

United States Attorney Southern District of New York

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U.S. ARMY OFFICER ARRESTED FOR PARTICIPATING IN SCHEME TO STEAL FUEL FROM CAMP LIBERTY, BAGHDAD, IRAQ

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, MARK J. MERSHON, the Assistant Director-in-Charge of the New York Field Office of the Federal Bureau of Investigation ("FBI"), Brigadier General RODNEY L. JOHNSON, Commanding General of the United States Army, Criminal Investigation Command ("CIDC"), and CHARLES C. BEARDALL the Director of the United States Department of Defense, Defense Criminal Investigative Service ("DCIS"), announced the unsealing of charges against United States Army Chief Warrant Officer JOSEPH CRENSHAW for participating in a scheme to steal fuel from Camp Liberty in Baghdad, Iraq. CRENSHAW, 38, of Watertown, New York, was arrested yesterday. According to the Complaint filed in Manhattan federal court:

In 2007, CRENSHAW was stationed in Baghdad, Iraq, as a Chief Warrant Officer with the U.S. Army. In April 2007, a cooperating witness ("CW-1"), began accepting cash from another individual ("CC-1") in exchange for accompanying the individual

to the fuel depot located at Camp Liberty in Baghdad, Iraq, to fill trucks with fuel. CW-1 knew that CC-1 was not entitled to obtain fuel from the fuel depot, but that with the presence of uniformed, military personnel in CC-1's truck, each of which was capable of holding thousands of gallons of fuel, CC-1 would be able to obtain fuel. In exchange for bribes, CW-1 accompanied CC-1 and CC-1's trucks to obtain fuel from the fuel depot on a number of occasions.

In May 2007, CW-1 told CRENSHAW about the fuel scheme and the amount of money he was earning by accompanying the trucks to the fuel depot. CW-1 then allowed CRENSHAW to participate in the scheme. CRENSHAW accompanied CC-1 and CC-1's trucks several times to the fuel depot. In exchange for each of those runs, CW-1 paid CRENSHAW several thousand dollars.

CRENSHAW was charged with one count of bribery. He is expected to appear later today in United States Magistrate Court. If convicted, CRENSHAW faces a maximum sentence of 15 years' imprisonment and a fine of the greater of \$250,000, or three times the gross gain or loss from the offense.

 $$\operatorname{Mr.}$ GARCIA praised the investigative work of the FBI, CIDC, and DCIS.

"JOSEPH CRENSHAW took bribes to help others steal from an Army fuel depot," said United States Attorney GARCIA. "Motivated by greed rather than duty, he sold his rank in a scheme to steal the Army's supplies in a time of war."

"While thousands of American service men and women are in Iraq to stabilize the nation and bring about security, the defendant allegedly placed a higher priority on making a fast buck," said FBI Assistant Director MERSHON. "The gas-for-cash scheme in which he participated could have jeopardized security by diverting fuel meant for military use."

"Let this serve as a warning to anyone within the Army community who thinks they will get away with criminal activity. We will not tolerate it," said CIDC Brigadier General JOHNSON. "Our CID Special Agents work around the clock worldwide to ensure that suspicions and allegations of criminality are investigated fully and those who commit crime will be brought to justice."

"Regrettably, even at a time when this country is fighting terrorism in a hostile environment overseas, there are those who will forsake their duty to this country and its brave men and women in the Armed Forces in an attempt to enrich themselves through corrupt activity," said DCIS Director BEARDALL. "Today's charges demonstrate the ongoing commitment of the Defense Criminal Investigative Service and its partners in law enforcement to aggressively pursue these crimes and to support their prosecution to the fullest."

The National Procurement Fraud Initiative was announced by the Department of Justice in October 2006, and is designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in contracting activity for national security and other government programs. The National Procurement Fraud Task Force, chaired by Assistant Attorney General ALICE S. FISHER, was created as part of this initiative.

This case is being prosecuted by the Public Corruption Unit of the United States Attorney's Office. Assistant United States Attorneys KATHERINE A. LEMIRE, CHRISTINE Y. WONG, and KENNETH A. POLITE are in charge of this prosecution.

The charges contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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