

Approved: Janis Echenberg / Robert Boone / David Zhou / Matthew Podolsky
JANIS ECHENBERG/ROBERT BOONE/DAVID ZHOU/MATTHEW PODOLSKY
Assistant United States Attorneys

Before: THE HONORABLE GABRIEL W. GORENSTEIN
United States Magistrate Judge
Southern District of New York

16 MAG 6005

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UNITED STATES OF AMERICA

SEALED COMPLAINT

- v. -

Violations of
18 U.S.C. §§ 666, 1001,
1349, 1951, and 2

JOSEPH PERCOCO,
a/k/a "Herb,"
ALAIN KALOYEROS,
a/k/a "Dr. K,"
PETER GALBRAITH KELLY, JR.,
a/k/a "Braith,"
STEVEN AIELLO,
JOSEPH GERARDI,
LOUIS CIMINELLI,
MICHAEL LAIPPLE, and
KEVIN SCHULER,

COUNTY OF OFFENSE:
NEW YORK

Defendants.

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SOUTHERN DISTRICT OF NEW YORK, ss.:

DELEASSA PENLAND, being duly sworn, deposes and says that she is a Criminal Investigator with the United States Attorney's Office for the Southern District of New York ("USAO"), and charges as follows:

COUNT ONE

(Conspiracy to Commit Extortion Under Color of Official Right)

1. From at least in or about 2012, up to and including in or about 2016, in the Southern District of New York and elsewhere, JOSEPH PERCOCO, a/k/a "Herb," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Section 1951.

2. It was a part and an object of the conspiracy that JOSEPH PERCOCO, a/k/a "Herb," the defendant, and others known and unknown, willfully and knowingly, would and did obstruct, delay, and affect commerce and the movement of articles and commodities in commerce by extortion as that term is defined in Title 18, United States Code, Section 1951, to wit, PERCOCO, who was a senior official in the Office of the Governor of New York State (the "State"), and others known and unknown, would and did cause companies with business before the State to direct payments to PERCOCO in exchange for official actions taken or to be taken by PERCOCO for the benefit of the companies paying him.

(Title 18, United States Code, Sections 1951.)

COUNT TWO

(Extortion Under Color of Official Right - The Energy Company)

3. From at least in or about 2012, up to and including in or about 2016, in the Southern District of New York and elsewhere, JOSEPH PERCOCO, a/k/a "Herb," the defendant, willfully and knowingly, would and did obstruct, delay, and affect commerce and the movement of articles and commodities in commerce by extortion as that term is defined in Title 18, United States Code, Section 1951, to wit, PERCOCO used his official State position and power and authority within the Office of the Governor to cause an energy company seeking benefits and business from the State (the "Energy Company") to make and direct payments to PERCOCO's wife in exchange for official actions taken and agreed to be taken by PERCOCO.

(Title 18, United States Code, Sections 1951 and 2.)

COUNT THREE

(Extortion Under Color of Official Right - The Syracuse Developer)

4. From at least in or about 2014, up to and including in or about 2015, in the Southern District of New York and elsewhere, JOSEPH PERCOCO, a/k/a "Herb," the defendant, willfully and knowingly, would and did obstruct, delay, and affect commerce and the movement of articles and commodities in commerce by extortion as that term is defined in Title 18, United States Code, Section 1951, to wit, PERCOCO

used his official State position and power and authority within the Office of the Governor to cause a Syracuse-based real estate developer seeking benefits and business from the State (the "Syracuse Developer") to make and direct payments to PERCOCO in exchange for official actions taken and agreed to be taken by PERCOCO.

(Title 18, United States Code, Sections 1951 and 2.)

COUNT FOUR

(Conspiracy to Commit Honest Services Fraud)

5. From at least in or about 2012, up to and including in or about 2015, in the Southern District of New York and elsewhere, JOSEPH PERCOCO, a/k/a "Herb," PETER GALBRAITH KELLY, JR., a/k/a "Braith," STEVEN AIELLO, and JOSEPH GERARDI, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Sections 1343 and 1346.

