

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

CRIMINAL COMPLAINT

v.

CASE NUMBER:

JAMES BARTA,
GUSTAVO BUENROSTRO, and
AMBROSIO MEDRANO

UNDER SEAL

I, the undersigned complainant, being duly sworn on oath, state that the following is true and correct to the best of my knowledge and belief: From on or about November 15, 2011 continuing to the present, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere, JAMES BARTA, GUSTAVO BUENROSTRO, and AMBROSIO MEDRANO, defendants herein,

conspired to commit an offense against the United States, namely 18 U.S.C. § 666(a)(2), by conspiring to corruptly give, offer, and agree to give things of value, namely, money, to a purported agent of County A, a local government that received \$10,000 under a Federal program in a one year period from June 26, 2011 to June 27, 2012, intending to influence and reward an agent of County A, in connection with County A's issuance of a Request for Proposal and awarding of a mail-in pharmaceutical sales contract for County A's hospital system, which involved a value of \$5,000 or more,

in violation of Title 18 U.S.C. § 371.

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the facts contained in the Affidavit which is attached hereto and incorporated herein.

Signature of Complainant
BRENDAN O'LEARY
Special Agent, Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,

June 27, 2012 at
Date

Chicago, Illinois
City and State

Young B. Kim, U.S. Magistrate Judge
Name & Title of Judicial Officer

Signature of Judicial Officer

3. Because this affidavit is being submitted for the limited purpose of establishing probable cause in support of a criminal complaint charging BARTA, BUENROSTRO, and MEDRANO with conspiracy to commit federal program bribery as described above, I have not included each and every fact known to me concerning this investigation.

4. This affidavit is based on my personal knowledge; information provided to me by other law enforcement agents, my review of documents and email communications, and consensual recordings made by Cooperating Witness 1 (“CW1”) and an undercover agent (“UC1”).

County A

5. County A is a county located outside of the State of Illinois that was awarded in excess of \$10,000 in funds from federal programs from June 26, 2011 to June 27, 2012. According to usaspending.gov, a publicly-available database established by federal statute, County A has been awarded more than \$60 million in federal grant money in fiscal year 2012, which began on October 1, 2011.

The Defendants

6. According to publicly-available documents, JAMES BARTA is the President and owner of Sav-Rx Prescription Services (“Sav-Rx”). According to the website savrx.com, Sav-Rx is a national provider of managed care

prescription services, with over 11,000,000 members nationwide. Sav-Rx is headquartered in Fremont, Nebraska.

7. According to a review of emails written by GUSTAVO BUENROSTRO, BUENROSTRO was employed by Sav-Rx and is an associate of BARTA.

8. Defendant AMBROSIO MEDRANO worked as a member of then-Cook County Commissioner Joseph Mario Moreno's staff until approximately December 3, 2010. According to NCIC and CLEAR databases, MEDRANO pled guilty to one count of extortion in the United States District Court for the Northern District of Illinois in 1996 and was sentenced to thirty months in prison. At the time of the offense, MEDRANO was an alderman for the City of Chicago.

Summary

9. In early 2011, the FBI introduced an undercover agent to MEDRANO and other individuals, in connection with a scheme by MEDRANO and others to provide kickbacks to a County A employee in exchange for County A purchasing medical supplies from MEDRANO's co-schemers. After paying a kickback in connection with that scheme, MEDRANO introduced UC1 to BARTA and BUENROSTRO. As shown below, BARTA, BUENROSTRO, and MEDRANO then agreed to provide a bribe to UC1 and a fictitious official

working for County A's hospital system in exchange for County A issuing a Request for Proposal ("RFP") and awarding a contract to BARTA's pharmaceutical company, Sav-Rx.

MEDRANO's Prior Kickback Scheme With County A

10. Between approximately February 2011 and September 2011, MEDRANO and other individuals agreed to provide kickbacks to individuals they believed were acting on behalf of the County A hospital system, in return for orders of medical bandages purchased on behalf of the County A hospital system. Specifically, CW1¹ introduced MEDRANO and other individuals to UC1 who was posing as a third-party purchasing agent for County A's hospital system. Since that introduction, MEDRANO and others provided a kickback to UC1 and the fictitious County A hospital system official based on UC1's order of medical bandages for County A's hospital system.

Bribe and Kickbacks to Influence County A's Business with Sav-Rx

¹ According to NCIC and CLEAR databases, CW1 has been convicted of theft twice since 1978 and was sentenced to probation both times. CW1 is currently the target of an Internal Revenue Service ("IRS") investigation based on CW1's submission of false tax returns in which CW1 failed to report significant income for himself and his company for several years. CW1 began cooperating with the government in March 2010 after being confronted by the IRS and U.S. Attorney's Office. CW1 is cooperating in the hopes of receiving leniency with respect to any pending charges or future sentence.

11. On November 23, 2011, CW1 provided the FBI with voice mail messages that had been left on CW1's cellular telephone, including a message from MEDRANO on November 15, 2011. In the message, MEDRANO identified himself and stated, "I got another possible product, or products, for your friend [UC1] out there in [County A] . . . I was wondering if you could give me a call so I can talk to you about them, and see how I can get this information in [UC1's] hands."²

12. On November 23, 2011, at approximately 3:36 p.m., MEDRANO spoke to CW1 in a consensually recorded telephone conversation. During the conversation, MEDRANO stated that he had "something new" for CW1. MEDRANO stated, "There is a gentleman that I'm working with [BUENROSTRO], and he used to be . . . the salesman here in the area for prescription medication programs, and . . . they won the contract with the county here [Cook County]; they had it [the Cook County contract] for a few years. The company is based out of Omaha, Nebraska . . . It's called Sav-Rx. It's a

² My descriptions of recorded conversations are summaries based on my review of the recordings and my understanding of the context of the recorded conversations. These descriptions are not based on final, verbatim transcripts, and the times listed for the recorded conversations are approximate. At various points in this affidavit, I have included in brackets my interpretation of words and phrases used in recorded conversations. My interpretations are based on my understanding of the context of the recorded conversations. Since this affidavit is offered for a limited purpose, I have not included a description of every topic discussed or every statement contained in the recorded conversations.

pharmaceutical company that offers programs to large . . . governmental agencies for filling their employees' prescriptions. . . . I didn't know if that was something that [UC1] would be interested in" CW1 stated, "I don't know, I gotta talk to him."

13. Later in the conversation, CW1 asked, "How do you cut anything up that way with this? It sounds like a big company." MEDRANO responded, "Don't worry, we've done it before. We've done it here at the county [Cook County]. . . . We'll set it up, and we'll work it out, if they're interested." CW1 stated, "Ok. . . . You know how he [UC1] is, he always wants to get his hand out." MEDRANO stated, "I know. Don't worry, we'll keep an eye out for his interest." MEDRANO further stated that he was going to send CW1 an email about Sav-Rx, so that CW1 could send the information to UC1.

