



Department of Justice

United States Attorney Nicholas A. Klinefeldt
Southern District of Iowa

FOR IMMEDIATE RELEASE
Tuesday, April 2, 2014
<http://www.justice.gov/usao/ias>

CONTACT: Kevin VanderSchel
(515) 473-9300
Kevin.VanderSchel@usdoj.gov

Des Moines Pharmacist Indicted for Drug Diversion, Mail Fraud, and Tax Fraud

DES MOINES, IA – On April 2, 2014, an indictment charging Mark Graziano, part owner of Bauder Pharmacy, and A. Michael Enloe, was unsealed following the defendants' arraignment, announced United States Attorney Nicholas A. Klinefeldt. The sixteen-count indictment charges both Graziano and Enloe with the charge of conspiracy to distribute hydrocodone, a controlled substance, and further charges Graziano with eleven counts of mail fraud and four counts of tax evasion.

The charge of conspiracy to distribute a controlled substance, in violation of Title 21, United States Code, Section 846, carries a maximum penalty of ten years in prison and a maximum fine of \$500,000. The charge of mail fraud, in violation of Title 18, United States Code, Section 1343, carries a maximum penalty of ten years in prison and a maximum fine of \$250,000. The charge of tax evasion, in violation of Title 26, United States Code, Section 7201, carries a maximum penalty of five years in prison and a maximum fine of \$100,000.

Today's indictment is the result of an investigation conducted by the Drug Enforcement Administration and Internal Revenue Service Criminal Investigation. Prosecution of this matter is being handled by the U.S. Attorney's Office for the Southern District of Iowa.

The public is reminded that an indictment is only an accusation, and the defendant is presumed innocent unless and until proven guilty.

#

RECEIVED

MAR 25 2014

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF IOWA

**CLERK U.S. DISTRICT COURT
SOUTHERN DISTRICT OF IOWA**

UNITED STATES OF AMERICA)	CRIMINAL NO. 4:14-CR-0022
)	
v.)	<u>SUPERSEDING INDICTMENT</u>
)	T. 21 U.S.C. § 846
MARK EUGENE GRAZIANO and)	T. 21 U.S.C. § 841(a)
A. MICHAEL ENLOE,)	T. 21 U.S.C. § 841(b)(1)(E)
)	T. 18 U.S.C. § 1343
Defendants.)	T. 26 U.S.C. § 7201
)	T. 21 U.S.C. § 853
)	T. 18 U.S.C. § 981(a)(1)(C)

INTRODUCTORY ALLEGATIONS

At times material herein:

1. Defendant MARK EUGENE GRAZIANO was a pharmacist licensed in the State of Iowa.
2. Defendant MARK EUGENE GRAZIANO was employed as the “pharmacist-in-charge” by Bauder Pharmacy, Inc. (hereinafter, Bauder Pharmacy), an Iowa corporation, and at all times served as its president.
3. Defendant MARK EUGENE GRAZIANO was the majority shareholder of Bauder Pharmacy, owning 68% of the shares. The remaining shares of the company were owned by the mother (12%) and sister (20%) of defendant MARK EUGENE GRAZIANO.
4. Federal law prohibits the unlawful distribution and dispensing of various listed drugs, or “controlled substances,” that are prescribed by physicians and other licensed health care providers.
5. This comprehensive, closed federal regulatory regime is administered by the United States Drug Enforcement Administration (DEA). This system criminalizes the

unauthorized manufacture, distribution, dispensing, and possession of substances classified in any of its five schedules.

6. The schedules classify substances in a hierarchical system, based on their potential for abuse and dependence, their accepted medical use, and their accepted safety for use under medical supervision. Drugs are assigned to different schedule levels according to whether they meet the characteristics established for each level. Federal law classifies controlled substances into five (5) levels known as Schedule I, II, III, IV, or V drugs. Schedule I contains the most dangerous, addicting, and restricted drugs, and Schedule V the least.

7. The drug characteristics for the five (5) levels are as follows

Schedule I – (1) The drug or other substance has a high potential for abuse; (2) the drug or other substance has no currently accepted medical use in treatment in the United States; and (3) there is a lack of accepted safety for use of the drug or other substance under medical supervision.