6. It was a part and an object of the conspiracy that JOSEPH PERCOCO, a/k/a "Herb," PETER GALBRAITH KELLY, JR., a/k/a "Braith," STEVEN AIELLO, and JOSEPH GERARDI, the defendants, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and to deprive the public of its intangible right to PERCOCO's honest services as a senior official in the Office of the Governor, would and did transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Sections 1343 and 1346, to wit, PERCOCO, while serving as Executive Deputy Secretary to the Governor, would and did take official action in return for bribes paid, at the direction of KELLY, AIELLO, and GERARDI, by the Energy Company and the Syracuse Developer.

(Title 18, United States Code, Section 1349.)

COUNT FIVE

(Solicitation of Bribes and Gratuities - The Energy Company)

7. From at least in or about 2012, up to and including in or about 2016, in the Southern District of New York and elsewhere, JOSEPH PERCOCO, a/k/a "Herb," the defendant, being an agent of a State government, to wit, a senior official in the Office of the Governor, corruptly solicited and demanded for the benefit of a person, and accepted and agreed to accept, a thing of value from a person, intending to be influenced and rewarded in connection with a business, transaction, and series of transactions of such government and agency involving a thing of value of \$5,000 and more, while such government and agency was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, PERCOCO, in his capacity as a senior official in the Office of the Governor, solicited and accepted cash and things of value from the Energy Company intending for PERCOCO to be influenced and rewarded.

(Title 18, United States Code, Sections 666(a)(1)(B) and 2.)

COUNT SIX

(Solicitation of Bribes and Gratuities - The Syracuse Developer)

8. From at least in or about 2014, up to and including in or about 2015, in the Southern District of New York and elsewhere, JOSEPH PERCOCO, a/k/a "Herb," the defendant, being an agent of a State government, to wit, a senior official in the Office of the Governor, corruptly solicited and demanded for the benefit of a person, and accepted and agreed to accept, a thing of value from a person, intending to be influenced and rewarded in connection with a business, transaction, and series of transactions of such government and agency involving a thing of value of \$5,000 and more, while such government and agency was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, PERCOCO, in his capacity as a senior official in the Office of the Governor, solicited and accepted cash and things

of value from the Syracuse Developer intending for PERCOCO to be influenced and rewarded.

(Title 18, United States Code, Sections 666(a)(1)(B) and 2.)

COUNT SEVEN

(Payments of Bribes and Gratuities - The Energy Company)

9. From at least in or about 2012 to at least in or about 2016, in the Southern District of New York and elsewhere, PETER GALBRAITH KELLY, JR., a/k/a "Braith," the defendant, who was an executive at the Energy Company, willfully and knowingly did corruptly give, offer, and agree to give a thing of value to a person, with intent to influence an agent of an organization of a State government, and an agency thereof, in connection with business, transactions, and series of transactions of such organization, government, and agency involving a thing of value of \$5,000 and more, while such government and agency was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, KELLY offered and gave bribes to JOSEPH PERCOCO, a/k/a "Herb," the defendant, in order for PERCOCO to influence regulatory approvals and funding related to the development of a power plant in Orange County, New York, and take other official action to benefit the Energy Company.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT EIGHT

(Payments of Bribes and Gratuities - The Syracuse Developer)

10. From at least in or about 2014 to at least in or about 2015, in the Southern District of New York and elsewhere, STEVEN AIELLO and JOSEPH GERARDI, the defendants, who were executives at the Syracuse Developer, willfully and knowingly did corruptly give, offer, and agree to give a thing of value to a person, with intent to influence an agent of an organization of a State government, and an agency thereof, in connection with business, transactions, and series of transactions of such organization, government, and agency involving a thing of value of \$5,000 and more, while such government and agency was in receipt of, in any one year period, benefits in

excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, AIELLO and GERARDI offered and gave bribes to JOSEPH PERCOCO, a/k/a "Herb," the defendant, in order for PERCOCO to promote the Syracuse Developer's development projects in the State and take other official action to benefit the Syracuse Developer.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT NINE

(Wire Fraud Conspiracy - The Preferred Developer RFPs)

11. From at least in or about 2013, up to and including in or about 2015, in the Southern District of New York and elsewhere, ALAIN KALOYEROS, a/k/a "Dr. K," STEVEN AIELLO, JOSEPH GERARDI, LOUIS CIMINELLI, MICHAEL LAIPPLE, and KEVIN SCHULER, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit wire fraud in violation of Section 1343 of Title 18, United States Code.

