

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA \* CRIMINAL NO. 20-116  
v. \* SECTION: D  
ERIK MARTIN \*  
\* \* \*

FACTUAL BASIS

The defendant, ERIK MARTIN, has agreed to plead guilty as charged to the Bill of Information charging MARTIN with Conspiracy to Commit Bribery of Public Official, in violation of Title 18, United States Code, Sections 371 and 201(b)(1) and (2). Had this matter proceeded to trial, the government would have proven beyond a reasonable doubt the allegations in the Bill of Information, namely that the defendant committed the following crime.

In 2019, MARTIN was a GS-9 employee in the Distribution Management Office (DMO) of the United States Marine Corps (USMC) Marine Forces Reserves (MARFORRES) located at 2000 Opelousas Avenue, New Orleans, Louisiana. MARFORRES is the headquarters command for approximately 100,000 Reserve Marines and 160 training centers located across 47 states. MARFORRES is responsible for providing transportation to trained units and qualified individuals to mobilize in times of war, national emergency, contingency operations, and for training exercises.

MARTIN began working at MARFORRES in approximately 2010. MARTIN was a supervisory traffic management specialist in the transportation of people section of the DMO, which is responsible for moving persons, things, and facilitating training for all Marine Reserves across the country. In this capacity, MARTIN was responsible for, among other things,

AUSA *MR*  
Defense Counsel *EWB*  
Defendant *[Signature]*

coordinating the bus transportation of all Marine Corps Reserve forces as well as overseeing approximately 10 civilian and military members tasked with booking bus transportation for the aforementioned forces. As the supervisor of transportation of personnel section, MARTIN had the ability to book transportation movements with vendors, approve and pay invoices for vendors, and could also recommend vendors to employees under his supervision. Based on his employment status, MARTIN was a "public official," as that term is defined in Title 18, United States Code, Section 201(a)(1).

Darrel Fitzpatrick (Fitzpatrick) was employed as a Senior National Account Manager at Company A from November 24, 2014, through his termination on June 17, 2019. Company A is a national transportation company based in Atlanta, GA. Company A provides bus transportation services to more than 300 cities in North America through independent third party charter companies. Company A provided bus transportation services to the United States Marine Corps Marine Forces Reserve (MARFORRES). As a Senior National Account Manager, Fitzpatrick's job duties included booking transportation for clients (including the military), managing high value customer accounts, providing pricing approvals, and making decisions impacting the sales floor. Fitzpatrick was compensated for his duties through a base salary plus a commission. This commission was structured in a manner where Fitzpatrick's commission increased as he generated more profit.

Fitzpatrick also started his own competing transportation brokerage company named National Charter Express, d/b/a Express Bus USA, d/b/a Acinom Heights, LLC, sometime in early 2019, without Company A's knowledge. Fitzpatrick established a point-of-sale account (Account 1) with Square, Inc. (Square), a technology company that provides merchant services and mobile payment platform, in April 2019 which would enable the processing of payments from

MARFORRES. National Charter Express began receiving contracts to transport members of the United States Marine Corps from MARFORRES in approximately April 2019. National Charter Express's business model was that it operated as a broker between MARFORRES and bus companies, that is, it would contract to transport Marines with MARFORRES, and then find another company to provide actual buses to move the Marines. National Charter Express would keep the difference between the price paid by MARFORRES and the price charged by the bus company as profit.

MARTIN met Fitzpatrick through work in approximately 2016, and only knew Fitzpatrick in his capacity as an employee of Company A.

In early 2019, Fitzpatrick became aware that MARTIN was having financial problems, and offered MARTIN a portion of the money from the contracts that Fitzpatrick would receive from MARFORRES, in exchange for MARFORRES awarding contracts to Fitzpatrick. Fitzpatrick knew that MARTIN was a supervisor in the DMO and had the ability to award contracts and pay invoices.

In 2019, MARTIN and Fitzpatrick willfully entered into an agreement to commit bribery, which they knew was unlawful, in violation of 18 U.S.C. § 371. Specifically, in the spring of 2019, MARTIN agreed to receive money from Fitzpatrick in exchange for bus companies associated with Fitzpatrick receiving contracts from USMC MARFORRES DMO. After this agreement, MARTIN directed MARFORRES employees to use Company A, then National Charter Express, for bus movements requested by members of the U.S. Marine Corps Reserves. MARTIN's direction constituted a formal exercise of his authority and power based on his position at MARFORRES.



Subsequently, MARTIN caused Fitzpatrick to receive payments totaling more than \$1,900,000 into Account 1 from one or more MARFORRES credit cards. Thereafter, Fitzpatrick transferred much of the money from Account 1 to a financial account (Account 2) under his custody and control at Regions Financial Corporation (Regions Bank). Fitzpatrick then directed multiple payments worth over \$110,000 from Account 2 to a financial account under MARTIN's custody and control at Navy Federal Credit Union (Account 3). Later, Fitzpatrick attempted to wire another payment worth approximately \$140,000 from Account 2 to MARTIN in Account 3. These payments are discussed in detail below.

