexico, the above-named defendant offered to sell or sold a security; in connection with the offer to sell or sale, defendant purposely and directly or indirectly used a plan or scheme to deceive or cheat others; OR made an untrue statement of fact that under the circumstances would have been important or significant to the investment decision of a reasonable person; OR omitted a fact that under the circumstances would have been misleading to the investment decision of a reasonable person; OR engaged in an act, practice or course of business which would cheat or operate as a fraud or deceit upon a reasonable person, contrary to §§58-13B-30 and 30-1-13, NMSA 1978.

**COUNT 3.: MONEY LAUNDERING (OVER \$100,000)**

That on or about December 22, 2004, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: a wire transfer of funds in the amount of \$300,000 from the Bank of Oklahoma into First State Bank account #1924710, which wire transfer involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), knowing that the financial transaction was designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that while conducting or participating in such financial transaction, knew that the property involved in the financial transaction represented the proceeds of the specified unlawful activity, contrary to §§30-51-4 and 30-1-13, NMSA 1978.

**COUNT 4.: MONEY LAUNDERING (OVER \$100,000)**

That on or about January 10, 2005, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: transferring, delivering, or depositing check #4406, payable to Housing Enterprises, Inc., drawn on First State Bank account #1924710 and in the amount of \$300,000.00, into First State Bank account #1924842, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), knowing that the financial



COUNT 7.: CONSPIRACY TO COMMIT FRAUD (OVER \$20,000), OR, IN THE ALTERNATIVE, EMBEZZLEMENT (OVER \$20,000); FRAUDULENT PRACTICES, SALE OF SECURITIES; MONEY LAUNDERING (OVER \$100,000)

That on or between November, 2004 and August, 2006, in New Mexico, the above named defendant and another, by words or acts agreed together to commit: fraud (over \$20,000) (or, in the alternative embezzlement (over \$20,000)), and/or fraudulent practices, sale of securities, and/or money laundering (over \$100,000)

and they intended to commit fraud (over \$20,000) (or, in the alternative embezzlement (over \$20,000)), and/or fraudulent practices, sale of securities, and/or money laundering (over \$100,000)

contrary to §§30-28-2, 30-16-6, 30-16-8, §58-13B-30, and 30-51-4, NMSA 1978.

The names of the witnesses upon whose testimony this Indictment is based are as follows:

Michael Valdez  
Richard Gomez  
Stan Gloria  
Robert Jacksha  
Donald Fennema  
Bryan Otero  
Georgie Ortiz  
Jim Raia  
Lawrence Rael  
Dewey Cave  
Dan Rudolph  
Delores Molina  
J. Morrow Hall  
U. Chan Kim  
Jack Emmons  
Dennis Kennedy

I hereby certify that the foregoing Indictment is a True Bill.

Christina Ouzel  
Foreperson

6-8-09  
Date

APPROVED:

[Signature]  
Assistant Attorney General

CASE INFORMATION

AGO FILE#: 747-037PC  
MAG.CT.#: CR  
LEA/RPT#:  
AAG: ANN BADWAY  
CHRIS LACKMANN

DOB: 11/15/1952  
SS#: [REDACTED]  
4605 Sam Bratton  
Albuquerque, NM 87114  
Height: 5'07"  
Weight: 210  
Race: Hispanic  
Eye: BRO  
Hair: BRO  
DEF.ATTY: Paul Kennedy

ARR.# & Date:

PENALTIES

COUNTS 1, 3, 4, 5, & 6, 2<sup>nd</sup> DEGREE FELONY  
COUNTS 2 & 7, 3<sup>rd</sup> DEGREE FELONY

4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

3rd Degree Felony: Basic sentence of 3 years but not less than 2 years nor more than 4 years imprisonment and not more than \$5,000 fine.

2nd Degree Felony: Basic sentence of 9 years but not less than 6 years nor more than 12 years imprisonment and not more than \$10,000 fine.

1st Degree Felony: Basic sentence of 18 years but not less than 12 years nor more than 24 years imprisonment and not more than \$15,000 fine.

USE OF FIREARM ALTERATION TO BASIC SENTENCE: Basic sentence of imprisonment increased by 1 year for first offense in which a firearm is used and 3 years for subsequent offenses in which a firearm is used.

Special Penalty: (Fraud By Worthless Check) One (1) year imprisonment and/or \$1000 fine.

Special Penalty: (Receiving or Transferring a Stolen Vehicle (Possession) only) Basic sentence of one year and/or \$5,000 fine.

