

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

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|---------------------------|---|--------------------------------------|
| UNITED STATES OF AMERICA, |) | Criminal No. |
| |) | |
| |) | <u>Count One</u> : 18 U.S.C. § 371 |
| v. |) | (Conspiracy) |
| |) | |
| |) | <u>Count Two</u> : 18 U.S.C. § 201 |
| JAMES MOMON, JR. |) | (Bribery) |
| |) | |
| Defendant. |) | <u>Count Three</u> : 18 U.S.C. § 201 |
| |) | (Bribery) |
| _____ |) | |

INFORMATION

The United States charges:

COUNT ONE
18 U.S.C. § 371
(Conspiracy)

At all relevant times:

1. Beginning at least on or about September 21, 2005, and continuing until at least on or about November 14, 2007, the exact dates being unknown, in Kuwait and elsewhere, Defendant

JAMES MOMON, JR.

and others did knowingly, willfully, and unlawfully combine, conspire, confederate, and agree with others known and unknown to violate a statute of the United States, namely 18 U.S.C. § 201 (bribery), by, among other things, directly and indirectly, corruptly seeking, receiving, accepting, and agreeing to receive and accept items of value in return for being influenced in the performance of official acts, including the award of Department of Defense (“DOD”) contracts

and blanket purchase agreement (“BPA”) calls for bottled water, waste water removal, and other goods and services to co-conspirator government contractors. The unlawful scheme was executed through overt acts taken by MOMON and his co-conspirators.

BACKGROUND

2. For the purposes of this Criminal Information, the “relevant period” is that period from at least on or about September 21, 2005, until at least on or about November 14, 2007. From on or about September 21, 2005, until on or about August 10, 2006, the Defendant was a Major with the United States Army deployed to Camp Arifjan, Kuwait, as a Contracting Officer. As an Army officer, MOMON was a public official within the meaning of 18 U.S.C. § 201(a)(1).

3. As a Contracting Officer, MOMON worked on contracts and numerous BPAs, which are indefinite delivery, indefinite quantity procurement vehicles by which DOD agrees to pay a contractor a specified price for a particular good or service. The BPA then allows DOD to order that good or service in whatever quantity, and the contractor is bound by the price agreed upon in the BPA. Requests made under a BPA are referred to as “calls.” DOD used BPAs to purchase, among other things, bottled water destined for soldiers serving in Kuwait and Iraq and waste water removal service from Camp Arifjan and other United States military bases in Kuwait. While MOMON was deployed to Kuwait, he made numerous calls on BPAs held by co-conspirator contractors, obligating DOD to pay millions of dollars for goods and services delivered under those calls.

4. Co-conspirator Contractors One, Two, Three, Four, and Five each operate businesses in Kuwait that contract with DOD. During the relevant period, Co-conspirator Contractors One, Three, Four, and Five each held BPAs for the supply of bottled water. During

the relevant period, Co-conspirator Contractor Two held a BPA for, among other things, the removal of waste water from Camp Arifjan and other United States military bases in Kuwait.

5. Person A, Person B, and Person C are United States military officials who were deployed to Camp Arifjan, Kuwait, and at various times worked at the Camp Arifjan contracting office. MOMON assumed duties from Person A in or around December 2005, when Person A was redeployed to the United States.

THE CONSPIRACY AND ITS OBJECTS

6. Beginning at least on or about September 21, 2005, and continuing until at least on or about November 14, 2007, in Kuwait and elsewhere, MOMON did knowingly, willfully, and unlawfully combine, conspire, confederate, and agree with others known and unknown to, directly and indirectly, corruptly seek, receive, accept, and agree to receive and accept something of value from Co-conspirator Contractors in return for being influenced in the performance of official acts; that is, MOMON agreed to receive and accept approximately \$5.8 million, of which he in fact sought, received, and accepted approximately \$1.6 million, from Co-conspirator Contractors in return for awarding BPA calls and contracts to Co-conspirator Contractors, in violation of 18 U.S.C. § 201.

7. The charged conspiracy consisted of a continuing agreement, understanding, and concert of action among MOMON and his co-conspirators, the substantial terms of which were to obtain DOD contracts in return for bribes paid to United States military officers.

MANNER AND MEANS OF THE CONSPIRACY

It was a part of the conspiracy that MOMON and his co-conspirators would, among other things, do the following:

8. Agree to pay MOMON a designated amount of money, on a per-case, per-gallon, or per-contract basis, for BPA calls and contracts MOMON would award.
9. Award BPA calls and contracts to Co-conspirator Contractors, including calls for bottled water, waste water removal, and other goods and services.
10. Invoice DOD for goods delivered and services provided under the BPA calls and contracts and receive payment from DOD based on these invoices.
11. Remit payments, in the form of money and other things of value, to MOMON and others, in return for official acts awarding BPA calls and contracts to Co-conspirator Contractors.