Schedule II – (1) The drug or other substance has a high potential for abuse; (2) the drug or other substance has a currently accepted medical use in treatment in the United States or a currently accepted medical use with severe restrictions; and (3) abuse of the drug or other substances may lead to severe psychological or physical dependence. Examples of Schedule II drugs include Oxycodone, Oxycontin and Percocet.

Schedule III – (1) The drug or other substance has a potential for abuse less than the drugs or other substances in Schedules I and II; (2) the drug or other substance has a currently accepted medical use in treatment in the United States; and (3) abuse of the drug or other substance may lead to moderate or low physical dependence or high psychological dependence. Examples of Schedule III drugs include Hydrocodone and Xodol.

Schedule IV – (1) The drug or other substance has a low potential for abuse relative to the drugs or other substances in Schedule III; (2) the drug or other substance has a currently accepted medical use in treatment in the United States; and (3) abuse of the drug or other substance may lead to limited physical dependence or psychological dependence relative to the drugs or other substances in Schedule III.

Schedule V – (1) The drug or other substance has a low potential for abuse relative to the drugs or other substances in schedule IV, (2) the drug or other substance has a currently accepted medical use in treatment in the United States, and (3) abuse of the drug or other substance may

lead to limited physical dependence or psychological dependence relative to the drugs or other substances in Schedule IV.

8. The distribution and possession of any Schedule I drug is illegal under federal law. Schedule II through V drugs are legal drugs and considered powerful substances such that the distribution of all levels is monitored by the DEA.

9. Licensed pharmacies are allowed to purchase controlled substances from licensed pharmaceutical wholesale distributors. Defendant, MARK EUGENE GRAZIANO, as pharmacist-in-charge for Bauder Pharmacy, was able to purchase controlled substances from pharmaceutical wholesale distributors.

10. The pharmaceutical wholesale distributors that provided controlled substances to Bauder Pharmacy included, but was not limited to, AmerisourceBergen Corporation, Anda Pharmaceuticals Inc., Auburn Pharmaceutical, Cardinal Health, Dakota Drug, Inc., H.D. Smith Wholesale Drug Co., Masters Pharmaceutical, Inc., McKesson Corporation, Parmed Pharmaceuticals, Inc., Top RX, Inc., and White Drug.

11. Licensed pharmacists may dispense controlled substances pursuant to a legitimate prescription if they are approved by the DEA to do so, are given a DEA registration number, and comply with all DEA regulations, other applicable federal regulations, and state laws/authorities. A prescription is not for a legitimate purpose or within the bounds of accepted medical practice if the pharmacist dispensing the prescription knows that the person to whom it is dispensed is abusing or diverting the controlled substance.

12. Diversion of a controlled substance means to use a controlled substance for other than its intended prescribed purpose.

13. Pursuant to the Internal Revenue Code, all taxpayers are required to report all income to the Internal Revenue Service, regardless of whether that income is obtained legally or illegally.

THE GRAND JURY CHARGES:

**COUNT 1
(Conspiracy to Distribute Controlled Substance)**

1. The grand jury re-alleges and incorporates by reference herein paragraphs 1 through 12 of the introductory allegations of this superseding indictment, as though fully set forth herein.

2. Beginning on or before January 1, 2002, and continuing to on or about May 10, 2012, in the Southern District of Iowa and elsewhere, defendants MARK EUGENE GRAZIANO and A. MICHAEL ENLOE did knowingly and willfully combine, conspire, and agree with each other and with other persons known and unknown to the Grand Jury, to commit an offense against the United States, to wit, the offense of distribution of controlled substances in violation of Title 21, United States Code, Section 841(a).

PURPOSE OF THE CONSPIRACY

3. The purpose of the conspiracy was for the defendants, MARK EUGENE GRAZIANO and A. MICHAEL ENLOE, to divert controlled substances from Bauder Pharmacy and sell the controlled substances to individuals who lacked a valid prescription.

MANNER AND MEANS OF THE CONSPIRACY

4. It was part of the conspiracy that defendant MARK EUGENE GRAZIANO failed to utilize software available to track inventory of controlled substances.

5. It was further part of the conspiracy that defendant MARK EUGENE GRAZIANO removed inventory records of controlled substances kept at Bauder Pharmacy.