Misdemeanor: Less than 1 year in the County Jail and/or not more than \$1,000 fine.

Petty Misdemeanor: Not more than 6 months in the County Jail and/or not more than \$500 fine.

Penalty for Driving While Under the Influence, Felony Offense (4th or Subsequent Offense): Basic sentence of 18 months and not more than \$5,000 fine, including a mandatory jail term of not less than 6 months.

Penalty for Driving While License Suspended or Revoked: Traffic Code Misdemeanor, Special Penalty: not less than 4 days nor more than 364 days and fine up to \$1,000 (non-DWI related suspension/revocation); or not less than 7 consecutive days imprisonment and mandatory fine not less than \$300 nor more than \$1,000 (DWI revocation).

Penalty for Traffic Code Misdemeanor: fine of not more than \$300 or imprisonment for not more than 90 days or both.

Penalty Assessment Misdemeanor: See Schedule in Traffic Code, Section 66-8-116.

2nd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

3rd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

OPEN CHARGE OF MURDER

Penalty for FIRST DEGREE MURDER (Willful and Deliberate) or (Depraved Mind)

CAPITAL FELONY: Death or Life Imprisonment

SECOND DEGREE MURDER: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

VOLUNTARY MANSLAUGHTER: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

INVOLUNTARY MANSLAUGHTER: 4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

Penalty for FIRST DEGREE MURDER (Felony Murder):

CAPITAL FELONY: Death or Life Imprisonment

2009 JUN 19 AM 10:46

SECOND JUDICIAL DISTRICT COURT  
COUNTY OF BERNALILLO  
STATE OF NEW MEXICO

No. CR 2009 0 2 9 4 8  
AGO#: 747-037PC

*Juanita McLean*

STATE OF NEW MEXICO,

Plaintiff,

vs.

DENNIS M. KENNEDY,

Defendant.

CHARLES W. BROWN

**CRIMES CHARGED**

FRAUD (OVER \$20,000), OR, IN THE ALTERNATIVE,  
EMBEZZLEMENT (OVER \$20,000); FRAUDULENT PRACTICES,  
SALE OF SECURITIES; MONEY LAUNDERING (OVER \$100,000) (4  
COUNTS); CONSPIRACY.

**GRAND JURY INDICTMENT**

THE GRAND JURY CHARGES:

COUNT 1.: FRAUD (OVER \$20,000).

That on or about December 16, 2004, in New Mexico, the above-named defendant did intentionally misappropriate or take money in excess of \$20,000 belonging to the State of New Mexico and/or the Bank of Albuquerque and/or another, by means of fraudulent conduct, practices or representations, contrary to §§30-16-6 and 30-1-13, NMSA 1978.

ALTERNATIVE TO COUNT 1: EMBEZZLEMENT (OVER \$20,000)

That on or between December 16, 2004 and January 11, 2005, in New Mexico, the above-named defendant did embezzle or convert to defendant's own purpose \$300,000.00, which belonged to the State of New Mexico and/or the Bank of Albuquerque and/or another, and with which defendant had been entrusted, with fraudulent intent at the time of conversion to deprive the owner of the property,

contrary to §§30-16-8 and 30-1-13, NMSA 1978.

**COUNT 2.: FRAUDULENT PRACTICES, SALE OF SECURITIES**

That on or between November, 2004 and January, 2005, in New Mexico, the above-named defendant offered to sell or sold a security; in connection with the offer to sell or sale, defendant purposely and directly or indirectly used a plan or scheme to deceive or cheat others; OR made an untrue statement of fact that under the circumstances would have been important or significant to the investment decision of a reasonable person; OR omitted a fact that under the circumstances would have been misleading to the investment decision of a reasonable person; OR engaged in an act, practice or course of business which would cheat or operate as a fraud or deceit upon a reasonable person, contrary to §§58-13B-30 and 30-1-13, NMSA 1978.

**COUNT 3.: MONEY LAUNDERING (OVER \$100,000)**

That on or about December 22, 2004, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: a wire transfer of funds in the amount of \$300,000 from the Bank of Oklahoma into First State Bank account #1924710, which wire transfer involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), knowing that the financial transaction was designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that while conducting or participating in such financial transaction, knew that the property involved in the financial transaction represented the proceeds of the specified unlawful activity, contrary to §§30-51-4 and 30-1-13, NMSA 1978.