14. On November 28, 2011, CW1 received an email from MEDRANO that stated, "Here is the e-mail I was suppose [sic] to forward to you last week in regards to Sav-Rx for your friend [UC1]." MEDRANO's email to CW1 forwarded a message from BUENROSTRO, sent on November 23, 2011, which contained information about Sav-Rx and Sav-Rx's relationship with Cook County Hospitals.

15. On December 7, 2011, at approximately 6:28 p.m., MEDRANO spoke to CW1 in a consensually recorded telephone conversation. During the

conversation, CW1 stated that UC1 was out of town and asked if MEDRANO was interested in meeting with CW1 the following week. MEDRANO agreed to meet.

16. On December 15, 2011, CW1 met with MEDRANO and BUENROSTRO. CW1 recorded the meeting. At the outset of the meeting, BUENROSTRO introduced himself to CW1, and MEDRANO provided CW1 with a packet of information about Sav-Rx. BUENROSTRO stated that Sav-Rx had improved Cook County's prescription drug program. MEDRANO discussed speaking with UC1 to see if there was a similar program in County A.

17. Later in the conversation BUENROSTRO stated, "We can make some money on this . . . we need to have a top person." BUENROSTRO asked, "Who is your buddy?" CW1 responded, "He controls uh, he's got the guy. OK . . . but you know how it is, they are funny out there [in County A]. He can get anything passed that he wants, within reason of course. . . . He has the guy who approves all the contracts. So he can get, within reason of course, as long as it is a legit, you know, and it is gonna save money of course, which it will." CW1 continued, "But, you know, the biggest thing with him [UC1], you know how he is. . . . He wants ten percent, the other guy wants ten percent, you can jack the price up to compensate, but you get it back." BUENROSTRO responded, "Good.

The name [Sav-Rx] should be able to do a lot because (UI) 40 million dollar, 300 million dollar company.”

18. CW1 asked how much business Sav-Rx does in Cook County, and BUENROSTRO responded, “I know they have a \$100,000 to break up a month.” CW1 clarified, “To break up . . . for us?” BUENROSTRO stated, “For us, yeah.” MEDRANO added, “\$100,000, to break up a month . . . a month man.” BUENROSTRO, MEDRANO, and CW1 then discussed whether County A would be similar to Cook County. CW1 stated, “I think [UC1] is going to take care of me here . . . if this gets passed you owe me a big favor.” BUENROSTRO responded, “I would say fifteen (UI). Depends how if everyone is going to be greedy.” CW1 clarified, “No, don’t worry about me, just them guys, they want ten, ten [ten percent for UC1 and ten percent for the UC1’s connection at County A].” BUENROSTRO, CW1, and MEDRANO then discussed that the price of the contract cannot be inflated to the point where it is not competitive. Later in the conversation, BUENROSTRO stated, “We are all looking to retire early.” MEDRANO added, “If we come up with something reasonable that they [UC1 and his County A connection] like, hey man we are in it, we are all in it.”

19. CW1 stated that he would talk to UC1. BUENROSTRO asked how CW1 knows UC1, and CW1 explained their relationship and stated that UC1 got “one deal done [the medical bandages].” BUENROSTRO asked if that deal

worked out, and MEDRANO stated that County A is going to order more product [medical bandages], but they are “strapped for money.” CW1 stated, “This is different.” BUENROSTRO stated, “This is big time. If we get in there, this is big time.” MEDRANO continued, “All he can do is try. We give him [UC1] and the other guy their commission, everybody is happy.” CW1 asked, “As long as he [UC1] gets his end, and the other guy gets his other end, ten percent a piece, that is no problem doing that, right?” BUENROSTRO answered, “Right.” BUENROSTRO then clarified, “Is that ten percent of the deal, ten percent of (UI)?” CW1 answered, “Well you tack it on, whatever number you give him. OK, you gotta kick back ten percent, you know we gotta kick money back.” BUENROSTRO stated, “I don’t know, I was thinking you may not want that much money (UI). If I give ten percent, (UI) ten percent.” Later in the conversation, BUENROSTRO stated, “We will talk. Sounds like you got the, already got the right stuff.” CW1 stated, “I will see what he [UC1] says, and I will have him contact you.”

20. On December 21, 2011, at approximately 2:56 p.m., MEDRANO spoke to CW1 in a consensually recorded telephone conversation. CW1 stated, “[UC1] called me, I talked to him. . . . He checked with his guy, he called me back and said they are really interested.” MEDRANO responded, “That is the best Christmas present you could have given me; even if its only just words for

right now.” They then discussed setting up a meeting with UC1, MEDRANO, CW1, and BUENROSTRO in January 2012.

21. In January, February, and March 2012, CW1 and MEDRANO spoke on the telephone and exchanged voice mail messages in an attempt to set up a meeting. MEDRANO also informed CW1 that the owner of Sav-Rx [JAMES BARTA] was going to fly to Chicago from Omaha, Nebraska, for the meeting. MEDRANO and CW1 eventually set the meeting date for March 21, 2012.

22. On March 20, 2012, MEDRANO sent an email to CW1 forwarding a message from BUENROSTRO. The subject line of BUENROSTRO’s email stated, “Websites for [UC1] to review,” and the body of the message contained a link to Savrx.com, along with information about Sav-Rx.

23. On March 20, 2012, at approximately 10:25 a.m., MEDRANO spoke to CW1 in a consensually recorded telephone conversation. CW1 provided MEDRANO with UC1’s full name and company information. They then discussed meeting the following day. At approximately 10:11 p.m., MEDRANO and CW1 spoke again, and CW1 asked, “What can we do to entice this guy [UC1]?” MEDRANO responded, “I don’t care, these guys [BUENROSTRO and BARTA] are ready to cut a deal. . . . Listen, I already told them that [UC1] is the boss, and they are ready to wheel and deal.” CW1 stated, “Tell them, maybe it

would be nice to bring him [UC1] a nice gift . . . tomorrow.” MEDRANO said that he would talk to them in the morning.

24. On March 21, 2012, at approximately 2:00 p.m., CW1 and UC1 met with MEDRANO, BUENROSTRO, and JAMES BARTA at a restaurant in Chicago. Both CW1 and UC1 recorded the meeting. Several minutes prior to the meeting, CW1 and UC1 spoke to MEDRANO in the parking lot of the restaurant. MEDRANO stated, “What you asked me about earlier [bringing a gift for UC1], he’s [BARTA] got no problem with that . . . he is ready to do whatever you ask him to do. . . . Let’s call it a retainer and not a loan.” MEDRANO continued, “He [BARTA] will do whatever you ask, he has got no problem with spreading the wealth. This guy is a multi-millionaire. He has owned his own pharmaceutical company for I don’t know how long. He developed, or sold a program to Cook County Hospitals, where they put these pharmacies in house.”

