

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	*	CRIMINAL NO. 2:12-CR-281
V.	*		SECTION: "R"
BAY E. INGRAM		*	VIOLATION: 18 U.S.C. § 371
	*	*	*

FACTUAL BASIS

Should this matter have proceeded to trial, the Government would have proven, through the introduction of competent testimony and admissible evidence, the following facts, beyond a reasonable doubt, to support the allegations in the Bill of Information now pending against the defendant, **BAY E. INGRAM** (“**INGRAM**” or the “defendant”):

The defendant, **INGRAM**, has agreed to plead guilty as charged to the one-count Bill of Information charging him with conspiracy to commit wire fraud, in violation of Title 18, United States Code, Section 371.

Background Information

Evidence, including admissible documents and testimony, would be introduced to prove that from in or about 2008 through the present, **INGRAM** operated numerous corporations and businesses, including Southeast Recovery Group (“SRG”). In or around April 2010, in the aftermath of the oil spill involving the sinking of the deepwater rig the *Deepwater Horizon*, **INGRAM**, through his various businesses including SRG, engaged in oil spill response work. Among other things, **INGRAM** sought to provide helicopter services, oil boom, and helipads for usage by various individuals in the response to the oil spill. In providing these services, **INGRAM**, through SRG, acted as a “middle man” between suppliers of the equipment and services, on the one hand, and

British Petroleum, p.l.c. (“BP”), on the other hand. As set forth in more detail below, **INGRAM**, through SRG, defrauded, among others, BP, by submitting altered, falsified, and forged documents to support his claims for payment for the goods and services he helped provide to BP.

Helicopter

Admissible documentary and testimonial evidence would be introduced to prove that, in or around May 2010, after the BP oil spill, **INGRAM**, through SRG, helped procure a helicopter for use at BP’s Hopedale, Louisiana branch facility. **INGRAM** contracted with Rotorcraft Leasing Company, LLC (“RLC”), a company which supplies and equips helicopters for commercial clients, to provide and crew a helicopter for use in response to the oil spill. The helicopter was supposed to be used by, among others, members of the St. Bernard Parish Sheriff’s Office and the Louisiana Department of Wildlife and Fisheries for strictly oil spill response purposes. RLC would provide and crew the helicopter, then invoice **INGRAM**, through his company, SRG, who would, in turn, invoice BP for the use of the helicopter. The contract between **INGRAM** and RLC provided that RLC would invoice **INGRAM** for a base rate for the helicopter and an hourly rate multiplied by the number of hours actually flown by the helicopter. The helicopter was used from in or around early June 2010 through November 2010. Every two weeks, RLC would invoice **INGRAM** for the use of the helicopter. In turn, **INGRAM** would invoice BP every two weeks for the use of the helicopter.

For the first two weeks of usage of the helicopter (June 1, 2010 through June 15, 2010), RLC invoiced **INGRAM** approximately \$51,729.55, while **INGRAM** invoiced BP approximately \$113,260.23. On or about August 6, 2010, BP paid **INGRAM** \$113,260.23. The payment was sent electronically by wire from BP, in interstate commerce, to a bank account owned or controlled by

INGRAM. In turn, on or about June 15, 2010, **INGRAM** paid RLC \$52,000.00. From June 15, 2010 through November 2010, RLC sent approximately 12 invoices to **INGRAM** relating to the use of the helicopter, seeking approximately \$591,091.83 in payment for the use of the helicopter they provided and equipped. **INGRAM**, through his company, SRG, then sent approximately 10 invoices to BP relating to the use of the helicopter from mid-June 2010 through November 2010. **INGRAM** did not, however, obtain the proper authorization or approval for the continued use of the helicopter outside of the first invoice (covering the first two weeks). Accordingly, BP refused to pay any of the subsequent invoices submitted by **INGRAM**. In total, **INGRAM** sought approximately \$1,437,777.92 for the use of the helicopter from June 15, 2010 through November 2010.

Documentary and testimonial evidence would be introduced to prove that, both during and after November 2010, **INGRAM** sought to get payment from BP in a number of ways including by providing them with so-called approval paperwork that was falsified; presenting them with a forged contract to justify the disparity in the invoices submitted by him and his supplier, RLC; and altering flight logs to give the appearance that the helicopter engaged in legitimate, oil spill-related work when, in some cases, it did not. For example, in or around August 2010, **INGRAM** submitted to BP a “Form 213,” a one-page, BP document that was the standard form utilized by BP personnel for requesting funds to pay vendors for equipment and services for oil spill response work. The Form 213 presented by **INGRAM** appeared to request funds for the use of the helicopter for a three month period of time (June 2010 through September 2010) and purported to be signed by a BP employee as a signatory to the form. However, as **INGRAM** knew, this Form 213 was not signed by a BP employee but was, in fact, signed by an employee of another vendor. This Form 213 was never approved by BP.