**COUNT 4.: MONEY LAUNDERING (OVER \$100,000)**

That on or about January 10, 2005, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: transferring, delivering, or depositing check #4406, payable to Housing Enterprises, Inc., drawn on First State Bank account #1924710 and in the amount of \$300,000.00, into First State Bank account #1924842, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), knowing that the financial

transaction was designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that while conducting or participating in such financial transaction, knew that the property involved in the financial transaction represented the proceeds of the specified unlawful activity, contrary to §§30-51-4 and 30-1-13, NMSA 1978.

**COUNT 5.: MONEY LAUNDERING (OVER \$100,000)**

That on or about January 10, 2005, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: purchasing First State Bank cashier's check #458381970, in the amount of \$300,000.00, with check #2180, drawn on Housing Enterprises, Inc's First State Bank account #1924842, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), knowing that the financial transaction was designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that while conducting or participating in such financial transaction, knew that the property involved in the financial transaction represented the proceeds of the specified unlawful activity, contrary to §§30-51-4 and 30-1-13, NMSA 1978.

**COUNT 6.: MONEY LAUNDERING (OVER \$100,000)**

That on or about January 13, 2005, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: delivering First State Bank cashier's check #458381970, in the amount of \$300,000.00, to U.S. Title Company, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), knowing that the financial transaction was designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that while conducting or participating in such financial transaction, knew that the property involved in the financial transaction represented the proceeds of the specified unlawful activity, contrary to §§30-51-4 and 30-1-13, NMSA 1978.



I hereby certify that the foregoing Indictment is a true Bill.

Christopher Angel  
Foreperson

6-8-09  
Date

APPROVED:

[Signature]  
Assistant Attorney General

CASE INFORMATION

AGO FILE#: 747-037PC  
MAG.CT.#: CR  
LEA/RPT#:  
AAG: ANN BADWAY  
CHRIS LACKMANN

DOB: 08/07/1951  
SS#: [REDACTED]  
Height: 5"11"  
Weight: 198  
Race: anglo  
Eye: Blue  
Hair: white  
DEF.ATTY: Erlinda O. Johnson

ARR.# & Date:

PENALTIES

COUNTS 1, 3, 4, 5, & 6, 2<sup>nd</sup> DEGREE FELONY

COUNTS 2 & 7, 3<sup>rd</sup> DEGREE FELONY

4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

3rd Degree Felony: Basic sentence of 3 years but not less than 2 years nor more than 4 years imprisonment and not more than \$5,000 fine.

2nd Degree Felony: Basic sentence of 9 years but not less than 6 years nor more than 12 years imprisonment and not more than \$10,000 fine.

1st Degree Felony: Basic sentence of 18 years but not less than 12 years nor more than 24 years imprisonment and not more than \$15,000 fine.

USE OF FIREARM ALTERATION TO BASIC SENTENCE: Basic sentence of imprisonment increased by 1 year for first offense in which a firearm is used and 3 years for subsequent offenses in which a firearm is used.

Special Penalty: (Fraud By Worthless Check) One (1) year imprisonment and/or \$1000 fine.

Special Penalty: (Receiving or Transferring a Stolen Vehicle (Possession) only) Basic sentence of one year and/or \$5,000 fine.

Misdemeanor: Less than 1 year in the County Jail and/or not more than \$1,000 fine.

Petty Misdemeanor: Not more than 6 months in the County Jail and/or not more than \$500 fine.

Penalty for Driving While Under the Influence, Felony Offense (4th or Subsequent Offense): Basic sentence of 18 months and not more than \$5,000 fine, including a mandatory jail term of not less than 6 months.

Penalty for Driving While License Suspended or Revoked: Traffic Code Misdemeanor, Special Penalty: not less than 4 days nor more than 364 days and fine up to \$1,000 (non-DWI related suspension/revocation); or not less than 7 consecutive days imprisonment and mandatory fine not less than \$300 nor more than \$1,000 (DWI revocation).

Penalty for Traffic Code Misdemeanor: fine of not more than \$300 or imprisonment for not more than 90 days or both.

Penalty Assessment Misdemeanor: See Schedule in Traffic Code, Section 66-8-116.

2nd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

3rd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

OPEN CHARGE OF MURDER

Penalty for FIRST DEGREE MURDER (Willful and Deliberate) or (Depraved Mind) CAPITAL FELONY: Death or Life Imprisonment

SECOND DEGREE MURDER: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

VOLUNTARY MANSLAUGHTER: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

INVOLUNTARY MANSLAUGHTER: 4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

Penalty for FIRST DEGREE MURDER (Felony Murder): CAPITAL FELONY: Death or Life Imprisonment

SECOND JUDICIAL DISTRICT COURT  
COUNTY OF BERNALILLO  
STATE OF NEW MEXICO

FILED  
SECOND JUDICIAL DISTRICT

2009 JUN 19 AM 10:46

No. CR 200902949  
AGO#:747-037PC

*Quantia M. Moran*

STATE OF NEW MEXICO,

Plaintiff,

vs.