25. Once inside the restaurant, CW1, UC1, and MEDRANO met with BARTA and BUENROSTRO. BARTA discussed his business enterprises, and UC1 stated, “There is [sic] always opportunities for new ventures, if you guys are interested, and if we can work something out.” BARTA replied, “Yeah, anytime.” In response to a question from BUENROSTRO, UC1 explained that his business does procurements and federal grants, and that he is a middle man. BARTA

explained that he has helped improve Cook County's hospital system and that BARTA has had a Cook County contract for seven years.

26. UC1 stated, "I do know an individual in the [County A] system, that we work with, we worked with him in the past. Very successful, as a matter of fact, we did something with. . ." MEDRANO interrupted, "I explained to him [BARTA] that you were very, very helpful and instrumental in introducing that product at the county level at [County A] Hospitals." UC1 continued, "We have a finder's fee both for our company and for the individual." BARTA replied, "Sure, I would expect that." UC1 explained that based on the volume or the amount of the project they could adjust the finder's fee. BARTA stated, "All contracts are different. On some contracts fifty wouldn't be out of line, and on other contracts two . . . might be." UC1 stated that he is "not trying to retire tomorrow . . . it's just the cost of doing business." BARTA replied, "We are very used to working with people that are middlemen." UC1 stated that there is a company that is currently working with County A that is very similar to BARTA's company, but that it would be possible to switch to BARTA's business.

27. Later in the conversation, UC1 stated, "Here is the way it would work, once your contract is approved, the project, once we put a dollar value to it, you know we could take our piece at the end, you know six months, twelve months, we are not looking for anything up front, other than good faith."

BARTA stated, "I understand." UC1 clarified, "You know at the front end." BARTA confirmed that he understood. UC1 continued, "And we would be looking for about ten, ten thousand. For the good faith, up front. After that, depends on the size of the project and what it is gonna be, that other, you know, ten percent. And we could work with the numbers too, as far as if we need to reduce costs, or anything else like that. We are not gonna try and. . ." BARTA interrupted to say that he understood. UC1 continued, "Like I said, that [the ten percent to the UC1 and the ten percent to the County A official] will be at the end. So this way, you get your good faith money up front, and everything else comes at the end. You get your good faith money, you got your approval, the contract. Does that sound OK to you guys?" BARTA replied, "Yeah, sure does. Depends on the contract." BUENROSTRO joked, "You cannot ask for more, \$10,000 is the highest you can go now." UC1 said that the \$10,000 is the "good faith . . . it is a commission job, like anything else." BUENROSTRO added, "We know how it works." BARTA agreed by stating, "That's right."

28. BUENROSTRO and BARTA then left the restaurant, and MEDRANO, CW1, and UC1 continued the conversation. MEDRANO stated, "Just to let you in on what he [BARTA] does, Mario [Moreno], the commissioner, set him [BARTA] up in the county [Cook County], but he [BARTA] used, I don't know if you ever met him, he used [Individual A]. [Individual A] was the pass

through. They passed the minority to him. So that somebody could get some money. . . .” CW1 stated that a business has to have minority ties to get business with Cook County. MEDRANO continued, “So, they used [Individual A]. [Individual A] all he did was fucking cash a fucking check.” UC1 asked if [Individual A] was a real person, and MEDRANO confirmed that [Individual A] was a real person. MEDRANO stated that BARTA “is not afraid. He is looking for new opportunities all the time, and he is not afraid. . . . He made [Individual A] a millionaire. And Gus [BUENROSTRO] passed it up” because BUENROSTRO was doing well in real estate. MEDRANO continued, “They looked for another guy. They found [Individual A], which was a friend of Mario [Moreno].” Later in the conversation, MEDRANO stated, “I seen it first hand when I went to work for Mario [Moreno]. I already knew [Individual A], but I did not know that he was involved with this pharmaceutical stuff. Well they put him there. He was the middle man. So every time he got paid, Mario [Moreno] got paid.”³

29. MEDRANO later stated to CW1 and UC1 that he had talked to BARTA and BUENROSTRO and that they wanted to do a deal with UC1. MEDRANO said that he had told BARTA that he [MEDRANO] “had one deal

³ In an interview with the FBI and U.S. Attorney’s Office, Moreno denied receiving any bribes or kickbacks from BARTA or SAV-Rx.

[medical bandages] with [UC1] . . . [UC1] kept his word.” MEDRANO continued, “And, I even told him [BARTA], you know, the retainer [\$10,000 up-front payment], and he [BARTA] says, ‘No problem, no problem.’” UC1 said, “It [the \$10,000 up-front payment] lets us know they are serious, when we get that. Because obviously when my guy puts his neck out, on the line for this, this could be a very lucrative contract for everybody.” MEDRANO stated, “Well that is what I am hoping for. . . . I am tired of guessing where my next check is coming from.”

30. UC1 and MEDRANO then discussed the next steps. UC1 stated, “It should not be a problem at all . . . and then as soon as they come on board with the good faith thing [\$10,000] first. You know they come across with that, and we know they are serious.” MEDRANO responded, “I will have that for you Monday. Call your guy in [County A] and when he tells you ‘yes,’ you call me and let me know it was ‘yes,’ and I will call him [BARTA], and we will send you out a check.”

31. After the meeting, MEDRANO was speaking on his cellular telephone in CW1 and UC1’s presence. CW1 stated that MEDRANO was speaking with BUENROSTRO, but only MEDRANO’s end of the conversation

could be heard on the recording.⁴ MEDRANO stated, “OK, well good, that is exactly what I wanted you to tell me, because when you left that is what they asked me. So everything is good? He [BARTA] is not afraid of the retainer? Good. Good. Good. Because we are just leaving now, and they want to make it work. OK. Good. Well you know what they say, first impressions are everything.” After hanging up the phone, MEDRANO stated, “He [BUENROSTRO] said everything is good.”

32. On March 30, 2012, at approximately 8:28 p.m., MEDRANO spoke to CW1 in a consensually recorded telephone conversation. During the conversation, MEDRANO stated, “We’d like to know what [UC1] thinks he can moves [sic] on, and you know we want to get him a retainer.” CW1 stated, “He’s [UC1’s] been traveling, and the other guy [UC1’s contact at County A] has been traveling, and that’s a meeting that’s got to happen face to face.” MEDRANO responded, “Call me when they finally get together face to face, and then I will make the call, and we will cut a check for a retainer.”

