

STATEMENT OF FACTS

Joseph L. Wilden

Joseph Wilden, is the sole owner/operator of Solid Defense Inc, Harrison Township, MI. Solid Defense is a Department of Defense (DOD) contractor who sold and supplied a variety of military automotive type parts to the DOD.

The DOD, through the Defense Logistics Agency (DLA) buying centers, such as the Defense Supply Center Columbus (DSCC), Columbus, OH, within the Southern District of Ohio, and buying centers in Richmond, VA and Philadelphia, PA issues purchase orders to companies for the supply of various items to be used by members of the United States military. The DOD requires these parts to conform to Government specifications. The companies invoice the DOD through the Defense Finance and Accounting Service (DFAS), Columbus, OH, within the Southern District of Ohio, representing the parts they shipped conform to all Government specifications. Based on the invoices submitted, DFAS issues payment electronically to the company's bank account.

With respect to the course of conduct identified in the indictment and plea agreement, during 2006 through 2008, the DOD, through its DLA centers issued purchase orders to Solid Defense for a variety of automotive type parts used on various military vehicles to include the M103A-2 tanks, M60A-1 tanks, 5-ton cargo trucks and High-Mobility Multipurpose Wheeled Vehicles (HMMWV). The parts were required to meet the specified military drawings and specifications. Many of these parts are considered critical application items. A critical application item is defined as an item essential to weapon system performance or operation, or the preservation of life or safety of operating personnel, as determined by military services.

Joseph Wilden through Solid Defense knowingly and intentionally supplied non-conforming items to the DOD through purchase orders issued by the DLA buying centers and electronically submitted invoices for payment to DFAS, Columbus, OH and was paid by electronic transmission of funds from DFAS Columbus, OH to his bank account in Michigan. These purchase orders totaled \$995,449.60.

The non-conformances included dimensional defects; parts not zinc plated as required; parts not made from the required raw material; parts not phosphate coated as required; unapproved and improper welding; parts not painted with the required Chemical Agent Resistance Coating (CARC); and overall poor workmanship. Mr. Wilden would paint parts to make it appear as if the parts were zinc plated or phosphate coated; when in fact he well knew the parts had not been zinc plated or phosphate coated. The parts requiring the Chemical Agent Resistance Coating, which is a special paint to protect surfaces from chemical agents; Mr. Wilden in lieu of using the required CARC paint, painted the parts with normal commercially available paint.

In all 6 counts against defendant Wilden, the purchase order required the parts to be manufactured in accordance with the listed DOD drawings and specifications. On or about the dates identified in each of the 6 Counts, Mr. Wilden supplied the above described parts to the DOD, knowing the parts failed to conform to the purchase order drawings and specifications. On or about the dates identified in each of the 6 counts, Mr. Wilden submitted an invoice to the DOD representing that the parts he had supplied complied with the purchase order specifications.

As to Count 1, on or about October 4, 2006, Joseph Wilden, through Solid Defense, was issued DSCC purchase order SPM7L3-07-M-0026, in the amount of \$8,100, for 12 bulldozer blade arm assemblies, NSN 2590-00-280-2150, used on the M-60A1 and M-48A5 armored bridge launchers. On or about May 14, 2007, in the Southern District of Ohio, Joseph Wilden knowingly caused to be transmitted by wire, in interstate commerce, electronic transfers of funds in the amount of \$8,100 from DFAS, Columbus, Ohio, to a bank account controlled by him in the State of Michigan.

As to Count 2, on or about November 9, 2006, Joseph Wilden, through Solid Defense, was issued DSCC purchase order SPM7L2-07-M-0562, in the amount of \$8,062, for 139 splash guards, NSN 2540-00-409-8939, a critical application item used on the 5-ton cargo truck. On or about March 2, 2007, in the Southern District of Ohio, Joseph Wilden, knowingly caused to be transmitted by wire, in interstate commerce, electronic transfers of funds in the amount of \$8,062 from DFAS, Columbus, Ohio, to a bank account controlled by him in the State of Michigan.

As to Count 3, on or about February 21, 2007, Joseph Wilden, through Solid Defense, was issued DSCC purchase order SPM7L2-07-M-2054, in the amount of \$4,743, for 93 driver seat spring retainer assemblies, NSN 2540-00-476-6556, used on the M-88A2 Hercules Recovery vehicle. On or about the April 23, 2007, in the Southern District of Ohio, Joseph Wilden knowingly caused to be transmitted by wire, in interstate commerce, electronic transfers of funds in the amount of \$4,743 from DFAS, Columbus, Ohio, to a bank account controlled by him in the State of Michigan.

As to Count 4, on or about April 23, 2007, Joseph Wilden, through Solid Defense, was issued DSCC purchase order SPM7L1-07-M-0914, in the amount of \$20,520, for 152 filler necks, National Stock Number (NSN) 2590-00-129-5349, a critical application item used on the M-60 tank. On or about August 24, 2007, in the Southern District of Ohio, Joseph Wilden knowingly caused to be transmitted by wire, in interstate commerce, electronic transfers of funds in the amount of \$20,520 from DFAS, Columbus, Ohio, to a bank account controlled by him, in the State of Michigan.

As to Count 5, on or about April 11, 2007, Joseph Wilden, through Solid Defense, was issued DSCC purchase order SPM7L1-07-M-0905, in the amount of \$11,712, for 183 boom jack base assemblies, NSN 2540-00-040-2299, a critical application item used on the M-939 series 5-ton truck. On or about July 16, 2007, in the Southern District of Ohio, Joseph Wilden knowingly caused to be transmitted by wire, in interstate commerce, electronic transfers of funds in the amount of \$11,712 from DFAS, Columbus, Ohio, to a bank account controlled by him in the State of Michigan.

As to Count 6, on or about October 4, 2007, Joseph Wilden, through Solid Defense, was issued DSCC purchase order SPM7L1-08-M-0028, in the amount of \$9,380, for 335 vehicular body panels, NSN 2510-01-265-3281, a critical application item used on the 1 ¼ ton High-Mobility Multipurpose Wheeled Vehicle (HMMWV). On or about February 1, 2008, in the Southern District of Ohio, Joseph Wilden knowingly caused to be transmitted by wire, in interstate commerce, electronic transfers of funds in the amount of \$9,380 from DFAS, Columbus, Ohio, to a bank account controlled by him in the State of Michigan.