CHARLES W. BROWN

DAVID N. HERNANDEZ,

Defendant.

**CRIMES CHARGED**

TAMPERING WITH EVIDENCE.

**GRAND JURY INDICTMENT**

THE GRAND JURY CHARGES:

COUNT 1.: TAMPERING WITH EVIDENCE

That on or between December, 2004 and June, 2008, in New Mexico, the above named defendant destroyed or changed or hid or fabricated or placed documents, to wit: two Invoices to Region III Housing Authority dated 1/1/05 and 2/1/05 and/or two Invoices to Housing Enterprises dated 1/1/05 and 2/1/05, and/or a Promissory Note, intending to prevent the apprehension, prosecution, or conviction of a person (which may include the defendant), contrary to §§30-22-5, NMSA 1978.

The names of the witnesses upon whose testimony this Indictment is based are as follows:

Michael Valdez  
Richard Gomez  
Stan Gloria  
Robert Jacksha  
Donald Fennema

Bryan Otero  
Georgiã Ortiz  
Jim Raia  
Lawrence Rael  
Dewey Cave

Dan Rudolph  
Delores Molina  
J. Morrow Hall  
U. Chan Kim  
Jack Emmons  
Dennis Kennedy



CASE INFORMATION

AGO FILE#: 747-037PC  
MAG.CT.#: CR  
LEA/RPT#:  
AAG: CHRIS LACKMANN

DOB: 11/05/1954  
SS#: [REDACTED]  
Height: 5'8"  
Weight: 185  
Race: Hispanic  
Eye: Brown  
Hair: Brown  
DEF.ATTY: Robert Cooper

ARR.# & Date:

PENALTIES

COUNTS 1, 4<sup>th</sup> DEGREE FELONY

4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.  
 3rd Degree Felony: Basic sentence of 3 years but not less than 2 years nor more than 4 years imprisonment and not more than \$5,000 fine.  
 2nd Degree Felony: Basic sentence of 9 years but not less than 6 years nor more than 12 years imprisonment and not more than \$10,000 fine.  
 1st Degree Felony: Basic sentence of 18 years but not less than 12 years nor more than 24 years imprisonment and not more than \$15,000 fine.  
 USE OF FIREARM ALTERATION TO BASIC SENTENCE: Basic sentence of imprisonment increased by 1 year for first offense in which a firearm is used and 3 years for subsequent offenses in which a firearm is used.

Special Penalty: (Fraud By Worthless Check) One (1) year imprisonment and/or \$1000 fine.  
 Special Penalty: (Receiving or Transferring a Stolen Vehicle (Possession) only) Basic sentence of one year and/or \$5,000 fine.  
 Misdemeanor: Less than 1 year in the County Jail and/or not more than \$1,000 fine.  
 Petty Misdemeanor: Not more than 6 months in the County Jail and/or not more than \$500 fine.

Penalty for Driving While Under the Influence, Felony Offense (4th or Subsequent Offense): Basic sentence of 18 months and not more than \$5,000 fine, including a mandatory jail term of not less than 6 months.

Penalty for Driving While License Suspended or Revoked: Traffic Code Misdemeanor, Special Penalty: not less than 4 days nor more than 364 days and fine up to \$1,000 (non-DWI related suspension/revocation); or not less than 7 consecutive days imprisonment and mandatory fine not less than \$300 nor more than \$1,000 (DWI revocation).

Penalty for Traffic Code Misdemeanor: fine of not more than \$300 or imprisonment for not more than 90 days or both.

Penalty Assessment Misdemeanor: See Schedule in Traffic Code, Section 66-8-116.

2nd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

3rd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

OPEN CHARGE OF MURDER

Penalty for FIRST DEGREE MURDER (Willful and Deliberate) or (Depraved Mind)

CAPITAL FELONY: Death or Life Imprisonment

SECOND DEGREE MURDER: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

VOLUNTARY MANSLAUGHTER: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

INVOLUNTARY MANSLAUGHTER: 4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

Penalty for FIRST DEGREE MURDER (Felony Murder):

CAPITAL FELONY: Death or Life Imprisonment

SECOND JUDICIAL DISTRICT COURT  
COUNTY OF BERNALILLO  
STATE OF NEW MEXICO

FILED  
SECOND JUDICIAL DISTRICT

2009 JUN 19 AM 10:46

No. **CR 2009 0 2 9 5 0**  
AGO#:747-037PC

*Juanita M. Duran*

STATE OF NEW MEXICO,

NEIL C. CANDELARIA

Plaintiff,

vs.