OVERT ACTS

In furtherance of the conspiracy and in order to accomplish its objects, the following overt acts, among others, were committed by MOMON or one or more of his co-conspirators in Kuwait and elsewhere:

12. In or around October 2005, MOMON, Person A, and Person B met in Person A's car to discuss opportunities identified by Person A and Person B for personal profit from contracting actions. During this meeting, Person A and Person B explained to MOMON how to hide those profits in foreign bank accounts and sham companies.
13. In or around October and November 2005, at the Camp Arifjan dining facility and elsewhere, Person A described to MOMON and Person C how to hide illegal contracting actions from auditors and law enforcement.
14. In or around November and December 2005, Person A introduced MOMON to Co-conspirator Contractors from whom Person A had received bribes. MOMON and Person A intended for MOMON to take Person A's place in receiving bribes from these Co-conspirator

Contractors when Person A left Arifjan in December 2005.

A. Co-conspirator Contractor One

15. In or around November 2005, MOMON, Person A, and Co-conspirator Contractor One met to discuss an arrangement by which Co-conspirator Contractor One agreed to pay MOMON approximately \$0.50 per case of bottled water delivered pursuant to BPA calls MOMON would place on behalf of Co-conspirator Contractor One's companies. Person A expected to receive 50% of MOMON's earnings from these bottled water deliveries.

16. From in or around January 2006 to in or around July 2006, BPA calls were issued for bottled water deliveries under Co-conspirator Contractor One's company's BPA number W912D1-05-A-0036 obligating DOD to a total payment of at least \$8 million.

17. In or around January 2006, Co-conspirator Contractor One arranged for a corporation named Omega Construction and Support Services to be registered in the United States. The purpose of this company was to provide a means to funnel bribe payments to MOMON without detection.

18. In or around February 2006, Co-conspirator Contractor One arranged for two Philippine Islands bank accounts to be opened, one for the benefit and use of MOMON and one for the benefit and use of Person C. MOMON and Co-conspirator Contractor One intended to use MOMON's account to receive bribe payments.

19. In or around February 2006, Co-conspirator Contractor One delivered to MOMON and Person C two ATM cards with access to each Philippine Islands bank account. In or around March 2006, MOMON and Person C attempted unsuccessfully to use those ATM cards to withdraw cash from the accounts.

20. On or around March 28, 2006, Co-conspirator Contractor One met MOMON at Hartsfield-Jackson Atlanta International Airport and paid MOMON \$100,000 cash as partial payment for bottled water BPA calls made by MOMON.

21. In or around July 2006, Co-conspirator Contractor One met MOMON in Kuwait and paid him \$100,000 cash as partial payment for bottled water BPA calls made by MOMON.

22. In or around July 2006, MOMON delivered some portion of the cash proceeds he received from Co-conspirator Contractor One to the Kuwait home of MOMON's associate, Person D, for safekeeping.

B. Co-conspirator Contractor Two

23. In or around November 2005, MOMON and Co-conspirator Contractor Two met to discuss an arrangement by which Co-conspirator Contractor Two agreed to pay MOMON a fixed rate of approximately three cents per gallon of waste water removed from Camp Arifjan pursuant to BPA calls MOMON would place on behalf of Co-Conspirator Contractor Two's company.

24. From in or around January 2006 to in or around March 2006, BPA calls were issued for waste water removal under Co-conspirator Contractor Two's BPA number W912D1-05-A-0063 obligating DOD to a total payment of at least \$3 million.

25. In or around March 2006, Co-conspirator Contractor Two had approximately \$100,000 cash paid into an account controlled by Co-conspirator Contractor One, at MOMON's request, as partial payment for waste water removal BPA calls made by MOMON.

26. On or about March 29, 2006, Co-conspirator Contractor One wired approximately \$110,000 from the receiving account paid by Co-conspirator Contractor Two into the Philippine

Islands bank account designated for MOMON.

27. In or around March 2006, Co-conspirator Contractor Two had \$400,000 cash delivered to MOMON as partial payment for waste water removal BPA calls made by MOMON.

C. Co-conspirator Contractor Three

28. In or around December 2005, MOMON, Person A, Co-conspirator Contractor Three, and others met to discuss an arrangement by which Co-conspirator Contractor Three agreed to pay MOMON approximately \$1.00 per case of bottled water delivered pursuant to BPA calls MOMON would place on behalf of Co-conspirator Contractor Three's company. Person A expected to receive 50% of MOMON's earnings from these bottled water deliveries. Co-conspirator Contractor Three gave MOMON \$10,000 cash to secure the arrangement.

