

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

- v. - :

SUPERSEDING
INDICTMENT

JAMES GATTO, :

a/k/a "Jim,"

MERL CODE, and :

CHRISTIAN DAWKINS, :

Defendants. :

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Overview

1. The charges in this Indictment stem from a scheme to defraud National Collegiate Athletic Association ("NCAA") Division I universities by causing them to issue athletic-based financial aid under false and fraudulent pretenses, and by intentionally concealing from them significant and material information necessary to the universities' ability to exercise their right to control their financial assets. As set forth herein, scheme participants, who included individuals employed by and affiliated with a global athletic apparel company ("Company-1"), financial advisors and business managers, made or attempted to make illicit cash payments to the families of high school basketball players in connection with commitments by those student-athletes to matriculate at specific universities sponsored by Company-1, and with the further aim that these student-athletes would later sign

lucrative contracts with the scheme participants upon entering the National Basketball Association ("NBA").

2. As alleged herein, JAMES GATTO, a/k/a "Jim," the defendant, an executive at Company-1, conspired with other Company-1 employees and/or consultants, including MERL CODE, the defendant, a consultant for Company-1 and its high school and college basketball programs, and another consultant for Company-1 ("CC-3"), to funnel payments to the families of high school basketball players in connection with commitments by those players to attend and play for Company-1 sponsored universities, and with the further expectation that those players would subsequently sign endorsement contracts with Company-1 upon turning professional. In addition, CHRISTIAN DAWKINS, the defendant, along with a co-conspirator not named as a defendant herein ("CC-1"), brokered and facilitated at least some of the payments to the families of high school basketball players described herein, in exchange for an expectation that these players also would retain the services of DAWKINS, a business manager, and CC-1, a financial advisor, upon turning professional.

3. The scheme described herein served to defraud the relevant universities in several ways. First, because the illicit payments to the families of student-athletes described herein rendered those student-athletes ineligible to participate in