VINCENT "SMILEY" GALLEGOS,

Defendant.

**CRIMES CHARGED**

FRAUD (OVER \$20,000), OR, IN THE ALTERNATIVE, EMBEZZLEMENT  
(OVER \$20,000); MONEY LAUNDERING (OVER \$100,000) (2 COUNTS);  
MONEY LAUNDERING (OVER \$20,000); CONSPIRACY.

**GRAND JURY INDICTMENT**

**THE GRAND JURY CHARGES:**

**COUNT 1: FRAUD (OVER \$20,000).**

That on or about July 29, 2003, in New Mexico, the above-named defendant did intentionally misappropriate or take money in excess of \$20,000 belonging to the State of New Mexico and/or the Bank of Albuquerque and/or another, by means of fraudulent conduct, practices or representations, contrary to §30-16-6, NMSA 1978 and §30-1-13, NMSA 1978.

**ALTERNATIVE TO COUNT 1: EMBEZZLEMENT (OVER \$20,000)**

That on or about July 29, 2003, in New Mexico, the above-named defendant did embezzle or convert to defendant's own purpose \$343,000.00, which belonged to the State of New Mexico and/or the Bank of Albuquerque and/or another, and with which defendant had been entrusted, with fraudulent intent at the time of conversion to deprive the owner of the property, contrary to §30-16-8, NMSA 1978

and §30-1-13, NMSA 1978.

COUNT 2: MONEY LAUNDERING (OVER \$100,000).

That on or about July 30, 2003, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: a wire transfer of funds in the amount of \$596,800.00 from the Bank of Oklahoma into Region III Housing Authority NM, Inc's First State Bank account #1924710, which wire transfer involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that the property involved in the financial transaction had a value of \$100,000 or more and represented the proceeds of the specified unlawful activity, contrary to §30-51-4, NMSA 1978 and §30-1-13, NMSA 1978.

COUNT 3: MONEY LAUNDERING (OVER \$100,000)

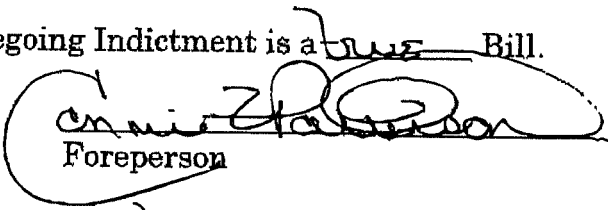
That on or about August 5, 2003, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: transferring, delivering, or depositing check #2242, payable to Housing Enterprises, Inc., drawn on Region III Housing Authority NM, Inc's First State Bank account #1924710 and in the amount of \$253,800.00, into Housing Enterprises, Inc's First State Bank account #1924842, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that the property involved in the financial transaction had a value of \$100,000 or more and represented the proceeds of the specified unlawful activity, contrary to §30-51-4, NMSA 1978 and §30-1-13, NMSA 1978.

COUNT 4: MONEY LAUNDERING (OVER \$20,000)

That on or about November 24, 2004, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: transferring or delivering check #2091, drawn on Housing Enterprises, Inc's, First State Bank account #1924842 and in the amount of

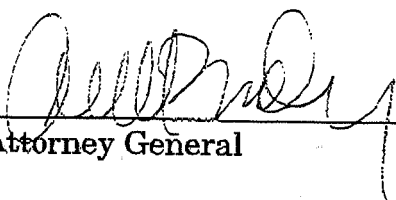


I hereby certify that the foregoing Indictment is a ~~true~~ Bill.

  
Foreperson

6-18-09  
Date

APPROVED:

  
Assistant Attorney General

CASE INFORMATION

AGO FILE#: 747-037PC  
MAG.CT.#: CR  
LEA/RPT#:  
AAG: Ann Badway  
Chris Lackmann

DOB: 11/15/1952  
SS#: [REDACTED]  
4605 Sam Bratton  
Albuquerque, NM 87114  
Height: 5'07"  
Weight: 210  
Race: Hispanic  
Eye: BRO  
Hair: BRO  
DEF.ATTY: Paul Kennedy  
Mary Han

ARR.# & Date:

PENALTIES

COUNTS 1, 2, & 3, 2<sup>nd</sup> DEGREE FELONY

COUNT 5, 3<sup>rd</sup> DEGREE FELONY

COUNT 4, 4<sup>th</sup> DEGREE FELONY

4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

3rd Degree Felony: Basic sentence of 3 years but not less than 2 years nor more than 4 years imprisonment and not more than \$5,000 fine.