6. It was further part of the conspiracy that utilizing his position as pharmacist-in-charge at Bauder Pharmacy, defendant MARK EUGENE GRAZIANO intentionally ordered controlled substances in excess of the needs of Bauder Pharmacy to create a supply of divertible controlled substances.

7. It was further part of the conspiracy that defendant MARK EUGENE GRAZIANO ordered from numerous pharmaceutical wholesale companies in order to avoid detection of the total amount of controlled substances each month. The number of wholesale suppliers providing hydrocodone to Bauder Pharmacy averaged more than six suppliers per month, and sometimes was as many as ten per month, for period of January 2008 to December 2011.

8. It was further part of the conspiracy that defendant MARK EUGENE GRAZIANO falsely represented to pharmaceutical companies the number of wholesalers and suppliers being used by Bauder Pharmacy, in order to avoid detection under the pharmaceutical companies' suspicious order monitoring programs.

9. It was further part of the conspiracy that defendant MARK EUGENE GRAZIANO physically removed, or caused to be removed, bottles of controlled substances from Bauder Pharmacy, including bottles of hydrocodone, without recording such removal, or informing other employees of such removal.

10. It was further part of the conspiracy that defendant MARK EUGENE GRAZIANO physically removed, or caused to be removed, more than 700,000 dosage units of controlled substances from Bauder Pharmacy from January of 2008 through May of 2012.

11. It was further part of the conspiracy that defendant A. MICHAEL ENLOE distributed the controlled substances to individuals who lacked a valid prescription, and sold such controlled substances for cash.

12. During the course of the conspiracy, defendant MARK EUGENE GRAZIANO deposited large amounts of cash (U.S. currency) into his personal bank account, depositing the following amounts of cash for the following calendar years:

- a. 2008 - More than \$270,000;
- b. 2009 - More than \$160,000;
- c. 2010 - More than \$147,000;
- d. 2011 - More than \$140,000;
- e. 2012 - More than \$62,000.

OVERT ACTS

In furtherance of the conspiracy and to affect the objects of the conspiracy, the following overt acts, among others, were committed in the Southern District of Iowa and elsewhere:

13. On or about April 8, 2008, defendant MARK EUGENE GRAZIANO responded to a "New Retail Independent Pharmacy Questionnaire" from Cardinal Health and falsely represented, in response to the question requesting "all pharmaceutical distributors pharmacy has used within the last 24 months," that Bauder Pharmacy had only two additional pharmaceutical distributors besides Cardinal Health.

14. On or about March 5, 2009, defendant MARK EUGENE GRAZIANO responded to a "Retail Independent Pharmacy Questionnaire" from Cardinal Health and falsely represented, in response to the question requesting "all pharmaceutical distributors pharmacy has used within the last 24 months," that Bauder Pharmacy had only one additional pharmaceutical distributor besides Cardinal Health.

15. On or about January 25, 2010, defendant MARK EUGENE GRAZIANO falsely represented to Masters Pharmaceutical, Inc., that Bauder Pharmacy had only one "additional supplier" beyond the primary wholesaler then being used by Bauder Pharmacy.

16. On or about November 17, 2010, defendant MARK EUGENE GRAZIANO responded to a "Customer Questionnaire" from Anda Pharmaceuticals, Inc., and falsely represented, in response to the question requesting "all suppliers you have used within the last 24 months," that Bauder Pharmacy had only used two additional pharmaceutical suppliers besides Cardinal Health and Anda Pharmaceuticals.

17. On or about August 11, 2011, defendant MARK EUGENE GRAZIANO faxed, or caused to be faxed, a "Due Diligence Assessment - Pharmacy" form to Masters Pharmaceutical, Inc., and falsely represented that Bauder Pharmacy had only one "additional supplier" beyond the primary wholesaler then being used by Bauder Pharmacy.

18. On or about September 7, 2011, defendant MARK EUGENE GRAZIANO provided a "Customer Profile" form to H.D. Smith Wholesale Drug Co., and falsely representing that Bauder Pharmacy had only one "other wholesaler" besides H.D. Smith.

19. On or about December 15, 2011, defendant MARK EUGENE GRAZIANO provided a "Pharmacy Questionnaire" to Top RX, Inc., and falsely represented "Yes" in response

to the question of “Do you have a Security System that monitors the controlled substances in your facility?”