12. It was a part and an object of the conspiracy that ALAIN KALOYEROS, a/k/a "Dr. K," STEVEN AIELLO, JOSEPH GERARDI, LOUIS CIMINELLI, MICHAEL LAIPPLE, and KEVIN SCHULER, the defendants, and others known and unknown, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343, to wit, KALOYEROS, AIELLO, GERARDI, CIMINELLI, LAIPPLE, and SCHULER, and their co-conspirators, devised a scheme to defraud Fort Schuyler Management Corporation ("Fort Schuyler"), a State-funded entity charged with awarding significant taxpayer-funded development contracts, by representing to Fort Schuyler that the bidding process for those contracts was fair, open, and competitive, when, in truth and in fact, they secretly tailored the requests for proposals ("RFPs") for those contracts so that companies that were owned,

controlled, and managed by AIELLO, GERARDI, CIMINELLI, LAIPPLE, and SCHULER were guaranteed to win the contracts.

(Title 18, United States Code, Section 1349.)

COUNT TEN

(Payments of Bribes and Gratuities - The Syracuse Developer RFP)

13. From at least in or about 2013 to at least in or about 2015, in the Southern District of New York and elsewhere, STEVEN AIELLO and JOSEPH GERARDI, the defendants, willfully and knowingly did corruptly give, offer, and agree to give a thing of value to a person, with intent to influence an agent of an organization of a State government, and an agency thereof, in connection with business, transactions, and series of transactions of such organization, government, and agency involving a thing of value of \$5,000 and more, while such government and agency was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, AIELLO and GERARDI offered and gave bribes and gratuities to a representative of a New York State university and foundation in order to obtain a development contract.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT ELEVEN

(Payments of Bribes and Gratuities - The Buffalo Developer RFP)

14. From at least in or about 2013 to at least in or about 2015, in the Southern District of New York and elsewhere, LOUIS CIMINELLI, MICHAEL LAIPPLE, and KEVIN SCHULER, the defendants, willfully and knowingly did corruptly give, offer, and agree to give a thing of value to a person, with intent to influence an agent of an organization of a State government, and an agency thereof, in connection with business, transactions, and series of transactions of such organization, government, and agency involving a thing of value of \$5,000 and more, while such government and agency was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, CIMINELLI,

LAIPPLE, and SCHULER offered and gave bribes and gratuities to a representative of a New York State university and foundation in order to obtain a development contract.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT TWELVE

(False Statements to Federal Officers)

15. On or about June 21, 2016, in the Southern District of New York and elsewhere, STEVEN AIELLO and JOSEPH GERARDI, the defendants, willfully and knowingly did make materially false, fictitious, and fraudulent statements and representations in a matter within the jurisdiction of the executive, legislative, and judicial branches of the Government of the United States, to wit, AIELLO and GERARDI, while meeting with federal agents and representatives of the United States Attorney's Office for the Southern District of New York, each made statements denying involvement in paying JOSEPH PERCOCO, a/k/a "Herb," the defendant, and in tailoring a request for proposal for the benefit of their company, when, in truth and in fact, AIELLO and GERARDI directed payments to PERCOCO and conspired to tailor a request for proposal for the benefit of their company.

(Title 18, United States Code, Section 1001(a)(2).)

The bases for deponent's knowledge and for the foregoing charges are, in part, as follows:

16. I am a Criminal Investigator with the USAO, and I have been personally involved in the investigation of this matter, which has been handled by Special Agents of the Federal Bureau of Investigation, Buffalo Field Office ("FBI") and Criminal Investigators in the USAO. I have been employed by the USAO since 2015, prior to which I was a Revenue Agent with the Internal Revenue Service for more than twelve years. I and other members of the investigative team have experience in fraud and political corruption investigations and techniques associated with such investigations, including executing search warrants, financial analysis, and working with informants.