2nd Degree Felony: Basic sentence of 9 years but not less than 6 years nor more than 12 years imprisonment and not more than \$10,000 fine.

1st Degree Felony: Basic sentence of 18 years but not less than 12 years nor more than 24 years imprisonment and not more than \$15,000 fine.

USE OF FIREARM ALTERATION TO BASIC SENTENCE: Basic sentence of imprisonment increased by 1 year for first offense in which a firearm is used and 3 years for subsequent offenses in which a firearm is used.

Special Penalty: (Fraud By Worthless Check) One (1) year imprisonment and/or \$1000 fine.

Special Penalty: (Receiving or Transferring a Stolen Vehicle (Possession) only) Basic sentence of one year and/or \$5,000 fine.

Misdemeanor: Less than 1 year in the County Jail and/or not more than \$1,000 fine.

Petty Misdemeanor: Not more than 6 months in the County Jail and/or not more than \$500 fine.

Penalty for Driving While Under the Influence, Felony Offense : (4th or Subsequent Offense): Basic sentence of 18 months and not more than \$5,000 fine, including a mandatory jail term of not less than 6 months.

Penalty for Driving While License Suspended or Revoked : Traffic Code Misdemeanor, Special Penalty: not less than 4 days nor more than 364 days and fine up to \$1,000 (non-DWI related suspension/revocation); or not less than 7 consecutive days imprisonment and mandatory fine not less than \$300 nor more than \$1,000 (DWI revocation).

Penalty for Traffic Code Misdemeanor : fine of not more than \$300 or imprisonment for not more than 90 days or both.

Penalty Assessment Misdemeanor : See Schedule in Traffic Code, Section 66-8-116.

2nd Degree Felony Resulting in the Death of a Human Being : Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

3rd Degree Felony Resulting in the Death of a Human Being : Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

OPEN CHARGE OF MURDER

Penalty for FIRST DEGREE MURDER (Willful and Deliberate) or (Depraved Mind)

CAPITAL FELONY: Death or Life Imprisonment

SECOND DEGREE MURDER: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.

VOLUNTARY MANSLAUGHTER: Basic sentence of 6 years but not less than 4 years nor more than 8 years imprisonment and not more than \$15,000 fine.

INVOLUNTARY MANSLAUGHTER: 4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.

Penalty for FIRST DEGREE MURDER (Felony Murder):

CAPITAL FELONY: Death or Life Imprisonment

SECOND JUDICIAL DISTRICT COURT  
COUNTY OF BERNALILLO  
STATE OF NEW MEXICO

FILED  
SECOND JUDICIAL DISTRICT

2009 JUN 19 AM 10:46

**CR 2009 0 2 9 5 1**

No. \_\_\_\_\_  
AGO#:747-037PC

*Juanita M. Moran*

STATE OF NEW MEXICO,

Plaintiff,

vs.

NEIL C. CANDELARIA

DENNIS M. KENNEDY,

Defendant.

**CRIMES CHARGED**

FRAUD (OVER \$20,000), OR, IN THE ALTERNATIVE,  
EMBEZZLEMENT (OVER \$20,000); MONEY LAUNDERING (OVER  
\$100,000) (2 COUNTS); MONEY LAUNDERING (OVER \$20,000);  
CONSPIRACY.

**GRAND JURY INDICTMENT**

THE GRAND JURY CHARGES:

COUNT 1: FRAUD (OVER \$20,000).

That on or about July 29, 2003, in New Mexico, the above-named defendant did intentionally misappropriate or take money in excess of \$20,000 belonging to the State of New Mexico and/or the Bank of Albuquerque and/or another, by means of fraudulent conduct, practices or representations, contrary to §30-16-6, NMSA 1978 and §30-1-13, NMSA 1978.

ALTERNATIVE TO COUNT 1: EMBEZZLEMENT (OVER \$20,000)

That on or about July 29, 2003, in New Mexico, the above-named defendant did embezzle or convert to defendant's own purpose \$343,000.00, which belonged to the State of New Mexico and/or the Bank of Albuquerque and/or another, and with which defendant had been entrusted, with fraudulent intent at the time of conversion to deprive the owner of the property, contrary to §30-16-8, NMSA 1978

and §30-1-13, NMSA 1978.