20. On numerous dates during the course of the conspiracy, defendant MARK EUGENE GRAZIANO physically removed, or caused to be removed, bottles of controlled substances from Bauder Pharmacy, including bottles of hydrocodone, without recording such removal, or informing other employees of such removal.

21. On numerous dates during the course of the conspiracy, defendant A. MICHAEL ENLOE distributed the controlled substances, including hydrocodone, to individuals who lacked a valid prescription.

This is a violation of Title 21, United States Code, Sections 846 and 841(b)(1)(E).

THE GRAND JURY FURTHER CHARGES:

COUNTS 2- 12
(Wire Fraud)

INTRODUCTORY ALLEGATIONS

1. The grand jury re-alleges and incorporates by reference herein paragraphs 1 through 12 of the introductory allegations of this superseding indictment, as though set forth in full herein.

MANNER AND MEANS OF THE SCHEME

2. Commencing on or before January 1, 2008, and continuing to on or after October 1, 2012, in the Southern District of Iowa and elsewhere, the defendant, MARK EUGENE GRAZIANO, willfully and knowingly devised and intended to devise a scheme and artifice to

defraud and obtain money and property, by means of materially false and fraudulent pretenses and representations, from other shareholders of Bauders Pharmacy, when the defendant well knew that the pretenses and representations were false when made.

3. As a part of the scheme to defraud, defendant MARK EUGENE GRAZIANO obtained business credit cards from Visa Bankcard Services in order to purchase goods and services on behalf of Bauder Pharmacy. At all relevant times, Visa Bankcard Services was located in Evansville, Indiana, and Moline, Illinois, and all purchases using the Visa credit cards issued to Bauder Pharmacy involved the interstate electronic transfer of funds.

4. As a further part of the scheme to defraud, defendant MARK EUGENE GRAZIANO used the corporation's business credit card to regularly purchase items for his own benefit, and then used the corporation's legitimate income to pay off the credit card.

5. As a further part of the scheme to defraud, the types of personal benefit purchases by defendant MARK EUGENE GRAZIANO included vehicles, jewelry, gold/precious metals, airfare, vacations, meals, college fund-raising contributions, sports memorabilia, and other collectibles. The approximate amount of personal benefit purchases by defendant MARK EUGENE GRAZIANO for each of the following calendar years were:

- a. 2008 - More than \$114,000;
- b. 2009 - More than \$209,000;
- c. 2010 - More than \$312,000;
- d. 2011 - More than \$296,000; and
- e. 2012 - More than \$234,000.

6. As a further part of the scheme to defraud, defendant MARK EUGENE GRAZIANO used, or caused to be used, a software program to delete all of the personal benefit purchases from the credit card statements before they were provided to the bookkeeper/accounting firm.

7. As a further part of the scheme to defraud, defendant MARK EUGENE GRAZIANO concealed the personal benefit purchases from the accounting firm by inflating, or causing to be inflated, the purchase amounts for pharmaceuticals on the altered credit card monthly statements.

8. As a further part of the scheme to defraud, defendant MARK EUGENE GRAZIANO sent by facsimile, or caused to be sent by facsimile, the altered credit card monthly statements to the accounting firm that handled the bookkeeping and tax preparation for Bauder Pharmacy.

9. As a further part of the scheme to defraud, defendant MARK EUGENE GRAZIANO also concealed the personal benefit purchases, and the real credit card statements, from the other shareholders (his mother and sister), which adversely affected their distributions from retained earnings.

10. As a further part of the scheme to defraud, defendant MARK EUGENE GRAZIANO made personal benefit purchases using the Bauder Pharmacy Visa credit cards totaling more than \$1,000,000.

EXECUTION OF THE SCHEME

On or about the dates shown below, in the Southern District of Iowa and elsewhere, the defendant, MARK EUGENE GRAZIANO, for the purpose of executing the aforementioned

scheme to defraud, and attempting to do so, fraudulently transmitted and caused to be transmitted by wire communication in interstate commerce, each such execution being a separate Count of this superseding indictment:

COUNT 2: On or about September 11, 2009, defendant MARK EUGENE GRAZIANO purchased from SportsCardsPlus/SCP Auctions, in Laguna Niguel, California, by telephone, one 1948 Leaf Babe Ruth baseball card for the amount of \$5,500, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-3942.