17. This affidavit is based in part upon my own observations, my conversations with other law enforcement agents and others, my

examination of documents and reports by others, my interviews of witnesses, and my training and experience. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of the investigation. Where the contents of documents, including emails, and the actions, statements and conversations of others are reported herein, they are reported in substance and in part, except where specifically indicated otherwise. For ease of reference, I have included a table of contents below.

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I. OVERVIEW

18. The charges in this Complaint stem from two overlapping criminal schemes involving bribery, corruption, and fraud in the award of hundreds of millions of dollars in State contracts and other official State benefits.

19. The first scheme (the "PERCOCO Bribery Scheme") involves efforts by JOSEPH PERCOCO, a/k/a "Herb," the defendant, who served as the Executive Deputy Secretary to the Governor of the State between in or about January 2012 and mid-2014, and again in or about 2015, to abuse his official position and extensive influence within the Executive Branch by seeking and accepting bribe payments from executives at companies that were seeking benefits and business from the State in exchange for use of PERCOCO's official authority and influence to benefit those companies. In part to disguise the nature and source of the bribe payments, bribes to PERCOCO were funneled in certain instances through a third-party intermediary and in other instances through bank accounts and a shell company set up by Todd Howe ("Howe"), a consultant who had been retained by the bribe-paying companies to help them obtain official State favors, and who is now cooperating with the Government.

20. More specifically, between 2012 and 2016, Howe arranged for more than \$315,000 in bribe payments to JOSEPH PERCOCO, a/k/a "Herb," the defendant, and PERCOCO's wife, funded by two clients of Howe that were seeking substantial official State benefits at the time the payments were solicited and made: an energy company (the "Energy Company") and a Syracuse-based real estate developer (the "Syracuse Developer"). PETER GALBRAITH KELLY, JR., a/k/a "Braith," the defendant, oversaw external affairs and government relations for the Energy Company. KELLY arranged for PERCOCO and PERCOCO's wife to receive more than \$287,000 in bribe payments from the Energy Company in exchange for PERCOCO's official assistance for the Energy Company on an as-needed basis, including helping the Energy Company obtain a State contract estimated to be worth \$100 million, that would help finance a \$900 million power plant in Wawayanda, New York, and assisting the Energy Company with obtaining millions of dollars in energy credits for a power plant it was building in New Jersey. STEVEN AIELLO and JOSEPH GERARDI, the defendants, were the President and the General Counsel, respectively, of the Syracuse Developer. AIELLO and GERARDI arranged for PERCOCO to receive approximately \$35,000 in bribe payments in exchange for PERCOCO's official

assistance for the Syracuse Developer on an as-needed basis, including assisting the Syracuse Developer in reversing a costly decision of a State economic development agency, influencing the State to release payments owed to the Syracuse Developer, and obtaining a raise for AIELLO's son, a New York State employee who worked for PERCOCO.

21. The second scheme (the "Buffalo Billion Fraud and Bribery Scheme") involves bribery, corruption, and fraud in the award of contracts under the Governor's "Buffalo Billion" initiative and similar programs. In that scheme, executives at two companies, one of which was the Syracuse Developer, conspired with ALAIN KALOYEROS, a/k/a "Dr. K," the defendant, and Howe to deceive Fort Schuyler, a State-funded entity charged with awarding State contracts worth hundreds of millions of dollars, by secretly rigging the bidding process so that the contracts would be awarded to those two companies.

22. More specifically, ALAIN KALOYEROS, a/k/a "Dr. K," the defendant, who oversaw the application process for many of the State grants awarded under the Buffalo Billion and similar programs, retained Howe to assist with developing the projects and identifying developers for those projects. Howe in turn solicited and received bribe and gratuity payments from (a) the Syracuse Developer, run by, among others, STEVEN AIELLO and JOSEPH GERARDI, the defendants, who were seeking State development grants for projects in Syracuse, New York, and (b) a Buffalo-based developer (the "Buffalo Developer"), run by, among others, LOUIS CIMINELLI, MICHAEL LAIPPLE, and KEVIN SCHULER, the defendants, that was seeking State development grants for projects in Buffalo, New York. In exchange for the bribe payments to Howe, Howe worked with KALOYEROS to deceive Fort Schuyler by secretly tailoring the required qualifications for those development deals so that the Syracuse Developer and the Buffalo Developer would be awarded the contracts, in Syracuse and Buffalo respectively, without any meaningful competition.