**COUNT 2: MONEY LAUNDERING (OVER \$100,000).**

That on or about July 30, 2003, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: a wire transfer of funds in the amount of \$596,800.00 from the Bank of Oklahoma into Region III Housing Authority NM, Inc's First State Bank account #1924710, which wire transfer involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that the property involved in the financial transaction had a value of \$100,000 or more and represented the proceeds of the specified unlawful activity, contrary to §30-51-4, NMSA 1978 and §30-1-13, NMSA 1978.

**COUNT 3: MONEY LAUNDERING (OVER \$100,000)**

That on or about August 5, 2003, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: transferring, delivering, or depositing check #2242, payable to Housing Enterprises, Inc., drawn on Region III Housing Authority NM, Inc's First State Bank account #1924710 and in the amount of \$253,800.00, into Housing Enterprises, Inc's First State Bank account #1924842, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that the property involved in the financial transaction had a value of \$100,000 or more and represented the proceeds of the specified unlawful activity, contrary to §30-51-4, NMSA 1978 and §30-1-13, NMSA 1978.

**COUNT 4: MONEY LAUNDERING (OVER \$20,000)**

That on or about November 24, 2004, in New Mexico, the above named defendant did knowingly conduct, structure, engage in or participate in a financial transaction, to wit: transferring or delivering check #2091, drawn on Housing Enterprises, Inc's, First State Bank account #1924842 and in the amount of

\$20,525.14, which check involved the proceeds of a specified unlawful activity, that is fraud (over \$20,000) or, in the alternative embezzlement (over \$20,000), designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that the property involved in the financial transaction knew that the property involved in the financial transaction had a value of \$20,000 or more and represented the proceeds of the specified unlawful activity, contrary to §30-51-4, NMSA 1978 and §30-1-13, NMSA 1978.

**COUNT 5: CONSPIRACY TO COMMIT FRAUD (OVER \$20,000) (OR, IN THE ALTERNATIVE EMBEZZLEMENT (OVER \$20,000)) AND/OR MONEY LAUNDERING (OVER \$100,000) AND/OR MONEY LAUNDERING (OVER \$20,000)**

That on or between July, 2003 and November, 2004, in New Mexico, the above named defendant and another, by words or acts agreed together to commit: fraud (over \$20,000) (or, in the alternative embezzlement (over \$20,000)) and/or money laundering (over \$100,000) and/or money laundering (over \$20,000)

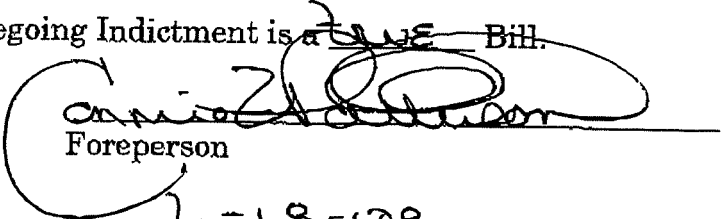
and they intended to commit: fraud (over \$20,000) (or, in the alternative embezzlement (over \$20,000)) and/or money laundering (over \$100,000) and/or money laundering (over \$20,000)

contrary to §30-28-2, §30-16-6, §30-16-8, and §30-51-4, NMSA 1978.


The names of the witnesses upon whose testimony this Indictment is based are as follows:

- |                |                |               |
|----------------|----------------|---------------|
| Stan Gloria    | Dan Rudolph    | Jack Emmons   |
| Robert Jacksha | Delores Molina | Richard Gomez |
| Donald Fennema | Joe Bigley     |               |
| Bryan Otero    | Martha Mendoza |               |
| Georgie Ortiz  | Morrow Hall    |               |
| Lawrence Rael  | James Raia     |               |
| Dewey Cave     | U. Chan Kim    |               |

I hereby certify that the foregoing Indictment is a ~~TRUE~~ Bill.

  
Foreperson  
6-18-79  
Date

APPROVED:

  
Assistant Attorney General

CASE INFORMATION

AGO FILE#: 747-037PC

MAG.CT.#: CR

LEA/RPT#:

AAG: Ann Badway

Chris Lackmann

DOB: 08/07/1951

SS#: [REDACTED]

Height: 5"11"

Weight: 198

Race: Anglo

Eye: Blue

Hair: Brown

DEF.ATTY: Erlinda Johnson

ARR.# & Date:



SECOND JUDICIAL DISTRICT COURT  
COUNTY OF BERNALILLO  
STATE OF NEW MEXICO

FILED  
SECOND JUDICIAL DISTRICT

2009 JUN 19 AM 10:46

No. CR 2009 02952  
AGO#:747-037PC

*Juanita M. Duran*

STATE OF NEW MEXICO,

Plaintiff,

vs.

