Department of Justice

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<u>AUSTRALIAN MAN PLEADS GUILTY TO CONSPIRING TO SOLICIT KICKBACKS</u> IN CONNECTION WITH GOVERNMENT CONTRACT IN AFGHANISTAN

WASHINGTON - An Australian man pleaded guilty today for his role in a scheme to solicit kickbacks in connection with the award of a private security services subcontract to protect U.S. government personnel and contractors in Afghanistan, announced Assistant Attorney General Lanny A. Breuer of the Criminal Division, Assistant Attorney General Christine A. Varney of the Antitrust Division and U.S. Attorney Neil H. MacBride of the Eastern District of Virginia.

Scott Anthony Walker, 36, of Australia, pleaded guilty today before U.S. District Court Judge Gerald Bruce Lee in the Eastern District of Virginia to one count of conspiracy to solicit a kickback. Walker was arrested in the United States on Nov. 11, 2009.

According to court documents, the U.S. Agency for International Development (USAID) is the principal federal U.S. agency that extends assistance to countries recovering from disaster, trying to escape poverty and engaging in democratic reforms. The agency works to support long-term and equitable economic growth and advance U.S. foreign policy objectives.

In August 2006, USAID awarded a \$1.4 billion contract known as the Afghanistan Infrastructure Rehabilitation Project (the AIRP contract). The AIRP contract required the award of numerous subcontracts, including for the provision of security services to protect AIRP workers. According to court documents, from at least February 2009 until he was terminated in June 2009, Walker worked in Kabul, Afghanistan, as a country security coordinator for the AIRP prime contractor. Walker admitted that he conspired with Bryan Lee Burrows and others to solicit kickbacks from private security vendors in return for favorable treatment for those potential bidders for one or more subcontracts. According to court documents, the subcontracts provided for private security services to protect USAID personnel and contractors in Afghanistan operating under the AIRP contract.

Burrows pleaded guilty on Sept. 2, 2009, to one count of conspiracy to solicit a kickback. Sentencing of Burrows is currently scheduled for Dec. 18, 2009.

The conspiracy charge carries a maximum penalty of five years in prison and a maximum fine of \$250,000. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum. Sentencing for Walker has been scheduled for Feb. 5, 2010.

The case is being prosecuted by Trial Attorney Bradford Geyer of the Criminal Division's Fraud Section, Trial Attorneys Kimberly A. Justice and Joseph Muoio of the Antitrust Division's Philadelphia Field Office and Assistant U.S. Attorney Timothy D. Belevetz of the U.S. Attorney's Office for the Eastern District of Virginia. The investigation is being conducted by USAID's Office of Inspector General as well as members of the National Procurement Fraud Task Force and the International Contract Corruption Task Force (ICCTF).

The National Procurement Fraud Task Force, created in October 2006 by the Department of Justice, was designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in government contracting activity for national security and other government programs. The ICCTF is a joint law enforcement agency task force that seeks to detect, investigate and dismantle corruption and contract fraud resulting from U.S. Overseas Contingency Operations, including in Afghanistan, Iraq and Kuwait.

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