COUNT 3: On or about January 8, 2010, defendant MARK EUGENE GRAZIANO purchased from SportsCardsPlus/SCP Auctions, in Laguna Niguel, California, by telephone, one 1912 Colgan's Chips Honus Wagner baseball card for the amount of \$8,500, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-3942.

COUNT 4: On or about August 30, 2010, defendant MARK EUGENE GRAZIANO purchased from Steiner Sports Memorabilia, in New Rochelle, New York, by telephone, one (1) Derek Jeter game used jersey, one (1) David Ortiz game used jersey, one (1) Derek Jeter game used bat, and one (1) Derek Jeter game used batting glove, for the total amount of \$19,299, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-3942.

COUNT 5: On or about September 10, 2010, defendant MARK EUGENE GRAZIANO purchased from SportsCardsPlus/SCP Auctions, in Laguna Niguel, California, by telephone, one 1933 Goudey Babe Ruth baseball card and one 1933 Goudey Lou Gehrig baseball card for the total amount of \$15,450, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-3942.

COUNT 6: On or about April 7, 2011, defendant MARK EUGENE GRAZIANO purchased sports information and handicapping services from American Sports Analysts, Inc., in Madison, Wisconsin, by telephone, for the amount of \$1,680, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

COUNT 7: On or about April 25, 2011, defendant MARK EUGENE GRAZIANO purchased cruise vacations from Royal Caribbean Cruises, in Miami, Florida, for the amount of \$15,000, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

COUNT 8: On or about May 27, 2011, defendant MARK EUGENE GRAZIANO purchased from Gainesville Coins, in Lutz, Florida, via internet, two (2) 10 ounce silver bars, and one (1) 100 ounce silver bar, for the total amount of \$4,857.37, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

COUNT 9: On or about July 10, 2011, defendant MARK EUGENE GRAZIANO made payment to Royal Caribbean Cruises (Allure of the Seas ship) in Miami, Florida, in the amount of \$20,273.59, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

COUNT 10: On or about August 18, 2011, defendant MARK EUGENE GRAZIANO purchased airline tickets to Las Vegas, Nevada, from United Airlines, for a total amount greater than \$3,700, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

COUNT 11: On or about September 1, 2011, defendant MARK EUGENE GRAZIANO made partial payment on a motor vehicle purchased from Carousel Audi in Minneapolis, in the

amount of \$12,060, making electronic payment using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

COUNT 12: On or about September 8, 2011, defendant MARK EUGENE GRAZIANO purchased from Antiquities of Nevada, in Las Vegas, Nevada, one (1) Vineyard electric guitar signed by Michael Jackson and Eddie Van Halen, one (1) Rolling Stones electric guitar signed by Mick Jagger, Keith Richards, and others, and one (1) electric guitar signed by Bruce Springsteen and the members of The E Street Band, for the total amount of \$15,000, making electronic, partial payment in the amount of \$10,000 using Bauder Pharmacy's Visa credit card, account number xxxx-xxxx-xxxx-0304.

Each of the above counts is a violation of Title 18, United States Code, Section 1343.

THE GRAND JURY FURTHER CHARGES:

COUNT 13
(Tax Evasion)

That on or about October 15, 2009, in the Southern District of Iowa, defendant, MARK EUGENE GRAZIANO, who was a resident of Des Moines, Iowa, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 2008, by, including but not limited to, preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service. In that false return, defendant, MARK EUGENE GRAZIANO, stated that his taxable income for the calendar year 2008 was the sum of \$309,350, and that the amount of tax due and owing thereon was the sum of

\$85,356. In fact, as he then and there knew, his taxable income for the calendar year was substantially in excess of the amount stated on the return, and, upon the additional taxable income, a substantial additional tax was due and owing to the United States of America.

This is a violation of Title 26, United States Code, Section 7201.