II. RELEVANT INDIVIDUALS AND ENTITIES

A. *New York State Government and the Office of the Governor*

23. According to public sources and information provided by the Governor's Office, I know the following: the State's executive branch is headed by the Governor, who serves as the State's chief executive, managing various State agencies, including those charged with overseeing economic development, environmental conservation,

transportation and energy. The Governor's closest advisors and aides are referred to as working in the "Executive Chamber." The Executive Chamber includes the following officials, among others: Executive Deputy Secretary, which is the position that was held by JOSEPH PERCOCO, a/k/a "Herb," the defendant, as described below; Secretary to the Governor; and Director of State Operations. The Secretary to the Governor is in charge of the Executive Chamber's overall management. The Director of State Operations oversees the day-to-day functioning of State government, including overseeing and providing direction to many of the State agencies. Within the Executive Chamber there are also various Deputy and Assistant Secretaries organized by subject area, who are the primary liaisons with their respective State agencies, and report up to the Director of State Operations.

24. I know from publicly available federal and State government documents and public reports that, in each year relevant to this Complaint, the government of the State received funds from the federal government in excess of \$10,000 per year.

B. CNSE and Fort Schuyler

25. Based on public information and interviews with, among others, individuals associated with the College of Nanoscale Science and Engineering ("CNSE") and its affiliated entities, I learned the following:

a. CNSE is a public institution of higher education that is funded in part by the State. In or around September 2014, CNSE merged with the State University of New York Institute of Technology to become a new public university known as the SUNY Polytechnic Institute ("SUNY Poly"), of which CNSE is now a part. Because CNSE became part of SUNY Poly during the time period relevant to this Complaint, unless otherwise specified, I refer to both CNSE and SUNY Poly as "CNSE" in this Complaint. SUNY Poly is part of the State University of New York, which is a public, State-supported organization.

b. The head of CNSE and SUNY Poly at all times relevant to this Complaint was ALAIN KALOYEROS, a/k/a "Dr. K," the defendant. Under his leadership, CNSE, and later SUNY Poly, focused on developing partnerships with private companies to create large development and construction projects. When the Governor's Buffalo Billion initiative was announced in 2012, CNSE created projects in

Buffalo and Syracuse, New York, in order to take advantage of new State funds committed to development in upstate New York.

c. In or around 2009, CNSE created Fort Schuyler as an affiliated non-profit real estate corporation to partner with private companies on CNSE's behalf to carry out its development projects. As relevant here, Fort Schuyler manages development and construction projects associated with CNSE in Buffalo and Syracuse, New York. Fort Schuyler is governed by a Board of Directors, which, among other things, is charged with selecting private companies to partner with Fort Schuyler in CNSE-related development projects, including Buffalo Billion-related projects in Buffalo and similar development projects in Syracuse, among other places. Certain public funding for CNSE goes through the Research Foundation for the State University of New York (the "Research Foundation"), which employed many individuals associated with CNSE and Fort Schuyler, including ALAIN KALOYEROS, a/k/a "Dr. K," the defendant, and Howe (as a retained consultant), during the times relevant to this Complaint. During each year relevant to this Complaint, the Research Foundation received more than \$10,000 in federal funding.