33. On April 13, 2012, at approximately 9:33 a.m., MEDRANO met with CW1 during a consensually recorded meeting in Chicago. During the meeting, MEDRANO asked CW1 if UC1 could meet later in May because “the old man

⁴ Telephone records confirm that BUENROSTRO’s and MEDRANO’s telephones were in contact at approximately the same time.

[BARTA]" was busy until the first week of May. At approximately 9:49 a.m., MEDRANO left a voice mail message on what agents believe was BUENROSTRO's telephone.⁵ After ending the call, MEDRANO told CW1 that BUENROSTRO had missed out on a million-dollar contract with BARTA [at Cook County].

34. CW1 then told MEDRANO, "Make sure it's cash, he [UC1] don't want no check." MEDRANO responded, "All right . . . you're talking about the," and CW1 interjected, "The down payment, yeah." MEDRANO then stated, "You're talking about the pharmaceutical stuff," and CW1 said, "Right." MEDRANO said, "I had to go meet him and tell him that, 'cause I don't like talking on the phone." CW1 responded, "Yeah, well, that's why I figured I'd talk to you in person." MEDRANO continued, "I wouldn't have told him, yeah, yeah. . . . Because what we're gonna do is, I think Gus [BUENROSTRO] and I are gonna open up a company just for this. And that way the money comes to us and then we give you the cash. So that there's no, you know. . . ." CW1 said, "All right, well, they don't want no record of it though," and MEDRANO responded, "Yeah, exactly, exactly, that's why."

⁵ Telephone records confirm that a call was placed from MEDRANO's phone to BUENROSTRO's phone at approximately the same time.

35. CW1 told MEDRANO, “Well, you know how they [UC1 and UC1’s County A contact] are, I don’t get nothing. . . . Just gonna hand it right to him [UC1].” MEDRANO responded, “I know, I know. I’m not worried about that. I just, we just wanna make sure that we set it up right. So when the money comes through, we go do it, and then I just give it to you and you. . . .” CW1 told MEDRANO, “You gotta remember me somewhere here, too,” and MEDRANO responded, “I know. . . . Don’t worry, we’re gonna be okay, if this works out.”

36. On May 9, 2012, UC1, CW1, MEDRANO, BUENROSTRO, and BARTA met at a restaurant in Chicago. UC1 and CW1 recorded the meeting. MEDRANO, CW1, and UC1 arrived first. MEDRANO said that he “met with Gus [BUENROSTRO] yesterday” and “my thinking is” that MEDRANO and BUENROSTRO will be the minority participants with Sav-Rx and County A, “the same way that it’s done here with Cook County.” MEDRANO explained that Cook County requires that a percentage of contracts go to minorities, and that “they fixed it here so that Mario [Moreno] got . . . [Individual A] to be part of the package with Jim BARTA . . . on this Sav-Rx thing . . . for here [in Cook County].” MEDRANO continued, “So, what we’d like to do is for me and [BUENROSTRO] to be the participants on whatever happens between you and them. And then we’ll be the one to see him [CW1]. . . . Then it is all perfectly legit. It is all up and up.” MEDRANO then discussed forming a business with

BUENROSTRO, and that “whatever it is that you are going to order . . . it comes through us, and then we submit the bill, and then . . . you pay them direct, he pays us, then we take care of . . . you. . . . Whenever the billing is done, Jim BARTA will take care of us, and then we take care of you. Whatever (UI) has to go back, so it’s just 1-2-3.”

37. BARTA and BUENROSTRO then arrived at the meeting. MEDRANO said, “We want to cut to the chase. . . . I met with [BUENROSTRO] yesterday, and if it’s okay with you, the way we would like to structure it is that . . . we’d like to set it up the same way you set up your contract with Sav-Rx and [Cook] County here, where [Individual A] was . . . the minority participant, so [BUENROSTRO] and I would be the minority participant. It goes through us and then whatever we have to take care of on this end for [UC1], we’ll take care of it like that, if that’s okay with you.” BARTA responded, “I don’t have any problem with that. . . . I think it’s a real good idea.”

38. Later in the conversation, UC1 stated, “Remember I told you I got a guy at the County system, kind of a high-level official, he’s the guy that would approve this for us. I went back after our last meeting and spoke with him. There is no current service like what you guys offer in [County A] right now. That’s great for us, because he can . . . write or draft . . . an RFP [Request For Proposal] . . . for us that will tailor it specifically for your service.”

BUENROSTRO said, "Perfect." UC1 continued, "He [the purported County A official] was very excited about this potential project because it . . . can be directed or presented to the Board of Supervisors as a potential cost cutting measure for the County system. . . . This can be presented to Board, which for the most part, anything he submits pretty much gets a stamp of approval. . . . He'll draft it according to whatever specs we tell him. . . ." BUENROSTRO asked, "So only we can meet the requirements, right?" UC1 responded, "Yeah, exactly, it would be tailored to your specific company. Based on that, he [the purported County A official] could probably guarantee an initial three-year contract."

39. UC1 continued, "I spoke to him [the purported County A official] about the conditions and about the terms that we spoke of briefly [at the last meeting] . . . I wanted to have a meeting with everybody, so everybody is aware of what we need to do. It's still going to be the same terms. We discussed the good faith initial [payment], and then you guys didn't seem to have a problem with the ten percent at the back end." UC1 continued, "The ten percent that we discussed at the back end; . . . five has to come to me, five goes to him [the purported County A official]. That is kind of the way it is now. I would probably set something up like what he's [MEDRANO] talking about, a company . . . or another business entity, so that's how we can transfer things [money]."

BUENROSTRO stated, “Right,” and MEDRANO added, “That’s perfect . . . that’s what we were talking about yesterday.”

40. UC1 continued, “The good thing right now is that there is no service like this there [in County A].” BUENROSTRO said, “We need to take a look and do some like, due diligence, and see exactly how they are running it, so we can tailor it so (UI).” UC1 responded, “I provided all the information that you guys gave me to [the purported County A official] . . . he has all that.” BUENROSTRO then asked about contacting the purported County A official, and UC1 responded, “He won’t deal with anybody else, not when we’re doing business like this he won’t.” MEDRANO stated, “That’s fine,” and BUENROSTRO said that it “makes sense” that the County A official won’t meet with anybody. UC1 continued, “He’s a high-ranking official at the County system, . . . he cannot be seen with people that potentially are going to be getting contracts through the County.” MEDRANO responded, “That’s understandable.”

41. Later in the conversation, BARTA discussed the services that Sav-Rx provides, and how those services could benefit County A by reducing costs and increasing efficiencies. BARTA stated that he would provide UC1 with “a copy of the RFP that we did here [in Cook County], and see where it goes.” BARTA said that his company would work well if County A has “a problem,” but if they “don’t have a problem, it doesn’t make any sense. If they are efficiently

dispensing their own medication, and they don't have a problem, then it doesn't make any sense." Later in the conversation, UC1 stated that the purported County A official is "ultimately the one that approves it." BUENROSTRO said, "Right," and BARTA nodded his head in agreement.