THE GRAND JURY FURTHER CHARGES:

COUNT 14
(Tax Evasion)

That on or about June 11, 2010, in the Southern District of Iowa, defendant, MARK EUGENE GRAZIANO, who was a resident of Des Moines, Iowa, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 2009, by, including but not limited to, preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service. In that false return, defendant, MARK EUGENE GRAZIANO, stated that his taxable income for the calendar year 2009 was the sum of \$273,891, and that the amount of tax due and owing thereon was the sum of \$76,082. In fact, as he then and there knew, his taxable income for the calendar year was substantially in excess of the amount stated on the return, and, upon the additional taxable income, a substantial additional tax was due and owing to the United States of America.

This is a violation of Title 26, United States Code, Section 7201.

THE GRAND JURY FURTHER CHARGES:

COUNT 15
(Tax Evasion)

That on or about July 14, 2011, in the Southern District of Iowa, defendant, MARK EUGENE GRAZIANO, who was a resident of Des Moines, Iowa, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 2010, by, including but not limited to, preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service. In that false return, defendant, MARK EUGENE GRAZIANO, stated that his taxable income for the calendar year 2010 was the sum of \$257,815, and that the amount of tax due and owing thereon was the sum of \$68,544. In fact, as he then and there knew, his taxable income for the calendar year was substantially in excess of the amount stated on the return, and, upon the additional taxable income, a substantial additional tax was due and owing to the United States of America.

This is a violation of Title 26, United States Code, Section 7201.

THE GRAND JURY FURTHER CHARGES:

COUNT 16
(Tax Evasion)

That on or about May 31, 2012, in the Southern District of Iowa, defendant, MARK EUGENE GRAZIANO, who was a resident of Des Moines, Iowa, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America

for the calendar year 2011, by, including but not limited to, preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service. In that false return, defendant, MARK EUGENE GRAZIANO, stated that his taxable income for the calendar year 2011 was the sum of \$223,477, and that the amount of tax due and owing thereon was the sum of \$58,434. In fact, as he then and there knew, his taxable income for the calendar year was substantially in excess of the amount stated on the return, and, upon the additional taxable income, a substantial additional tax was due and owing to the United States of America.

This is a violation of Title 26, United States Code, Section 7201.

THE GRAND JURY FURTHER FINDS:

NOTICE OF FORFEITURE

1. Pursuant to Title 21, United States Code, Section 853, upon conviction of the offense charged in Count 1, Defendant MARK EUGENE GRAZIANO shall forfeit to the United States any property constituting or derived from any proceeds, obtained directly or indirectly, as the result of such offense and any property used, or intended to be used, in any manner or part, to commit or to facilitate the commission of the offense. The property to be forfeited includes, but is not limited to, a sum of money equal to \$784,660 in United States currency, representing the total amount of gross proceeds obtained as a result of the offense, and the following property acquired with proceeds obtained as a result of the offense:

- a. 2011 Audi Q7 Prestige;
- b. Miscellaneous items purchased at Joseph's Jewelry;

- c. Miscellaneous Collectibles, including but not limited to:
- 1) Twelve (12) Ted Williams single signed balls, all PSA graded;
 - 2) 1918-1921 Babe Ruth Game used bat;
 - 3) 1986 Fleer Basketball #57 Michael Jordan Rookie PSA Mint 9;
 - 4) 1986-87 Fleer Basketball High Grade looking complete set of 132;
 - 5) 1915 Cracker Jack Honus Wagner #68;
 - 6) 1966 Mickey Mantle signed New York Yankee professional baseball contract;
 - 7) George Mikan's 50 Greatest NBA Litho;
 - 8) 1950's Minneapolis Lakers signed basketball w/ Mikan;
 - 9) 1915 Cracker Jack #30 Ty Cobb NM-MT PSA 8;
 - 10) Superb 1918-21 Babe Ruth Louisville Slugger game used bat;
 - 11) 1985-86 Walter Payton game used jersey with team repairs;
 - 12) 1974-75 Pete Maravich New Orleans Jazz warm-up jacket;
 - 13) 1991 Brett Favre Green Bay Packer Atlanta Falcons Rookie Card - Lot of four All Graded;
 - 14) Red Auerbach's 14k Gold 1969 Boston Celtics NBA Championship pendant;
 - 15) Dorothy Auerbach's pair of Boston Celtics Gold Filigree Charms;
 - 16) Wilt Chamberlain/Bill Russell autographed basketball;
 - 17) Honus Wagner and Ty Cobb dual signed baseball;
 - 18) Cal Ripken 2001 autographed game used bat;
 - 19) Red Auerbach's 1000th Win watch presented by Celtics owner Marvin Kratter;
 - 20) Mickey Mantle Sportstrikes 205/750 limited silver ingot 6 Troy oz. .999 fine silver; and
 - 21) George Mikan Matte signed image display from Cy Jones Collection.

2. Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), upon conviction of the offenses charged in Counts 2 through 12, DEFENDANT MARK EUGENE GRAZIANO shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses. The property to be forfeited includes, but is not limited to, a sum of money equal to \$1,166,842.14 in United States currency, representing the total amount of gross proceeds

obtained as a result of the offenses, and the following property acquired with proceeds obtained as a result of the offenses:

- a. 2011 Audi Q7 Prestige;
- b. 2008 Arctic Cat ATV;
- c. 2011 Arctic Cat ATV;
- d. Miscellaneous items purchased at Joseph's Jewelry;
- e. 2012 Can-Am Outlander 400 XT ATV;
- f. Miscellaneous Collectibles, including but not limited to:
 - 1) Hank Aaron Professional Model Bat c. 1959;
 - 2) Willie Mays 1965 68 game used bat;
 - 3) Seven (7) 2009 American Gold Eagle G\$50 (1 oz) coins;
 - 4) 100 oz Bar purchased from Coins, Stamps N Stuff;
 - 5) 1948 Leaf Babe Ruth card NM-MT SGC 88;
 - 6) One (1) 10 oz. Gold Pamp Bar with Assay Certificate 99.9;
 - 7) Four (4) 2009 American Gold Eagle G\$50 (1 oz) coins;
 - 8) 1980's Chicago Bears Mike Singletary game worn and signed jersey;
 - 9) Rare 1912 Colgan's Chips Honus Wagner card;
 - 10) Coins and Antiques purchased from Coins, Stamps N Stuff;
 - 11) Two (2) Topps baseball cards, 1952 Mickey Mantle #311;
 - 12) 1933 Goudey Babe Ruth Progressive Proof Card;
 - 13) 1933 Goudey Lou Gehrig Progressive Proof Card;
 - 14) 1952 Topps Mickey Mantle Rookie SGC 80;
 - 15) 1969-72 Frank Robinson H&B Louisville Slugger College Game Used Bat;
 - 16) 1970-71 Pistol Pete Maravich Topps Tall Boy Rookie Card;
 - 17) Two (2) 10 oz. Silver Bars .999 Pure Silver purchased from Gainsville Coins;
 - 18) One (1) 100 oz. Silver Bar .999 Pure Silver purchased from Gainsville Coins;
 - 19) 1940's-1980's Bowman & Topps Collection (114) including Namath, Butkus & Payton;
 - 20) 1985 SuperBowl XX Champions Team signed ONFL Rozelle Super Bowl Ball w/ 48 signatures;
 - 21) 1965-68 Topps Baseball Cards, mostly 68';
 - 22) Vineyard electric guitar signed by Michael Jackson and Eddie Van Halen;

- 23) Rolling Stones striking candy apple red electric guitar signed by Mick Jagger, Keith Richards, Ronnie Wood, Bill Wyman, Mick Taylor and Charlie Watts;
- 24) Bruce Springsteen and The E Street Band California electric guitar signed by: Bruce Springsteen, Roy Bittan, the late "Big Man" Clarence Clemons, Daniel Federici, Garry Tallent, Solidarity Litte Steve, Nils Lofgren and Max Weinberg;
- 25) Five (5) 100 oz. name brand silver bars .999 purchased from Seven Star Enterprises, Int; and
- 26) Eight (8) 1 oz Gold Bar PAMP Suisse 99.9 with Assay Certificate purchased from Gainsville coins.

3. If any of the property described above, as a result of any act or omission of the defendants:

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

The United States shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p).

A TRUE BILL.

/s/
FOREPERSON

Nicholas A. Klinefeldt
United States Attorney

By:

/s/ Kevin E. VanderSchel
Kevin E. VanderSchel
Assistant United States Attorney