Additionally, evidence would be admitted to prove that, after November 2010, BP officials began asking **INGRAM** why his invoices were so much higher (and, in some cases, doubled) than the invoices he was billed for by RLC for the helicopter. When questioned by BP regarding this disparity, **INGRAM** informed BP that his invoices were exorbitant because he had contracted to have a “minimum flight” term with RLC that he was billed for. To support his story, on or about March 1, 2011, at BP’s office in New Orleans, Louisiana, located within the Eastern District of Louisiana, **INGRAM** provided to BP personnel a contract that purported to be between RLC (supposedly signed by RLC’s President) and SRG that contained the “minimum flight” term he had referenced earlier. In reality, as **INGRAM** knew, the contract he presented to BP in New Orleans was a forgery. First, though the falsified contract he presented to BP contained the “minimum flight” term referenced by **INGRAM**, the actual contract between RLC and SRG did not have such a term (in fact, RLC was billing **INGRAM** based on actual hours flown). Second, though the falsified contract presented by **INGRAM** purported to be signed by RLC’s President and CEO, the signature was forged by **INGRAM**; indeed, even the name of RLC’s President listed on this falsified contract was incorrect. In reality, **INGRAM** never had a “minimum flight” term with either RLC or BP relating to the helicopter.

Throughout the relevant time period, June 2010 through April 2011, RLC repeatedly contacted **INGRAM**/SRG to seek payment for the funds it had paid to crew and equip the helicopter in question. In response, **INGRAM** would represent and promise that, once he received payment from BP, he would, in turn, pay RLC.

Helipads

Evidence, including documents and testimony, would also be introduced to prove that, from

in or around April 2010 through in or around December 2010, **INGRAM**, through his company SRG, had multiple helipads built at BP's Hopedale, Louisiana facility. **INGRAM** outsourced the construction of these helipads to various third party individuals and entities. On or about June 15, 2010, **INGRAM**, on behalf of his company, SRG, submitted an invoice to BP for the cost of the helipads construction. The invoice requested approximately \$303,921.20 and attached substantiating documentation, which purported to reflect the costs of building the helipads as being approximately \$250,000. In reality, based on evidence that would be introduced at trial, the costs of constructing the helipads totaled approximately \$110,000, not the \$250,000 **INGRAM** had represented to BP. Ultimately, on or about July 15, 2010, based on **INGRAM**'s false representation and documentation, BP paid, via electronic, interstate wire, the total amount he invoiced for the construction of the helipads, approximately \$303,921.20.

Ingram's Concealment

Furthermore, documentary and testimonial evidence would be admitted to prove that **INGRAM** employed several methods to conceal the scheme to defraud set forth above. For example, in or around July and August 2010, **INGRAM**'s suppliers, including RLC, were complaining of the lack of payment regarding their respective goods and services provided to **INGRAM**. In an effort to "lull" his suppliers, including RLC, **INGRAM** created a fictitious name, "Jerry Aldini" with an e-mail account, jerryaldini11@yahoo.com, and sent e-mails to them in an effort to perpetrate and conceal the scheme above. For example, on or about August 16, 2010, documentary and testimonial evidence would be introduced to prove that **INGRAM** forwarded an e-mail from "Jerry Aldini" to an RLC employee, the purpose of which was to "lull" RLC into believing that the request for payment for the helicopter was in process. In this e-mail, Aldini

purports to be an auditor working for Swift & Company, a BP contractor, working on **INGRAM's** claim for payment for the helicopter. In reality, admissible evidence would be introduced to prove that "Jerry Aldini" was not an employee of Swift & Company and was, in fact, a fictitious person created by **INGRAM** for the purpose of "lulling" his suppliers, and perpetrating and concealing his scheme to defraud, as set forth above.

Use of the Wires

Documentary and testimonial evidence would be admitted to prove that **INGRAM** utilized the wires, and caused others to utilize the wires, on a number of occasions, to perpetrate the scheme to defraud noted above. For example, on or about July 15, 2010, BP electronically transmitted \$303,921.20 to **INGRAM/SRG** for the construction of the helipads, based on **INGRAM's** misrepresentations. The \$303,921.20 payment was electronically transmitted by BP by means of wire, radio, or television communication, which sent certain writing, signs, signals, pictures and sounds in interstate or foreign commerce, for the purpose of executing the scheme and artifice set forth above. This electronic payment was received at a bank account located in the Eastern District of Louisiana owned or controlled by **INGRAM**.

Another example of the use of the wires in connection with the scheme set forth above is on or about March 1, 2011, when **INGRAM** and/or one of his representatives, provided dozens of pages of falsified, forged, and altered documents to support his claim for payment concerning the helicopter, as noted above. That same day, on or about March 1, 2011, one of the BP employees he met sent an e-mail to **INGRAM** from the Eastern District of Louisiana, attaching the entirety of the false and fraudulent documents presented by **INGRAM** to support his claim for payment. In so doing, **INGRAM** caused the BP employee to send the electronic mail from New Orleans, located

in the Eastern District of Louisiana, to **INGRAM**, which transmitted certain writing signs, signals, pictures, and sounds, in interstate or foreign commerce, by means of wire, radio, or television communication, for the purpose of executing the scheme and artifice set forth above.

Financial records, bank records, records maintained by BP, RLC, and others would be introduced to prove the facts as set forth above. Additionally, testimonial evidence, including testimony from representatives of the Federal Bureau of Investigation, as well as testimony from witnesses relating to the procurement and use of the helicopter, oil boom, and helipads noted above would also be introduced to corroborate the facts set forth above.

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BAY E. INGRAM
Defendant

Date