

## **Bayoil (USA) Inc. / David Chalmers / Ludmil Dionissiev (UN Oil-for-Food)**

**Case ID:**

ST-137

**Case Cluster :**

David Chalmers/ Bayoil

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

United States Attorney for the Southern District of New York

**Jurisdiction of Foreign Public Official(s) :**

Iraq (UN Oil-for-Food)

**Year of Settlement:**

2008

**Month/Day of Settlement (or Notes):**

08/17

**Other Jurisdictions of Settlement:**

Unknown

**Settlement with Individual or Legal Person?:**

Individual

**Type of Settlement:**

Criminal

**Legal Form of Settlement:**

Guilty Plea

**Monetary Sanctions (Types):**

Criminal Fine

**Total Monetary Sanctions (US\$):**

\$5,000.00

**Criminal Fine/Penalty (US\$) :**

\$5,000

**Monetary Sanctions Returned / Ordered Returned (US\$):**

\$0

**UNCAC Articles(s) Implicated:**

Art.16

**OECD Anti-Bribery Convention Articles Implicated:**

Art. 1

**Offenses - Alleged:**

Multiple counts of conspiracy to commit wire fraud, violations of sanctions, smuggling of goods

**Offenses - Settled:**

Smuggling of goods

**Public Procurement Contract / SOE Involved?:**

Yes

**Summary:**

According to a press release by the United States Attorney for the Southern District of New York, "David B. Chalmers, Jr. [ ] and two corporations that he operated -- BAYOIL (USA), INC.

[ ] BAYOIL SUPPLY & TRADING LIMITED, a Bahamian company with principal offices in Nassau, Bahamas (collectively, the "BAYOIL COMPANIES"). CHALMERS and the BAYOIL COMPANIES each pleaded guilty today before United States District Judge DENNY CHIN to participating in a scheme to pay illegal surcharges to the former Government of Iraq in connection with the purchase of crude oil in the United Nations Oil-for-Food Program between mid-2000 and 2003. Judge CHIN also accepted earlier today the guilty plea of LUDMIL DIONISSIEV to related smuggling charges. DIONISSIEV worked with CHALMERS and the BAYOIL COMPANIES during the course of this scheme to purchase Iraqi oil. CHALMERS and the BAYOIL COMPANIES each pleaded guilty to participating in a conspiracy to commit wire fraud related to the payment of secret illegal surcharge payments to the former Government of Iraq." (Source: United States Attorney for the Southern District of New York, "U.S. Announces Four Guilty Pleas in Oil-for-Food Case," August 17, 2007.) According to the Court Docket Report in US v. Chalmers, et al, Dionissiev paid the \$5,000 fine on December 17, 2007. (Source: US v. Chalmers, et al Case No. 1:05-cr-00059-DC (S.D.N.Y.), Court Docket Report as of October 26, 2011.)

**Sources :**

US v. David B. Chalmers, Jr., Bayoil (USA) Inc., and Bayoil Supply & Trading Limited, Case No. 1:05-cr-00059-DC (S.D.N.Y.), Order of Restitution filed on March 25, 2008;  
<http://www.justice.gov/usao/nys/pressreleases/March08/chalmersetalsentencingpr.pdf>. United States Attorney Southern District of New York Press Release, "U.S. Announces Four Guilty Pleas in Oil-for-Food Case," August 17, 2007, accessed at  
<http://www.justice.gov/usao/nys/pressreleases/August07/chalmersdionissievbayoiloilforfoodpleaspr.pdf>;  
US v. Chalmers, et al, Case No. 1:05-cr-00059-DC (S.D.N.Y.), Court Docket Report as of October 26, 2011 (accessed via Pacer).