



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
OCTOBER 8, 2010

CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER, ELLEN DAVIS,
EDELI RIVERA, JESSIE ERWIN
PUBLIC INFORMATION OFFICE
(212) 637-2600

U.S. ARMY COLONEL PLEADS GUILTY
IN MANHATTAN FEDERAL COURT TO CRIMINAL CONFLICT
OF INTEREST STEMMING FROM INVOLVEMENT
IN JANUARY 2005 IRAQI ELECTIONS

*Lieutenant Colonel Admits To Having Sought Employment
With Private Contractor During Preparations For Elections
While Responsible For Overseeing Largest Election Equipment
Cargo Move In History And Agrees To Resign His Commission*

PREET BHARARA, the United States Attorney for the Southern District of New York, JANICE K. FEDARCYK, the Assistant Director-in-Charge of the New York Field Division of the Federal Bureau of Investigation ("FBI"), EDWARD T. BRADLEY, the Special Agent-in-Charge of the Northeast Field Office of the U.S. Department of Defense, Defense Criminal Investigative Service ("DCIS"), and Brigadier General COLLEEN L. MCGUIRE, the Provost Marshal General of the U.S. Army and Commanding General of the U.S. Army's Criminal Investigation Command ("CID"), announced that U.S. Army Lieutenant Colonel BRUCE GILLETTE pled guilty Wednesday in Manhattan federal court to failure to disclose a conflict of interest that involved his role in a United Nations (the "UN") contract to gather and move election materials and equipment from around the world and deliver them to Iraq for the elections that took place in January 2005. GILLETTE also agreed to resign his commission from the U.S. Army.

As alleged in the Information filed in Manhattan federal court and statements made during the guilty plea proceeding before U.S. Magistrate Judge KEVIN NATHANIEL FOX:

On June 28, 2004, the Coalition Provisional Authority (the "CPA"), which had been responsible for overseeing reconstruction in post-conflict Iraq, transferred power to a sovereign interim Iraqi government. This interim Iraqi government was responsible for holding an election for a 275-

member transitional National Assembly. With the help of the UN and members of the international community, this election took place on January 30, 2005. The Independent Electoral Commission of Iraq (the "IECI"), which was established in May 2004, was tasked with the responsibility of administrating the January 30, 2005 elections. The January 30, 2005, transitional elections required one of the world's largest electoral logistics operations, as more than one million tons of election materials, including ballots, polling kits, and voting screens, had to be delivered from various locations around the world to Iraq. As part of the Multi-National Forces-Iraq (the "MNF-I"), the United States provided both security and logistical support to the Iraqi government in connection with the elections. This support included, among other things, transporting election materials to polling places and counting stations throughout Iraq.

In December 2004, the United Nations Office for Project Services ("UNOPS") invited bids for a contract (the "UNOPS Contract") that was eventually awarded to a United States air freight forwarder located in New York (the "Contractor"). The Contractor is in the business of arranging for the movement of freight for its customers, which include the Department of Defense and private entities. Pursuant to the UNOPS Contract, the Contractor was responsible for the delivery of election material from around the world to Iraq.

During the relevant time period, GILLETTE was a Lieutenant Colonel in the U.S. Army Reserve. From about August 2004 through August 2005, GILLETTE served on active duty as part of "Operation Iraqi Freedom." GILLETTE was assigned to the MNF-I while stationed in Iraq as a member of the 353rd Civil Affairs Command and served as the Chief of the Election Cell for the MNF-I's Civil Military Operations Directorate. In that position, GILLETTE served as the MNF-I's liaison to the IECI, the UN, the U.S. Department of State, and various Iraqi government entities. Accordingly, GILLETTE participated, as a U.S. Army officer, in UNOP's decision to award the UNOPS Contract to the Contractor. GILLETTE helped develop and implement the plan to move election materials from different parts of the world to Iraq, including, among other things, coordination with the Contractor. In or about March 2005, GILLETTE was awarded the Bronze Star Medal for his service in Iraq "while serving as the chief to [the] Election Cell," during which he "developed the strategy, and orchestrated the largest elections cargo move in history."

From December 2004, when negotiations between the UN and the Contractor were taking place, through and until in or about January 2005, when the UNOPS Contract was awarded to the

Contractor, GILLETTE engaged in discussions and negotiations concerning prospective employment with the Contractor. At the same time, while UNOPS and the Contractor were negotiating the terms of the UNOPS Contract, including the amount of payment the Contractor would receive from UNOPS, GILLETTE was in contact with executive employees of the Contractor regarding the UNOPS Contract.

Among other things, in December 2004, GILLETTE, the defendant, informed executive employees of the Contractor that an official of the IECI (the "IECI Officer") was demanding payment to ensure that the Contractor received the UNOPS Contract. On more than one occasion, GILLETTE suggested that these executive employees of the Contractor should make the requested payment to the IECI Officer.

GILLETTE, 50, of Orange County, New York, pled guilty to engaging in acts as an officer of the executive branch of the United States Government that affected a personal financial interest. GILLETTE also agreed to resign his commission with the U.S. Army.

GILLETTE is scheduled to be sentenced by Magistrate Judge FOX on January 11, 2011, at 11:30 a.m. The charge to which GILLETTE pled guilty is a misdemeanor under which he faces a maximum sentence of one year in prison, a fine of the greater of \$100,000 or twice the gross gain or loss from the offense, and a maximum term of supervised release of one year.

Mr. BHARARA praised the investigative work of the FBI, DCIS, and U.S. Army CID.

This case is being handled by the Office's Public Corruption Unit. Assistant United States Attorneys LOYAAN A. EGAL and RICHARD C. TARLOWE are in charge of the prosecution.

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