

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No. 21-
	:	
MORTEN NIELSEN	:	18 U.S.C. § 1343

**I N F O R M A T I O N**

The defendant having waived in open court prosecution by indictment,  
the Acting United States Attorney for the District of New Jersey charges:

**(Wire Fraud)**

1. At all times relevant to this Information:
  - a. Defendant MORTEN NIELSEN ("NIELSEN") was a citizen of Denmark residing in Jersey City, New Jersey.
  - b. The "Freight Forwarding Company" was a freight forwarding company with an office in Edison, New Jersey that provided logistical and transportation services for corporations and government entities. The Freight Forwarding Company employed NIELSEN as a program manager at its New Jersey office from on or about September 1, 2014, to on or about July 19, 2019.
  - c. Summit Transportation was a sham company that NIELSEN established and controlled that acted as a purported subcontractor for the Freight Forwarding Company.

**The Egyptian Foreign Military Sales Program**  
**(the “Egyptian Military Program”)**

d. The Egypt Foreign Military Sales Program (the “Egyptian Military Program”) was a program between the Egyptian government and the United States Department of Defense (the “DOD”), an executive branch department of the federal government charged with coordinating and supervising all agencies and functions of the government directly related to national security and the United States Armed Forces. Through the Egyptian Military Program, the DOD facilitated the sale and repair of military equipment from the United States to Egypt.

e. The Egyptian government administered the program through its Egyptian Program Office, which contracted with the DOD.

f. The DOD processed invoices and payments in connection with the Egypt Foreign Military Program through the Defense Finance and Accounting Service (the “Defense Finance Service”), an agency of the DOD headquartered in Indianapolis, Indiana.

g. The Freight Forwarding Company and its subcontractors provided freight forwarding, logistical, and transportation services for the Egyptian Military Program. In connection with this work, the Freight Forwarding Company’s subcontractors, including NIELSEN’s company, Summit Transportation, submitted invoices to the Freight Forwarding Company for work that they purportedly performed. The Freight Forwarding Company then directly paid the subcontractors’ invoices and, in turn, submitted invoices to the Egyptian Program Office. After reviewing and approving the Freight Forwarding Company’s invoices, the Egyptian

Program Office forwarded the invoices to the Defense Finance Service which then reimbursed the Freight Forwarding Company for payments it had made to its subcontractors, including Summit Transportation.

### **The Scheme to Defraud**

2. Beginning at least as early as in or about June 2017 through in or about July 2019, in the District of New Jersey, and elsewhere, defendant

### **MORTEN NIELSEN**

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud the Freight Forwarding Company and the Defense Finance Service and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

### **Goal of the Scheme to Defraud**

3. The goal of the scheme was for NIELSEN to enrich himself by submitting fraudulent invoices for payment to the Freight Forwarding Company for work that Summit Transportation never performed and for which the Defense Finance Service later reimbursed the Freight Forwarding Company.

### **Manner and Means of Scheme to Defraud**

4. It was part of the scheme that:

a. From in or about June 2017 through in or about July 2019, NIELSEN served as the program manager for the Freight Forwarding Company's contract and work in connection with the Egyptian Military Program. In this role,

NIELSEN was responsible for, among other things, approving the payment of invoices from subcontractors, including his own sham company, Summit Transportation. NIELSEN was also responsible for submitting corresponding invoices for payment on behalf of the Freight Forwarding Company to the Egyptian Program Office.

b. During this period, NIELSEN caused the Freight Forwarding Company to pay Summit Transportation approximately \$559,000 in connection with approximately 84 fraudulent invoices that NIELSEN submitted for work that Summit Transportation never performed. In addition, NIELSEN caused the Freight Forwarding Company to submit corresponding invoices to the Egyptian Program Office that included fraudulent charges from Summit Transportation.

c. The Freight Forwarding Company transferred funds to Summit Transportation and then submitted those invoices to the Egyptian Program Office. Once the Egyptian Program Office approved the invoices that NIELSEN caused to be submitted, it forwarded the invoices to the U.S. Defense Finance Service to reimburse the Freight Forwarding Company.

d. The Freight Forwarding Company then received the resulting reimbursement payments from the U.S. Defense Finance Service.

e. For example, on or about June 22, 2019, NIELSEN submitted a fraudulent invoice from Summit Transportation to the Freight Forwarding Company that included a charge for \$14,995 for work that Summit Transportation never performed. NIELSEN then caused the Freight Forwarding Company to

approve and pay this fraudulent invoice.

f. On or about the same day, June 22, 2019, NIELSEN caused the Freight Forwarding Company to submit a corresponding invoice to the Egyptian Program Office that included a fraudulent charge for \$14,995 in connection with work that Summit Transportation purportedly performed. The Egyptian Program Office approved and forwarded this Fraudulent Invoice to the U.S. Defense Finance Service for reimbursement to the Freight Forwarding Company.

g. On or about June 22, 2019, NIELSEN wrongfully used the Freight Forwarding Company's credit card to conduct a wire transfer in the amount of \$14,995 from the Freight Forwarding Company's New Jersey office to Summit Transportation's account with an online payments company based in San, Jose California (the "Summit Account"). On or about that same day, NIELSEN transferred approximately \$4,995 from the Summit Account to his personal bank account.

h. The Freight Forwarding Company received a reimbursement payment from the U.S. Defense Finance Service in connection with this invoice.

5. On or about June 22, 2019, for the purpose of executing and attempting to execute the scheme and artifice to defraud, in the District of New Jersey and elsewhere, defendant

**MORTEN NIELSEN**

knowingly and intentionally transmitted and caused to be transmitted by means of wire communications in interstate commerce certain writings, signs, signals, pictures, and sounds, namely a wire transfer of approximately \$14,995 from the Freight Forwarding Company to the Summit Account.

In violation of Title 18, United States Code, Section 1343.

### **FORFEITURE ALLEGATION**


1. As a result of committing the offense alleged in this Information, NIELSEN shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(2), any property constituting or derived from proceeds obtained directly or indirectly as a result of such offense.

### **SUBSTITUTE ASSETS PROVISION**

2. If by any act or omission of the defendant any of the property subject to forfeiture:

- 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 which cannot be divided without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C. § 2461(c), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described above.

  
RACHAEL A. HONIG  
Acting United States Attorney

CASE NUMBER: 21-\_\_\_\_\_

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District of New Jersey

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UNITED STATES OF AMERICA

v.

MORTEN NIELSEN

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INFORMATION FOR

18 U.S.C. § 1343

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RACHAEL A. HONIG  
ACTING UNITED STATES ATTORNEY  
FOR THE DISTRICT OF NEW JERSEY

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