42. MEDRANO then got up from the table to leave the restaurant. As he was leaving, MEDRANO said, "We did that other deal with a different product [medical bandages], and it's worked out . . . and I'm just waiting for it to start working out now with Mr. BARTA here." After MEDRANO left, UC1 stated, "He [the purported County A official] is ready to go. Our main thing at this point is gonna be we come through with the good faith that we discussed for him, and once that's done, then we can start looking at everything. Start working it through the system."

43. Later in the conversation, UC1 asked, "How do you guys feel comfort factor wise about this?" BUENROSTRO responded, "I think it'll work. It's worked out here. If they have an issue, if they have a problem." BARTA stated, "If they got a problem, it's an easy sell. If they don't have a problem, it's a tough sell. . . . Even if he [the purported County A official] has the ability to just stick it in, if he can just stick it in and it doesn't work, it doesn't work."

44. BARTA stated to BUENROSTRO, "You need to Google [County A] . . . and if they've got problems, it will be very apparent. . . . You need to make

sure that the potential is there. And then he [UC1] needs his ten grand . . . before he can do anything, because he has to live.” BARTA further stated, “It [problems with County A’s prescription drug program] would be in the newspaper . . . that’s where you see it.” BARTA added, “If they [County A] have a problem . . . you got a deal and I’m in 100 percent. If they don’t have a problem, it’s a tough sell.”

45. BARTA paid the lunch bill, and the parties began to conclude the meeting. As they were leaving the table, UC1 stated, “My guy is not going to move on anything until we agree on something and he sees something [money] come across basically.” BARTA responded, “We understand that, and that’s not a problem.” BUENROSTRO stated, “I’ll try to keep as much [communication] off the airways as possible, we know the intention and the back stuff, we’ll just keep that off. . . . If we can strike the need, we’re in.” BARTA added, “If the need is there, it’s a slam dunk . . . and your friend . . . you want to put him in a position where he comes out a hero.” The parties then left the restaurant.

46. Later that evening on May 9, 2012, BUENROSTRO sent three emails to BARTA, MEDRANO, and UC1. In the emails, BUENROSTRO discussed the County A hospital system and included links to a number of websites that related to County A, including websites that discuss County A’s

pharmacies, mail-order pharmacies, hospital overcrowding problems, and procurement contracts.

47. On May 10, 2012, BUENROSTRO sent an email to UC1, with a copy to MEDRANO. In the email, BUENROSTRO discussed ways in which Sav-Rx could do business with County A. For example, BUENROSTRO stated, “[W]e would be interested in taking over all of their [County A’s] pharmacies and we would incorporate mail order into the program, streamline everything and save them quite a bit.” BUENROSTRO sent another email on May 11, 2012 to UC1, copying MEDRANO, in which BUENROSTRO further discussed options for Sav-Rx doing business with County A.

48. On May 16, 2012, the FBI sent an email from UC1’s email account to BARTA, BUENROSTRO, and MEDRANO. The email stated, “I spoke to my friend [at County A], who provided me with answers to some of your questions.” UC1’s email then discussed options for Sav-Rx doing business with County A that BUENROSTRO and BARTA had previously raised. The email continued, “I think this addresses the concerns Jim [BARTA] voiced at our last meeting as far as a ‘need’ for the service. I spoke to my friend [at County A] and he is willing to move forward on our end. We await your response if you would like to proceed.”

49. On May 24, 2012, UC1, MEDRANO, and BUENROSTRO met at a restaurant in Chicago. UC1 recorded the meeting. During the conversation, UC1 stated, “He [the purported County A official] likes that idea,” but “he can’t write up that RFP until he knows that everybody is serious, that everybody is in, is gonna be involved, or is ready to be serious and go forward.” UC1 continued, “He has absolutely no problem writing it once, you know, we agree on terms.” BUENROSTRO responded, “Ok.” UC1 continued, “Obviously he is going to cater it to your specifications to your company . . . and he’s gonna be the one that will approve it.” BUENROSTRO stated, “When . . . I dropped him [BARTA] off at the airport [after the last meeting] . . . and his bag opened up. . ., when he opened up the bag, it was like stacked like this with cash. So he came prepared.” UC1 stated, “He didn’t drop any [cash], though, with me, that’s the problem.” MEDRANO added, “Well, that’s going to be my next point. When can we give him. . .” BUENROSTRO interrupted to say, “We just talk to him [BARTA], get the ball done working. Like I said, he brought it that day because he thought we were going to close the deal. But we didn’t have enough. Now we’re getting to the nuts and bolts. . . .”

50. Later in the conversation, UC1 stated, “What he [the purported County A official] would do is write the RFP so that you guys would have the best, you know, possible chance of getting the contract, and he will approve the

thing for you guys.” Later, UC1 asked, “Now, you said that Jim [BARTA], you thought he was ready to do this deal last time, so what happened?” BUENROSTRO responded, “I don’t know, I don’t think we had enough facts for him to tell him. . . .” BUENROSTRO stated that had UC1 told BARTA that UC1’s “guy” was “ready to give [BARTA] the mail order [pharmacy contract with County A],” BARTA would have said, “I’ll do it.” BUENROSTRO continued, “Now I go back to him [BARTA], and I talk to him . . . I did all the research, he looked at it. He said, ‘Yeah, you know what, now we just need to sit down and see how, what he can do for us, and let’s see if we can put it together.’”

51. UC1 said, “But on our side too, we have to make sure that if you’re going to be doing business with us (a) that you’re serious, and (b) that you are going to come across with what we discussed, the initial ten [\$10,000].” BUENROSTRO stated, “Right . . . there’s plenty of money.” MEDRANO added, “Having worked for the county, I’m a witness to that.” BUENROSTRO said that he [Moreno] has “a boat to show for that sucker.” BUENROSTRO and MEDRANO then discussed how BUENROSTRO had missed out on the prior Cook County contract.