Specifically, Fitzpatrick received 13 payments worth over \$300,000 from a MARFORRES credit card ending in 3575 to Account 1 between April 25 and May 20, 2019. These payments correlated to nine (9) travel order numbers ("TON's"), *i.e.*, nine (9) movements of Marines where bus transportation was provided pursuant to a contract between MARFORRES and bus brokerage firms associated with Fitzpatrick, either Company A or National Charter Express.

Date of Payment	Amount Paid to Fitzpatrick by MARFORRES	Travel Order Number Associated with Payment	Date TON requested to MARFORRES by Member of Marines Reserves
04/25/19	\$18,995.00	G0A9	2/11/2019
05/01/19	\$18,299.00	D0Z8	2/21/2019
05/01/19	\$39,699.00	D162	3/20/2019
05/03/19	\$25,000.00	D0V9	2/5/2019
05/03/19	\$34,895.00	D0V9	2/5/2019
05/03/19	\$22,997.00	G0A6	3/19/2019
05/05/19	\$31,995.00	G0A5	3/28/2019
05/05/19	\$25,000.00	G0A5	3/28/2019
05/06/19	\$22,996.00	G0A7	4/4/2019
05/06/19	\$28,995.00	D127	3/9/2019

05/06/19	\$25,000.00	D127	3/9/2019
05/16/19	\$14,997.75	D146	3/13/2019
05/20/19	\$45,001.00	D146	3/13/2019

In exchange for these payments, on May 23, 2019, Fitzpatrick wired \$29,100 to Account 3 (belonging to MARTIN).

Between May 23, 2019, and June 3, 2019, Fitzpatrick received 10 additional payments worth over \$200,000 from MARFORRES credit card 3575 to Account 1. These payments correlated to four additional TONs.

Date of Payment	Amount Paid to Fitzpatrick by MARFORRES	Travel Order Number Associated with Payment	Date TON requested to MARFORRES by Member of Marines Reserves
06/02/19	\$25,000.00	D1D4	4/10/2019
06/02/19	\$23,495.00	D1D4	4/10/2019
06/03/19	\$25,000.00	D1K5	4/2/2019
06/03/19	\$27,999.00	D1K5	4/2/2019
06/03/19	\$25,000.00	D1P7	4/13/2019
06/03/19	\$25,000.00	D1P7	4/13/2019
06/03/19	\$18,095.00	D1P7	4/13/2019
06/03/19	\$25,000.00	D1J7	4/12/2019
06/03/19	\$25,000.00	D1J7	4/12/2019
06/03/19	\$10,499.00	D1J7	4/12/2019

In exchange for these payments, on June 5, 2019, Fitzpatrick wired \$11,280 to Account 3 (belonging to MARTIN).

Between June 10, 2019, and June 14, 2019, Fitzpatrick received 16 additional payments worth over \$300,000 from MARFORRES credit card 3575 to Account 1. These payments correlated to eight additional TONs.

*MR*  
*GRM*  
*gr*

Date of Payment	Amount Paid to Fitzpatrick by MARFORRES	Travel Order Number Associated with Payment	Date TON requested to MARFORRES by Member of Marines Reserves
06/10/19	\$25,000.00	D1H7	4/9/2019
06/10/19	\$24,999.00	D1H7	4/9/2019
06/10/19	\$25,000.00	D1L9	4/16/2019
06/10/19	\$19,999.00	D1L9	4/16/2019
06/10/19	\$4,000.00	D1L9	4/16/2019
06/10/19	\$25,179.00	D1L9	4/16/2019
06/10/19	\$25,000.00	D1L5	4/1/2019
06/10/19	\$15,599.00	D1H5	4/1/2019
06/10/19	\$25,000.00	D1H6	4/8/2019
06/10/19	\$22,999.00	D1L5	4/1/2019
06/11/19	\$31,999.00	D1L9-16PAX	4/16/2019
06/11/19	\$25,000.00	D1I8	3/27/2019
06/11/19	\$25,000.00	D1I8	3/27/2019
06/11/19	\$25,994.00	D1I8	3/27/2019
06/13/19	\$24,555.00	M1E0	5/3/2019
06/13/19	\$4,500.00	DIP3	3/18/2019

In exchange for these payments, on June 14, 2019, Fitzpatrick wired \$70,500 to Account 3 (belonging to MARTIN).

Between June 14, 2019, and June 20, 2019, Fitzpatrick received 33 additional payments worth over \$700,000 from MARFORRES credit card 3575 to Account 1. These payments correlated to 10 additional TONs.

