

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

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| <p>UNITED STATES OF AMERICA</p> <p style="text-align: center;">v.</p> <p>LOUIS MATTHEW BAILLY,</p> <p style="text-align: center;">Defendant.</p> | <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> | <p>Criminal No. 5:15-CR-121 (DNH)</p> <p>Information</p> <p>Violation(s): 18 U.S.C. § 371</p> <p style="padding-left: 20px;">Conspiracy to Commit Offense</p> <p style="padding-left: 20px;">or to Defraud the United States</p> <p>1 Count</p> <p>County of Offense: Jefferson and elsewhere</p> |
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THE UNITED STATES ATTORNEY CHARGES:

The United States of America, by and through its counsel of record, the United States Attorney for the Northern District of New York, and the Fraud Section, Criminal Division, United States Department of Justice, charge that at all times material to this Information:

BACKGROUND

1. From on or about October 2011 until in or about October 2012, defendant, a Staff Sergeant E-6 in the United States Army, worked with the Headquarters and Headquarters Company 10th Sustainment Brigade Troops Battalion at Bagram Airfield ("Bagram") in the Islamic Republic of Afghanistan ("Afghanistan"), and was also designated as a Project Purchasing Officer responsible for the Commander's Emergency Response Program ("CERP") at the Humanitarian Assistance ("HA") Yard at Bagram until on or about June 30, 2012. As an Army non-commissioned officer and Project Purchasing Officer in the Army, defendant was a public official within the meaning of 18 U.S.C. § 201(a)(1).

2. CERP enabled United States military commanders to respond to urgent humanitarian relief requirements in Afghanistan, using U.S. government CERP funds. CERP projects were

intended to benefit the local populace in areas such as agriculture, education, health care, and sanitation until larger, more formal reconstruction projects could be initiated.

3. As a Project Purchasing Officer, defendant was responsible for procuring food and supplies in support of CERP operations of less than \$500,000, and received delegated contracting authority from a contracting officer. The HA Yard at Bagram was used to acquire and store food and supplies for subsequent distribution outside Bagram in support of CERP. Defendant was responsible for replenishment of the supplies in the HA Yard. As the Project Purchasing Officer, defendant processed requests to the HA Yard from other units, and kept inventory of the items stored in the HA Yard and shipped out to the field.

4. While deployed to Afghanistan, defendant worked closely with, among others, two Afghan contractors (“Co-conspirator #1” and “Co-conspirator #2”) who sought to obtain from the United States Government contracts for companies with which they were associated for replenishment of supplies at the HA Yard. In return for these replenishment contracts, or the opportunity to receive them, Co-conspirators #1 and #2 provided money and other things of value to defendant to influence defendant’s decision on the awarding of these contracts.

5. Defendant, as a public official, knowingly and unlawfully sought, received, and accepted a total of approximately \$12,000 in illegal bribes, otherwise than as provided by law for the proper discharge of official duty, in return for being influenced in the performance of official acts, that is, the issuance of replenishment contracts for supplies stored at the HA Yard.

6. From in or about August 2012, defendant’s residence in the United States was in or near Dexter, New York. Defendant was stationed at Fort Drum in Jefferson County, New York, after he returned from Afghanistan.

COUNT ONE
[Conspiracy to Commit Offense or to Defraud the United States]

7. From in or about October 2011 until on or about June 30, 2012, the defendant, **LOUIS MATTHEW BAILLY**, knowingly and willfully conspired, confederated, and agreed with Co-conspirators #1 and #2, and others known and unknown, to commit an offense against the United States, namely bribery, in violation of 18 U.S.C. § 201(b)(2), by agreeing among themselves and others known and unknown for defendant to receive and accept illegal bribes from Co-conspirators #1 and #2 in return for being influenced in the performance of an official act, that is, the award of contracts for replenishment of supplies at the HA Yard at Bagram.

MANNER AND MEANS OF THE CONSPIRACY

8. It was part of the conspiracy that:

a. Defendant would identify replenishment contracts that were open to bids, then provide that information to the co-conspirators, have them obtain the required three bids, and provide to the co-conspirators the government's cost so that the co-conspirators would know what price bid would be successful.

b. Defendant would receive money and other valuables from co-conspirators in return for steering replenishment contracts to the co-conspirators.

c. Defendant would use the bribe money he received for personal expenses for himself and others both in Afghanistan and the United States.

OVERT ACTS

9. In furtherance of the conspiracy and to effect its objects, the following overt acts, among others, were committed in Afghanistan:

a. In or about December 2011, defendant received a cash payment of approximately \$5,000 from Co-conspirator #1 in return for defendant approving a replenishment contract.

b. In or about March 2012, defendant received a cash payment of approximately \$5,000 from Co-conspirator #1 in return for defendant approving a replenishment contract.

c. In or about March 2012, defendant received a cash payment of approximately \$500 from Co-conspirator #2 in return for defendant approving a replenishment contract.

All in violation of Title 18, United States Code, Section 371, and pursuant to the extraterritorial venue provision of Title 18, United States Code, Section 3238.

**FORFEITURE ALLEGATION UNDER
28 U.S.C. § 2461(c) AND 18 U.S.C. § 981(a)(1)(C)**

10. The violation alleged in Count One of this Information is realleged and incorporated by reference herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C), incorporating by reference Title 18, United States Code, Section 1956(c)(7)(A), which incorporates by reference Title 18, United States Code, Section 1961(1).

11. Upon conviction of the offense alleged in Count One of this Information, the defendant in this Information, LOUIS MATTHEW BAILLY, shall forfeit to the United States any property, real or personal, constituting, or derived from, proceeds traceable to the conspiracy to commit bribery, in violation of Title 18, United States Code, Section 371, including, but not limited to:

Money Judgment:

\$10,000, which represents the sum of money equal
to the amount of money constituting, or derived
from, proceeds traceable to the conspiracy to
commit bribery, in violation of 18 U.S.C. § 371.

12. If any of the property described above as being subject to forfeiture pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C), as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property that cannot be subdivided without difficulty;

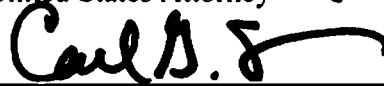
the United States shall be entitled to seek the forfeiture of substitute property, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

Criminal Forfeiture, pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

Dated: June 4, 2015

RICHARD S. HARTUNIAN
United States Attorney

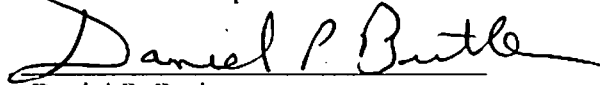
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