52. UC1 asked, “Are we ready to start this thing or where do we go from here?” BUENROSTRO responded, “Yeah, he’s [BARTA] ready. He’s ready, because he’s just wrapping this contract up here [at Cook County]. . . . So, he’s

got time to pick up another 10 million customers.” BUENROSTRO and MEDRANO later discussed a way to draft the RFP so that only their company would win the contract. BUENROSTRO stated, “That would be a way to be able to do it and not make it look . . .” MEDRANO interrupted, “It would be a way of beat . . .” BUENROSTRO then interrupted, “Right, the system. Beat the system.” BUENROSTRO continued, “So we’ll put it [the RFP] down on paper, I’ll send it to you guys, we’ll propose it, maybe we’ll fly out and we’ll get you that cash, and we’ll start the ball rolling. I gotta see Jim [BARTA] next week . . . and I’ll try to wrap this up.” BUENROSTRO continued, “Yeah, we’ll put the proposal together, you [MEDRANO] and me, and we’ll submit it to Jim [BARTA].” UC1 stated, “As soon as that down payment comes through, then we set the ball in motion, I mean, I gotta give him [the purported County A official], you know, his.” BUENROSTRO responded, “I understand,” and MEDRANO added, “No problem. You don’t need to say anymore. We’re good.” Later in the conversation, BUENROSTRO referred to the RFP-drafting plan as a way to “get around the system.”

53. Near the end of the conversation, BUENROSTRO asked UC1 to ask his County A contact a number of specific questions about County A’s hospitals. UC1 agreed to do so and to provide the answers to BUENROSTRO in an email. BUENROSTRO said he would share those answers with BARTA to “put him at

ease.” BUENROSTRO continued, “I’ll get you the earnest, and then the good faith, and then we’ll get the contract, as far as the copy of what he did here at the county [Cook County], so you guys can take a look at the RFP. . . .” In discussing the RFP for County A, UC1 stated, “As long as all the language is in there, and all the things that will tailor it to your company, so that there is no way that anybody else is going to get it. Even if you got 3 or 4 other companies that bid on it, we’ll tailor it to yours, it’s not going to be an issue at all.”

54. Just before leaving the restaurant, MEDRANO stated, “It’s going to be a very good deal for everybody sitting here. . . . We’re going to have steady work for three years . . . maybe every year after that. We’re going to save our money for a rainy day. I’m not going to squander it like I’ve done for the last 35 years.”

55. On May 30, 2012, the FBI sent BUENROSTRO, BARTA, and MEDRANO an email from UC1’s email account. The email provided answers to the questions that BUENROSTRO had requested UC1 to ask the purported County A official. The email further stated, “My friend [the purported County A official] would like to get this matter settled and I told him that by next week we would know whether or not we are moving forward.” The same day, BUENROSTRO sent a response email stating, “I will try to get an answer by middle of next week.”

56. On June 5, 2012, UC1 spoke with BUENROSTRO during a recorded call. UC1 asked, “Are you guys ready then, or where are we at?” BUENROSTRO said that he talked to him [BARTA] and asked, “So what do you want me to do with this?” And he [BARTA] said, ‘Let’s move forward with it.’ I said, ‘Okay. . . . You know, we got to get him the RFP so he can start moving forward.’ . . . He told me where to get it, and I said, ‘Now we’ve got that other detail [the \$10,000 payment] we’ve got to work out, too.’ He [BARTA] said, ‘Okay. . . . So let’s get the ball rolling, and we’ll talk.’ UC1 asked, “So Jim’s [BARTA] on board then?” BUENROSTRO responded, “Yeah. . . . He thinks it . . . really can’t be done, but I believe it can be done.” BUENROSTRO said that he would “work on getting that other detail [the \$10,000 payment] figured out.” BUENROSTRO told UC1 that “he’s [BARTA’s] on board. . . . He [BARTA] said, ‘Yeah, let’s move forward. . . .’” UC1 said that BUENROSTRO could send the RFP to UC1 at any time, “but that other detail [the \$10,000 payment], you know, once you give me that, we can get started.” BUENROSTRO responded, “Right.” When UC1 asked if BARTA would “come into town to meet with me to take care of that [the \$10,000 payment], or is that something that he’s gonna let you do?” BUENROSTRO answered, “I think he’s gonna want to do it directly with you. . . .” BUENROSTRO asked UC1 to send BARTA an email requesting the RFP and mentioning that UC1 would be in Chicago and would be happy to stay

longer if BARTA were coming into town to meet. BUENROSTRO said that “he [BARTA] can read through the lines. He knows what that means.” After UC1 said, “[W]e’re ready,” BUENROSTRO said, “The most important thing was that I wanted to hear from him [BARTA] say, ‘Yeah, let’s go forward with it.’ He’s . . . still kind of skeptical . . . he doesn’t think it can be done, but, you know, I said, ‘Let’s move forward.’” BUENROSTRO said BARTA mentioned that he read the email that UC1 had sent previously and said, “Let’s move forward.” Later in the conversation, BUENROSTRO said, “It’s a great deal for all of us, [UC1]. It really is.” UC1 told BUENROSTRO that “once you give me that information and that other detail, then I told you we’re gonna start on that right away.” BUENROSTRO said, “We’re ready. We’re ready, and I think he’s [BARTA] ready, too. . . .” UC1 said that UC1 would send an email to BARTA the following day, “and maybe he can come in [the following week], and we’ll take care of business.” BUENROSTRO responded, “Yeah, that’s fine.”

57. On June 6, 2012, UC1 sent an email to BARTA, with a copy to BUENROSTRO and MEDRANO. The email, which contained a subject line of “Ready to proceed,” stated, “I spoke to Gus [BUENROSTRO] yesterday and he said you are ready to move forward. We are ready to begin on our end. I will be in Chicago until Friday. I can extend my visit through as late as next Tuesday

if you want to meet in person to provide the RFP, and take care of the final detail. Let me know how you would like to proceed.”

58. On June 8, 2012, UC1 spoke to BUENROSTRO in a consensually monitored telephone conversation. UC1 stated that he had sent an email to BARTA, and BUENROSTRO stated, “Yeah, I saw it.” UC1 discussed meeting, and BUENROSTRO responded, “He’d [BARTA] have to come in . . . He told me . . . ‘let’s move forward.’ . . . It’s just moving a little slower than I thought, but, I mean, I know he [BARTA] said he wants to do it.” BUENROSTRO discussed that he was trying to obtain a copy of a prior RFP related to Sav-Rx.

59. On June 11, 2012, UC1 spoke to BUENROSTRO in a consensually monitored telephone conversation. BUENROSTRO stated that he “was going to call Jim [BARTA] and say, ‘hey, we need to wrap this up.’” UC1 stated that the purported County A official had already started drafting an RFP, and that “we can start without your RFP right now.” BUENROSTRO stated, “Yeah, I imagine he [the purported County A official] is smart, he’s probably working on it already.” BUENROSTRO stated, “Yeah, I want to get it going too, . . . I ain’t got two nickels to rub together myself.” BUENROSTRO continued, “He [BARTA] already said he was going to go on it; when he says he is going to go on it, it’s golden, but you know, he’s probably working on 20-30 different deals. . . .” UC1 stated, “Once we, you know, finish up that detail [the payment] – hopefully

we can do it this week – then he [purported County A official] can just plug in the information [for the RFP] once you give it to me.” BUENROSTRO responded, “Yep, I’ll talk to him [BARTA].”