Date of Payment	Amount Paid to Fitzpatrick by MARFORRES	Travel Order Number Associated with Payment	Date TON requested to MARFORRES by Member of Marines Reserves
06/15/19	\$10,000.00	D238	4/24/2019
06/15/19	\$30,000.00	D1U7	4/24/2019
06/15/19	\$30,000.00	D1U7	4/24/2019



06/15/19	\$29,995.00	DIU7	4/24/2019
06/15/19	\$30,000.00	D238	4/24/2019
06/15/19	\$8,995.00	D238	4/24/2019
06/16/19	\$6,000.00	DIK1	4/12/2019
06/17/19	\$30,000.00	D228	4/24/2019
06/17/19	\$15,996.00	D228	4/24/2019
06/17/19	\$30,000.00	D1L2	3/29/2019
06/17/19	\$13,495.00	D1L2	3/29/2019
06/17/19	\$30,000.00	D1L2	3/29/2019
06/17/19	\$13,496.00	D1L2	3/29/2019
06/17/19	\$25,000.00	D169	3/12/2019
06/17/19	\$25,000.00	D169	3/12/2019
06/17/19	\$25,000.00	D169	3/12/2019
06/17/19	\$27,991.00	D169	3/12/2019
06/17/19	\$30,000.00	D1M1	4/2/2019
06/17/19	\$32,998.00	D1M1	4/2/2019
06/17/19	\$30,000.00	DIK1	4/12/2019
06/17/19	\$32,099.00	DIK1	4/12/2019
06/17/19	\$30,000.00	D1Q5	4/13/2019
06/17/19	\$24,997.00	D1Q5	4/13/2019
06/17/19	\$30,000.00	D228	4/24/2019
06/17/19	\$15,955.00	D228	4/24/2019
06/18/19	\$30,000.00	DIX7	4/25/2019
06/18/19	\$24,499.00	DIX7	4/25/2019
06/18/19	\$30,000.00	DIX7	4/25/2019
06/18/19	\$24,498.00	DIX7	4/25/2019
06/18/19	\$30,000.00	DIX6	4/25/2019
06/18/19	\$24,999.00	DIX6	4/25/2019
06/18/19	\$30,000.00	DIX6	4/25/2019
06/18/19	\$24,998.00	DIX6	4/25/2019

In exchange for these payments, Fitzpatrick attempted to send another wire worth approximately \$140,000 from Account 2 to Account 3 (belonging to MARTIN) on June 20, 2019, but this wire was stopped by Regions Bank due to its suspicious nature.

The payments and attempted payments to MARTIN by Fitzpatrick were to influence MARTIN in his performance of official acts, *i.e.*, awarding, issuing, and paying transportation contracts for the movement of Marine Corps personnel. These payments to MARTIN constituted “something of value,” as that term used in Title 18, United States Code, Section 201(a)(1).

In November 2019, MARTIN and Fitzpatrick became aware that the payment loop between MARFORRES credit card 3575, Fitzpatrick, and MARTIN was under investigation by federal law enforcement authorities for possible violation of federal criminal law. Fitzpatrick developed a plan to obstruct any law enforcement investigation into the bribery scheme by having MARTIN and Fitzpatrick falsely call the payments to MARTIN a loan. Fitzpatrick then sent MARTIN a proposed affidavit via e-mail for MARTIN to sign affirming that the payments were a loan to MARTIN from Fitzpatrick. MARTIN then signed the document, had it notarized in New Orleans, Louisiana, and e-mailed it back to Fitzpatrick, who was in Atlanta, Georgia.

**Limited Nature of Factual Basis**

This proffer of evidence is not intended to constitute a complete statement of all facts known by the government and/or MARTIN. Rather, it is a minimum statement of facts intended to prove the necessary factual predicate for his guilty plea. The limited purpose of this proffer is to demonstrate that there exists a sufficient legal basis for the plea of guilty to the charged offense by MARTIN. The above facts come from an investigation conducted by, and would be proven at trial beyond a reasonable doubt by credible testimony from members, employees, and investigators of the United States Department of Defense Criminal Investigative Service and the Naval Criminal



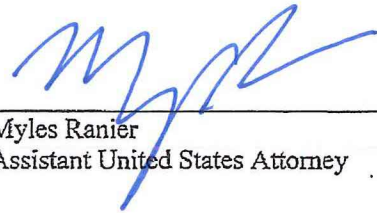
Investigative Service, members of the United States Marine Corps, and lay witnesses with personal knowledge of these facts, and admissible, tangible exhibits in the custody of the United States government.

~~READ AND APPROVED:~~



Joseph McMahon  
Counsel for Erik MARTIN

12/24/2020  
[date]



Myles Ranier  
Assistant United States Attorney

12/24/2020  
[date]

  
Erik MARTIN  
Defendant

12/23/2020  
[date]