NEIL C. CANDELARIA

ROBERT STRUMOR,

Defendant.

**CRIMES CHARGED**

FRAUD (OVER \$20,000); MONEY LAUNDERING (OVER \$100,000)  
(2 COUNTS); MONEY LAUNDERING (OVER \$20,000);  
CONSPIRACY.

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\$20,000), designed, in whole or in part, to conceal or disguise the nature, location, source, ownership, or control of the proceeds of said specified unlawful activity and that the property involved in the financial transaction had a value of \$100,000 or more and represented the proceeds of the specified unlawful activity, contrary to §30-51-4, NMSA 1978 and §30-1-13, NMSA 1978.

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COUNT 5: CONSPIRACY TO COMMIT FRAUD (OVER \$20,000); AND/OR MONEY LAUNDERING (OVER \$100,000) AND/OR MONEY LAUNDERING (OVER \$20,000)

That on or between July, 2003 and November, 2004, in New Mexico, the above named defendant and another, by words or acts agreed together to commit: fraud (over \$20,000); and/or money laundering (over \$100,000) and/or money laundering (over \$20,000)

and they intended to commit: fraud (over \$20,000); and/or money laundering (over \$100,000) and/or money laundering (over \$20,000)

contrary to §30-28-2, §30-16-6, and §30-51-4, NMSA 1978.

The names of the witnesses upon whose testimony this Indictment is based are as follows:

- Stan Gloria
- Robert Jacksha
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- Georgie Ortiz
- Lawrence Rael
- Dewey Cave
- Dan Rudolph
- Delores Molina
- Joe Bigley
- Martha Mendoza
- Morrow Hall
- James Raia
- U. Chan Kim
- Jack Emmons
- Richard Gomez



CASE INFORMATION

AGO FILE#: 747-037PC  
MAG.CT.#: CR  
LEA/RPT#:  
AAG: Ann Badway  
Chris Lackmann

DOB: 08/25/1945  
SS#: [REDACTED]  
Height: 6'2"  
Weight: 225  
Race: Anglo  
Eye: Brown  
Hair: Gray  
DEF.ATTY: Billy Blackburn

ARR.# & Date:

PENALTIES

COUNTS 1, 2, & 3, 2<sup>nd</sup> DEGREE FELONY  
COUNT 5, 3<sup>rd</sup> DEGREE FELONY  
COUNT 4, 4<sup>th</sup> DEGREE FELONY

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4th Degree Felony: Basic sentence of 18 months but not less than 1 year nor more than 2 years imprisonment and not more than \$5,000 fine.  
3rd Degree Felony: Basic sentence of 3 years but not less than 2 years nor more than 4 years imprisonment and not more than \$5,000 fine.  
2nd Degree Felony: Basic sentence of 9 years but not less than 6 years nor more than 12 years imprisonment and not more than \$10,000 fine.  
1st Degree Felony: Basic sentence of 18 years but not less than 12 years nor more than 24 years imprisonment and not more than \$15,000 fine.  
USE OF FIREARM ALTERATION TO BASIC SENTENCE: Basic sentence of imprisonment increased by 1 year for first offense in which a firearm is used and 3 years for subsequent offenses in which a firearm is used.

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Special Penalty: (Fraud By Worthless Check) One (1) year imprisonment and/or \$1000 fine.  
Special Penalty: (Receiving or Transferring a Stolen Vehicle (Possession) only) Basic sentence of one year and/or \$5,000 fine.  
Misdemeanor: Less than 1 year in the County Jail and/or not more than \$1,000 fine.  
Petty Misdemeanor: Not more than 6 months in the County Jail and/or not more than \$500 fine.

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Penalty for Driving While Under the Influence, Felony Offense (4th or Subsequent Offense): Basic sentence of 18 months and not more than \$5,000 fine, including a mandatory jail term of not less than 6 months.  
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2nd Degree Felony Resulting in the Death of a Human Being: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.  
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OPEN CHARGE OF MURDER

Penalty for FIRST DEGREE MURDER (Willful and Deliberate) or (Depraved Mind)  
CAPITAL FELONY: Death or Life Imprisonment  
SECOND DEGREE MURDER: Basic sentence of 15 years but not less than 10 years nor more than 20 years imprisonment and not more than \$12,500 fine.  
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Penalty for FIRST DEGREE MURDER (Felony Murder):  
CAPITAL FELONY: Death or Life Imprisonment

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