60. On June 12, 2012, at approximately 3:02 p.m., UC1 placed a recorded call to BARTA. UC1 asked what the status was with the deal. Initially, BARTA said that he did not “have any idea,” but then stated that he thought “we probably can move forward with it, but I haven’t seen any of the particulars yet.” UC1 asked what BARTA needed to see. BARTA said that he needed to know that UC1 was “real. . . . And I think you must be.” BARTA stated that UC1 caught him “flat-footed” and that he was in the “middle of something else.” UC1 informed BARTA that UC1’s “guy has already pretty much done the whole, written up most of that RFP that we spoke about for your company.” UC1 stated that “he’s ready to move forward. He just needs me to give him a final answer.” BARTA informed UC1 that they should plan to meet in the next few days. UC1 told BARTA that UC1 needed to inform the purported County A official if “you guys are ready to move forward.” BARTA responded, “I think we’re probably ready to move.” UC1 said he would call BUENROSTRO to schedule a meeting.

61. Later on June 12, 2012, UC1 placed a recorded call to BUENROSTRO. BUENROSTRO said that BARTA’s concern was with “what

happens if . . . the contract doesn't come through" and whether there would be "any kind of guarantees on the ten grand." UC1 responded, "here's my guarantee to you and I'll make it to him [BARTA] . . . if he doesn't get that contract approved, and I'll tell him this at the meeting, . . . he'll get his money back." UC1 said that the County A official will "approve the thing, so he's not going to tell me he's gonna do it if he can't do it, quite frankly." BUENROSTRO said that he did not know whether BARTA would bring cash or a check written to MEDRANO or BUENROSTRO and have MEDRANO or BUENROSTRO "take care of you on the, on that way." UC1 stated that he preferred cash, but would deal with it if BARTA brought a check. BUENROSTRO stated that they were looking for a written guarantee that UC1 would provide the money back if something happened. BUENROSTRO said that if they had entered into a guarantee "a month ago, we would have been rolling already."

62. On June 18, 2012, UC1 spoke to BUENROSTRO in a consensually monitored telephone conversation and discussed meeting with BARTA. BUENROSTRO stated that BARTA had the "minor detail." BUENROSTRO stated that BARTA wants to "sit down with you for a while" and then "cut you a check. . . . The deal is still there. . . . You'll have your money tomorrow." BUENROSTRO discussed the option of UC1 traveling to Nebraska for a meeting, where UC1 could "sit down for a couple of hours . . . grab your cash, or

ah, figure that detail out.” Later in the conversation, UC1 said, “My main thing is that he [BARTA] is on board with it. I really don’t want to spend any more time or efforts if he’s really kinda not, if he doesn’t know if he is going to do it or not. . . . And I want to make sure that . . . he’s on board as far as the agreement and the amounts and everything we discussed.” BUENROSTRO stated, “100 percent, [BARTA] told me.” UC1 stated, “Ultimately, it’s his company, he’s got to make that decision.” BUENROSTRO stated, “And he made it with me. . . . [BARTA] says, ‘Gus, I’m doing it for you, I hope it works. You got one time shot. . . . If this works Gus, well that’s great, if it doesn’t, you have no more favors.’”

63. On June 19, 2012, UC1 spoke to BUENROSTRO in a consensually monitored telephone conversation and discussed meeting with BARTA. UC1 stated, “I just want to make sure that [BARTA] is ready to go, that he is ready to do business. . . .” BUENROSTRO said, “The confirmation you get is through me . . . for the most part, he gave me the confirmation, and I’m giving it to you. What [BARTA] says is that . . . the only reason last time that we didn’t figure it out was because we didn’t have everything lined up in a row. . . . We did all the research, the timing is right, he looked at all the stuff.” BUENROSTRO continued, “Last week [BARTA] said, ‘Ok, what do we need to get started?’ I said we’s got to take care of that . . . get the minor detail. He says ‘ok.’”

64. On June 20, 2012, UC1 spoke to BUENROSTRO in a number of consensually monitored telephone conversations and discussed meeting with BARTA in Omaha, Nebraska, on June 22, 2012. BUENROSTRO stated, “He’s [BARTA] ready to go.”

65. On June 21, 2012, UC1 spoke to BUENROSTRO in a consensually monitored telephone conversation. BUENROSTRO said, “Ok, so we’re good to go. . . . I communicated with Jim [BARTA]; the detail’s there. Tomorrow, everyone will be happy . . . the detail will be finished.”

66. On June 22, 2012, UC1 met with BUENROSTRO, BARTA, and MEDRANO at a restaurant in Omaha, Nebraska. UC1 recorded the meeting. When UC1 arrived at the restaurant, MEDRANO and BUENROSTRO were there waiting; BARTA had not arrived yet. MEDRANO stated to UC1, “We just wanted to know how you wanted to fit into the . . . puzzle. Do you just want us to give you what you are asking for, and that is all you are looking for? Or would you actually want to be a part of the formula in terms of building this thing?” UC1 responded, “I’m not looking to do anything more than what we discussed previously. From the ten percent, and obviously five of it has to go to my guy.” MEDRANO stated, “Ok, that’s fine.” BUENROSTRO asked for clarification: “Ten percent of what? Ten percent of royalties?” UC1 responded, “Ten percent of what you guys are going to net.” Later in the conversation, MEDRANO said,

“Just so that you know, I been out here because I want it to work . . . I need it. . . . So, that’s why I’m here. . . . I’m hoping that this is where we sign on the dotted line. . . .” BUENROSTRO stated that he needed the deal to work also.

67. BUENROSTRO stated that he had talked to BARTA, and that BUENROSTRO and MEDRANO were going to be 35% partners, and BARTA was going to be a 65% partner. BUENROSTRO stated that BARTA is “prepared to give you his portion of this partnership, which is 65% [\$6,500 for the up-front payment], and that he is prepared to give you today as a check. . . . So the way that affects us [BUENROSTRO and MEDRANO], is there is about another \$3,500 that we have to come up with to put it together. Or, if we can start it with that, and then give us 30 days or 60 days, once we put it together, we give you the other \$3,500.” Later in the conversation, BUENROSTRO asked UC1 if UC1 agreed to receive the \$3,500 in the next 30 days, and UC1 responded, “As long as I see that everybody’s committed to move forward and we’re going to get it done, I can at least show up with this [BARTA’s \$6,500] initially, and say ‘here’s where they’re at, the other stuff is coming in 30 days or less.’” MEDRANO stated, “Good faith. . . . You got a deal. You got a deal, you got my word on it.” At the same time, BUENROSTRO extended his hand to UC1 and shook hands with UC1.

