



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, OCTOBER 7, 2009
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SUPERSEDING INDICTMENT RETURNED AGAINST DEFENSE CONTRACTOR

Contractor Faces Bribery and Failure to Appear in Court Charges

WASHINGTON — A federal grand jury in Oklahoma City returned a superseding indictment against a former manager of a U.S. Department of Defense (DOD) contractor in Iraq, charging him with conspiracy to commit bribery, bribery and failing to appear in court, the Department of Justice announced today.

Elie Samir Chidiac, who is currently a fugitive, is the former Iraq site manager for Raman Corporation, a Lebanese company with an affiliate, Raman International Inc., located in Texas. According to the indictment, Chidiac participated in two conspiracies in which he bribed Army Major Theresa Jeanne Baker in connection with contracts awarded at Camp Victory, Iraq. Today's indictment supersedes an indictment returned on Jan. 22, 2008, which charged Chidiac with two counts of conspiracy to commit bribery. Chidiac was arrested on those charges on Jan. 25, 2008, and was placed under home confinement pending trial. On May 22, 2008, Chidiac failed to report to authorities in Austin, Texas, as required by the terms of his home confinement and has not been seen by law enforcement since that time. He failed to appear for his scheduled trial date in the U.S. District Court for the Western District of Oklahoma on June 9, 2008.

According to the indictment, from at least in or about July 2006 until at least in or about March 2007, Raman and Chidiac gave money and other items to Baker in return for the award of DOD contracts at Camp Victory. In a second conspiracy, which took place from in or about November 2006 until at least in or about March 2007, Baker canceled contracts that were awarded to third party contractors and fraudulently re-awarded them to Chidiac. Baker then authorized Chidiac to receive cash payments for those contracts, despite the fact that Chidiac had neither delivered any goods nor performed any services. In return, Chidiac gave a portion of the money back to Baker.

A violation of the conspiracy statute carries a maximum sentence of five years in prison for each count and a fine of \$250,000 for an individual. A violation of the bribery statute carries a maximum sentence of 15 years in prison for each count and a \$250,000 fine or three times the value of the thing of value. Failure to appear for a court appearance, as applied in this case, carries a maximum sentence of five years to run consecutive to any sentence of prison imposed for another offense.

Today's charges are examples of the Department's commitment to protect U.S. taxpayers from procurement fraud through its creation of the National Procurement Fraud Task Force. The National Procurement Fraud Initiative announced in October 2006 is designed to promote the early detection, investigation, and prosecution of procurement fraud associated with the increase in contracting activity for national security and other government programs.

The ongoing investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section (NCES), along with special agents from the Defense Criminal Investigative Service (DCIS), Tulsa Resident Agency and the U.S. Army Criminal Investigations Division (Army CID), Dallas Resident Agency. The Criminal Division's Office of International Affairs and agents from the U.S. Immigrations and Customs Enforcement and the U.S. Postal Inspection Service are providing additional assistance to the investigation. Anyone with information concerning bid rigging, bribery or other criminal conduct in the procurement of goods or services in Iraq is urged to contact NCES at 202-307-6694; DCIS at 800-424-9098 or hotline@dodig.mil; or Army CID at www.cid.army.mil.

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09-1089