

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FILED

17 OCT 12 PM 3:20

CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS

BY RD
DEPUTY CLERK

UNITED STATES OF AMERICA,

Plaintiff

vs.

**KELLY BURTON NUNN (1) and
BRYAN DALE WALLACE (2),**

Defendants

§
§
§
§
§
§
§
§
§

No. 1:17-CR

A17 CR 337 SS

[Violations:
Count One: Conspiracy to Commit Wire
Fraud, 18 U.S.C. § 371;
Count Two (Nunn): Making a False Tax
Return, 26 U.S.C. § 7206(1)]

FELONY INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

COUNT ONE

**Conspiracy to Commit Wire Fraud
(Violation of 18 U.S.C. § 371)**

From in or about January 2007 until in or about August 2012, in the Western District of Texas and elsewhere, the Defendants,

**KELLY BURTON NUNN
and
BRYAN DALE WALLACE**

("the Defendants") conspired, confederated and agreed together to commit wire fraud, a violation of Section 1343 of Title 18 of the United State Code. T the Defendants agreed that they would transmit and cause to be transmitted, via wire, radio and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing a scheme and artifice to defraud and for obtaining money and property by way of false and fraudulent pretenses, representations and promises ("the Scheme").

Object of the Conspiracy

The object and purpose of the Scheme was for the Defendants to enrich themselves unjustly by falsely and fraudulently charging Nunn's employer, Dell, Inc. ("Dell") for services that Dell did not receive, or by charging Dell excessive amounts for services that Dell did receive. Nunn, ostensibly acting in his capacity as a Dell employee, caused Dell to pay Wallace money to which Wallace was not entitled. Wallace kept some of the money for his own use and benefit, and he paid some of the money to Nunn, in accordance with their agreement.

Manner and Means

The Defendants carried out the conspiracy in the following manner and by the following means:

1. Nunn's responsibilities as a Dell employee included overseeing Dell's acquisition of computer-aided-design ("CAD") services related to management of Dell's business locations; and Nunn, acting in his capacity as a Dell employee, arranged for Dell to purchase those services from Wallace.

2. Wallace agreed to provide those CAD services under the business name Bison Services ("Bison"), and Wallace did provide services to Dell; but Wallace, acting in concert with Nunn, also submitted invoices, and received payments, for amounts far in excess of any amounts to which Wallace was entitled.

3. Acting in concert and agreement with Nunn, Wallace submitted and caused to be submitted to Dell numerous false and fraudulent invoices. Some invoices described, and demanded payment for, services that Wallace had not provided. Other invoices referred to services that Wallace had in fact performed, but they demanded payment of amounts far greater

than the services justified. Nunn usually told Wallace what services to describe and what amounts to charge on the invoices.

4. Nunn caused Dell to pay, and Wallace accepted, money that they both knew Dell did not owe. Nunn caused Dell to make these payments via electronic payment systems (a credit card and the “Arriba” purchase-order system) that utilized interstate transmission of information via wire, radio and television communication.

5. Wallace received millions of dollars from Dell in this manner during the course of the relevant period.

6. Wallace kept a substantial part of the fraudulently obtained money for his own use and benefit, but he paid Nunn more than a million dollars during the course of the conspiracy, in accordance with their agreement. Wallace paid the money to Nunn in person in the form of United States currency.

Overt Acts in Furtherance of the Conspiracy

Both Wallace and the Defendant committed numerous overt acts to achieve the object and purpose of the conspiracy. For example, Wallace repeatedly submitted invoices to Dell; the Defendant repeatedly paid amounts to Wallace, or caused them to be paid via the Arriba system; and Wallace repeatedly paid to the Defendant a share of the money that he received from Dell.

All in violation of 18 U.S.C. § 371.

COUNT TWO
Making and Subscribing a False Tax Return
(Violation of 26 U.S.C. § 7206(1))

On or about April 18, 2011, in the Western District of Texas, the Defendant,

KELLY BURTON NUNN

(“the Defendant”) willfully made and subscribed a U.S. Individual Income Tax Return, Form 1040, for himself and his spouse, for the year 2010 (“the Return”), which contained and was verified by a written declaration that it was made under the penalties of perjury, and which he did not believe to be true and correct as to every material matter. The Return stated that the Defendant and his spouse received total income of \$103,663 in 2010, but the Defendant knew that the true amount was substantially greater than \$103,663 because of proceeds of the offense alleged in Count One above that the Defendant failed to report on the Return.

In violation of 26 U.S.C. § 7206(1).

RICHARD L. DURBIN, JR.
United States Attorney

By:


ALAN M. BLUM
Assistant United States Attorney