C. JOSEPH PERCOCO

26. Based on my review of documents both publicly available and obtained during this investigation, including electronic communications to and from JOSEPH PERCOCO, a/k/a "Herb," the defendant, and my interviews with Howe as well as several individuals who worked at the Governor's Office at the relevant times, I learned that:

a. In or around 1992, PERCOCO joined the Office of the then-Governor of New York (the "Former Governor") as an intern. PERCOCO later worked for the current Governor (the son of the Former Governor) when the Governor was Attorney General. In or about January 2011, PERCOCO was appointed to be the Executive Deputy Secretary to the Governor, and remained one of the Governor's closest advisors during the Governor's first and second terms. The position of Executive Deputy Secretary is a high-ranking, senior, and influential part of the Governor's Executive staff. PERCOCO was generally seen as the Governor's "right-hand man," who coordinated access to the Governor and often spoke for him on a broad array of substantive and administrative matters. PERCOCO's role included serving as a primary "gatekeeper" of opportunities to speak or meet with the Governor,

overseeing logistics of the Governor's events and travel, supervising appointments and administrative matters for the Executive Chamber, and playing the principal role in organizing support for the Governor's initiatives among lawmakers, labor leaders, and other constituencies. During all times relevant to this Complaint, PERCOCO's primary work location was in Manhattan, New York, although he typically traveled to Albany, New York approximately several times per month and was an almost constant presence with the Governor during his official duties. PERCOCO also maintained a very close, personal relationship with the Governor and the Former Governor, exhibited by the Governor's public reference to PERCOCO as the Former Governor's "third son."

b. On or about April 21, 2014, PERCOCO officially left New York State employment to serve as campaign manager for the Governor's reelection campaign, and returned to State service on or about December 8, 2014. PERCOCO permanently left his position as Executive Deputy Secretary in or about January 2016, and is currently an executive in the private sector.

c. According to multiple witnesses interviewed in this investigation, as well as PERCOCO's email communications at the relevant time, although PERCOCO was not on the State payroll between at least on or about April 22, 2014 and December 7, 2014, while he was the manager of the Governor's reelection campaign, PERCOCO nevertheless continued to function in a senior advisory and supervisory role with regard to the Governor's Office during that time period, and continued to be involved in the hiring of staff and the coordination of the Governor's official events and priorities, among other things, and to travel with the Governor on official business. In addition, PERCOCO represented to others that he intended to return to State service, including by stating on a mortgage application submitted on or about August 7, 2014, that he was "guaranteed a position with [the Governor] after the November election."

D. ALAIN KALOYEROS

27. I have learned from emails, financial records, publicly available information, and witness interviews, including interviews with Howe and executives of CNSE and its affiliated entities, that:

a. ALAIN KALOYEROS, a/k/a "Dr. K," the defendant, currently serves as the President of SUNY Poly. Prior to CNSE's merger into SUNY Poly, KALOYEROS served as Senior Vice President and Chief Executive Officer of CNSE.

b. At all relevant times, KALOYEROS served as a member of the Board of Directors of Fort Schuyler. Fort Schuyler's officers also were hired by KALOYEROS and relied on staffing from the Research Foundation, and KALOYEROS supervised and controlled Fort Schuyler's day-to-day operations.

E. Todd Howe

28. I know from witness interviews, including interviews with Howe, and the review of emails, financial records and publicly available information that:

a. Howe has held several public positions, including as a strategic advisor to the Governor when the Governor was United States Secretary of Housing and Urban Development, and as a senior aide to the Former Governor when the Former Governor was Governor of New York. I also know that Howe has known JOSEPH PERCOCO, a/k/a "Herb," the defendant, since PERCOCO was a college student, when Howe hired PERCOCO to work for the Former Governor.

b. During all times relevant to this Complaint, Howe was the president and primary employee of a government relations and lobbying firm (the "Government Relations Firm") located in Washington, DC, that was a subsidiary of a law firm located in Albany, New York (the "Law Firm"). The co-chair of the Law Firm controlled the finances of the Government Relations Firm, including Howe's salary and bonuses, and approved all retention agreements for new clients of the Government Relations Firm. Also during all times relevant to this Complaint, Howe was retained by several clients, most, if not all, of which retained Howe for his contacts with State officials, and for which Howe provided assistance with obtaining or facilitating business before the State. Howe's clients included the Energy Company, the Syracuse Developer, and the Buffalo Developer.

c. During all times relevant to this Complaint, Howe was also retained as a consultant to CNSE. In his role as a consultant for CNSE, Howe maintained an office and parking space at CNSE, served