68. At one point in the conversation, MEDRANO asked, “So then we’re good [UC1], ten percent?” UC1 responded, “I don’t have a problem with that . . . our terms from the beginning were the ten thousand dollars, as good faith money, because this could be a very lucrative deal for the company, and whoever else is involved. And that’s just good faith money because I got to take care of my guy [purported County A official] too.” MEDRANO stated, “That’s fine.” UC1 said, “I’m just gonna give him [purported County A official] the five [\$5,000] of the 6,500, and then I will settle up with you guys, because I got to get him started and he wants his money to get started.” MEDRANO and BUENROSTRO both agreed.

69. BARTA then arrived at the restaurant and joined the others at their table. During the conversation that followed, UC1 stated, “I thought it was important also when we first met in Chicago to basically say, here’s what our terms are in terms of what we need. . . .” BARTA interrupted and stated, “I understand. I understand. We all agree. We understand, and I appreciate that.” Later in the conversation, UC1 stated, “The proposal is going to be written specifically for this company [Sav-Rx]. That is where I come in. We get your foot in the door, but I can’t approve anything at that level at the County. What you are buying today, basically, is the approval for the contract. Now, barring this guy [purported County A official] getting hit by a bus or whatever,

you are going to get it, you're going to get it for your company." UC1 continued, "Now, as I told Gus [BUENROSTRO] . . . if, for whatever, reason, you don't get the contract, then you get your money back. . . . I'm not making money if you are not making money, that's the way things work, in reality." BARTA stated, "I assume that, or I wouldn't be here."

70. UC1 continued, "I will probably see him [purported County A official] tomorrow. . . and what I'm going to do, I'm going to go right back and pay him his money, and say 'here, this is your half,' . . . I'm going to wait on these guys . . . they'll come up with theirs [\$3,500] in 30 days, which is fine, I know they're good for it." BARTA laughed and stated, "I don't know about that." UC1 said "I want to get him [purported County A official] started." BARTA responded, "Sure."

71. The conversation then turned to the RFP that would issue in connection with the County A contract. BARTA discussed the advantages UC1's "buddy [purported County A official]" will have trying to sell the RFP due to bottom-line cost savings offered by Sav-Rx. UC1 said, "What I can do is . . . , I can . . . see him [purported County A official] Monday and he can get the process rolling. You can either send me, email, fax me whatever other information, and I'll make sure he gets it. And probably within 2 or 3 weeks he should have something [an RFP] drafted, and I can just email it to you so you can see it."

BARTA stated, “Sounds good.” UC1 said, “I told him [purported County A official], you’ve got to tailor it to this company because he’s coming through with the approval, make sure it is right on point, and there is no issue.” BARTA responded, “That’s easier for him. If he tailors it to a company, it is easier for him.”

72. BARTA stated, “I don’t care how much money we make. At this stage in my career, I could give a damn . . . but I’d like to see Gus [BUENROSTRO] do something. Gus has always been a day late and a dollar short.” MEDRANO then discussed that BUENROSTRO had missed out on partnering with Sav-Rx in connection with a Cook County contract.

73. UC1 stated that he was hesitant to travel to Nebraska or to meet in BARTA’s offices, “until the thing gets approved and it’s above board and everything else . . . we have to be careful.” BARTA responded, “Well, it is above board . . . you don’t have any political, you are not running for nothing are you?” UC1 responded, “No. But I don’t need any bad exposure for my company either . . . it’s better to be careful.” BARTA stated that he understood. BARTA continued, “I mean, you’re not, you’re not, you have nothing to do with the decision of whether we get the business or not. . . .” UC1 stated, “I don’t, I’m just bringing you, getting your foot in the door, taking my commission for that, and then once he [purported County A official] approves it, he has a set price that he

charges for this, his fees. . . . My thing is to get you the contract. . . .” BARTA stated, “Well, we won’t pay any official.” BUENROSTRO laughed, and stated, “Directly.” BARTA continued, “We won’t, we just won’t, as far as I am concerned there are no officials involved.” UC responded, “Well there is, the County guy is an official.” BARTA clarified, “I’m saying, I won’t pay somebody directly. I’ll pay you whatever you want, and whoever you pay (UI) I don’t want to know.” MEDRANO explained what BARTA was saying: “No, no, no, he’s saying unofficially I [BARTA] haven’t given anything to him [purported County A official], it’s through us [BUENROSTRO and MEDRANO], through you [UC1].”

74. UC1 said, “I need to let you know ahead of time because I don’t want this thing to be public, because the way it is being done.” MEDRANO said, “Exactly.” UC1 continued, “I’ll pay the guy, I don’t need you guys to pay him,” and MEDRANO interrupted to say, “Just let us know when his golf outing is, if he has one. That’s what’s popular in Chicago.” UC1 said, “Once we set it up, I will be paying him [purported County A official] through that account.” MEDRANO said, “Exactly, that is what he [BARTA] means, that’s all he means [that BARTA did not want to make direct payments to the public official, but that indirect payments are what BARTA had in mind].” UC1 stated, “You’re never gonna have any exposure, he [purported County A official] does not want to meet anybody.” BARTA said, “I don’t want to meet him either.” UC1

continued, “He doesn’t want to meet anybody, he can’t, he won’t meet with anybody.” MEDRANO stated, “That is better for everybody,” and BARTA echoed, “better for everybody.”

75. According to UC1, BARTA gave UC1 a check, made payable to UC1, in the amount of \$6,500. The check was signed by BARTA, and written on an account belonging to “Sav-Rx Operations.” On the recording, BARTA can be heard saying, “I’m going to make this for 6,500 . . . who do I make this to?” UC1 responded that BARTA should make the check out to UC1 personally, not to UC1’s company. BARTA laughed and said, “We don’t even want to know.” UC1 explained that the check could not be made out to his company, and BUENROSTRO stated, “We all understand.”

Conclusion

76. Based on the foregoing, I submit that there is probable cause to believe that BARTA, BUENROSTRO, and MEDRANO conspired to commit an offense against the United States, namely 18 U.S.C. § 666(a)(2), by conspiring to corruptly give, offer, and agree to give things of value, namely, money, to a purported agent of County A, a local government that received \$10,000 under a Federal program in a one year period from June 26, 2011 to June 27, 2012, intending to influence and reward an agent of County A, in connection with County A’s issuance of a Request for Proposal and awarding of a mail-in

pharmaceutical sales contract for County A's hospital system, which involved a value of \$5,000 or more, in violation of 18 U.S.C. § 371.

FURTHER AFFIANT SAYETH NOT.

Brendan O'Leary
Special Agent, Federal Bureau of Investigation

SUBSCRIBED AND SWORN to before me on June 27, 2012

YOUNG B. KIM
United States Magistrate Judge