29. From in or around January 2006 to in or around July 2006, BPA calls were issued for bottled water deliveries under Co-conspirator Contractor Three's BPA number W912D1-05-A-0074 obligating DOD to a total payment of at least \$4 million.

D. Co-conspirator Contractor Four—Bottled Water Contract

30. In or around December 2005, MOMON, Person A, Co-conspirator Contractor Four, and others met to discuss an arrangement by which Co-conspirator Contractor Four agreed to pay MOMON approximately \$1.00 per case of bottled water delivered pursuant to BPA calls MOMON would place on behalf of Co-Conspirator Contractor Four's company. Person A expected to receive 50% of MOMON's earnings from these bottled water deliveries.

31. From in or around January 2006 to in or around July 2006, BPA calls were issued for bottled water deliveries under Co-conspirator Contractor Four's BPA number W912D1-05-A-0084 obligating DOD to a total payment of at least \$15 million.

32. In or around July 2006, as MOMON prepared to leave Kuwait, Co-conspirator Contractor Four had \$800,000 cash delivered to MOMON as partial payment for bottled water BPA calls made by MOMON.

33. In or around July 2006, MOMON delivered some portion of the cash proceeds he received from Co-conspirator Contractor Four to the Kuwait home of Person D.

E. Co-conspirator Contractor Four—Lightset Contract

34. In or around December 2005, MOMON, Co-conspirator Contractor Four, Person A, Person C, and others met to discuss an arrangement by which Co-conspirator Contractor Four agreed to pay MOMON ten percent of the value of a lightset contract MOMON would arrange to be awarded to Co-Conspirator Contractor Four's company.

35. On January 12, 2006, lightset contract number W912D1-06-P-0281 was awarded to Co-Conspirator Contractor Four's company in the amount of \$847,980.

36. In or around March 2006, Co-conspirator Contractor Four had \$80,000 cash delivered to MOMON in return for the award of the lightset contract.

F. Co-conspirator Contractor Five

37. In or around January 2006, MOMON and Co-conspirator Contractor Five met to discuss an arrangement by which Co-conspirator Contractor Five agreed to pay MOMON approximately \$1.00 per case of bottled water delivered pursuant to BPA calls MOMON would place on behalf of Co-conspirator Contractor Five's company.

38. From in or around January 2006 to in or around July 2006, BPA calls were issued for bottled water deliveries under Co-conspirator Contractor Five's BPA number W912D1-05-A-0071 obligating DOD to a total payment of at least \$20 million.

39. In or around August 2006, as MOMON prepared to leave his tour in Kuwait, Co-conspirator Contractor Five showed MOMON a spreadsheet detailing approximately \$4.2 million owed to MOMON for calls under BPA number W912D1-05-A-0071, which Co-conspirator Contractor Five agreed to pay MOMON when he left military service.

(All in violation of Title 18, United States Code, Section 371, and pursuant to the extraterritorial venue provision, Title 18, United States Code, Section 3238.)

COUNT TWO
18 U.S.C. § 201
(Bribery)

Paragraphs 2 through 39 of this Information are incorporated by reference as if fully stated herein, and the following is further alleged:

40. Beginning at least in or about October 2005, and continuing until at least on or about August 10, 2006, the exact dates being unknown, in Kuwait and elsewhere, Defendant

JAMES MOMON, JR.

a public official, directly and indirectly did corruptly seek, receive, accept, and agree to receive and accept something of value in return for being influenced in the performance of official acts; that is MOMON sought, received, accepted, and agreed to receive and accept items of value, totaling approximately \$200,000 cash, from Co-conspirator Contractor One in return for the award of bottled water BPA calls to Co-conspirator Contractor One's companies.

(All in violation of Title 18, United States Code, Section 201(b)(2), and pursuant to the extraterritorial venue provision, Title 18, United States Code, Section 3238.)

COUNT THREE
18 U.S.C. § 201
(Bribery)

Paragraphs 2 through 39 of this Information are incorporated by reference as if fully

stated herein, and the following is further alleged:

41. Beginning at least in or about October 2005, and continuing until at least in or about August 10, 2006, the exact dates being unknown, in Kuwait and elsewhere, Defendant

JAMES MOMON, JR.

a public official, directly and indirectly did corruptly seek, receive, accept, and agree to receive and accept something of value in return for being influenced in the performance of official acts; that is MOMON sought, received, accepted, and agreed to receive and accept items of value, totaling approximately \$800,000 cash, from Co-conspirator Contractor Four in return for the award of bottled water BPA calls to Co-conspirator Contractor Four's company.


(All in violation of Title 18, United States Code, Section 201(b)(2), and pursuant to the extraterritorial venue provision, Title 18, United States Code, Section 3238.)


DATED: June 25, 2008, at Washington, D.C.

ON BEHALF OF THE UNITED STATES,

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WILLIAM M. WELCH II, Chief
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