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Former Department of Defense Contractor Sentenced for Participation in Scheme to Steal Fuel from U.S. Army in Iraq

Lee William Dubois, a former Department of Defense (DoD) contractor, was sentenced today to three years in prison for his participation in a scheme to steal fuel worth approximately \$39.6 million from the U.S. Army in Iraq.

Dubois, 32, of Lexington, S.C., was sentenced today by U.S. District Court Judge Gerald Bruce Lee in the Eastern District of Virginia. Dubois had pleaded guilty to a one-count information charging him with theft of government property on Oct. 7, 2008. In connection with his plea, Dubois testified at the trial of his co-conspirator, Robert Jeffery, who was convicted by a jury on Aug. 11, 2009. Dubois also repaid to the U.S. government \$450,000 that represented the illicit proceeds of the scheme.

In his plea, Dubois admitted that between July 2007 and May 2008, he and his co-conspirators, purportedly representing DoD contractors in Iraq, used fraudulently-obtained documents to enter the Victory Bulk Fuel Point (VBFP) in Camp Liberty, Iraq, and presented false fuel authorization forms to steal aviation and diesel fuel from the VBFP for subsequent sale on the black market. According to plea documents, the United States owns and operates the VBFP in support of Operation Iraqi Freedom. The VBFP supplies aviation and diesel fuel to both military units and U.S. government contractors operating in and around the VBFP. To retrieve and transport the stolen fuel from the VBFP, Dubois admitted he and his co-conspirators employed approximately 10 individuals to serve as drivers and escorts of the trucks containing the stolen fuel. These individuals were able to enter the VBFP illegally by using government-issued common access cards.

Dubois admitted he obtained the cards by falsely representing to the U.S. Army that the drivers and escorts were employees of a DoD contractor, when, in fact, they were not employed by any government contractors. In addition, Dubois admitted he went to the VBFP and presented false documents authorizing his co-conspirators to draw fuel. Dubois also admitted that for two months during the scheme, he served as the lead escort for the stolen fuel. According to information contained in the plea documents, during the course of the scheme, Dubois and his co-conspirators stole approximately 10 million gallons of fuel worth approximately \$39.6 million. Dubois received at least \$450,000 in personal profits from the subsequent sale of the fuel on the black market.

In related cases, Robert Jeffery was convicted on Aug. 11, 2009, after a two-day jury trial, of one count of conspiracy and one count of theft of government property for his role in the fuel theft. Robert Young and Michel Jamil each pleaded guilty to participating in the same scheme. The evidence at trial showed that Jeffery served as an escort for the fuel trucks and retrieved hundreds of thousands of gallons of fuel from the VBFP. Sentencing for Jeffery is scheduled for December 11, 2009.

Young, 56, a former captain in the U.S. Army, pleaded guilty on July 24, 2009. In his guilty plea, Young admitted that between October 2007 and May 2008, he and his co-conspirators used fraudulently-obtained documents to enter the VBFP and presented false fuel authorization forms to steal aviation and diesel fuel

from the VBFP for subsequent sale on the black market. As a result of the scheme, Young received approximately \$1 million in personal profits. Sentencing for Young is scheduled for Oct. 30, 2009.

Jamil, 59, pleaded guilty on July 27, 2009, with his role in the scheme. Jamil admitted that in March 2007, he and two of his co-conspirators arranged for the creation of a false Memorandum for Record (MFR) authorizing individuals to draw fuel from VBFP, purportedly on behalf of a company serving as a contractor to the U.S. government. Jamil admitted that he and his co-conspirators used this false MFR and others to steal large quantities of fuel from the U.S. Army for subsequent sale on the Iraqi black market. As a result of the scheme, Jamil admitted he received between \$75,000 and \$87,500 in profits. Sentencing is scheduled for Nov. 13, 2009.

The case is being prosecuted by Special Assistant U.S. Attorney Steve Linick, Deputy Chief of the Criminal Division's Fraud Section, and Fraud Section Trial Attorneys Andrew Gentin and Brigham Cannon. The investigation of this case was conducted by the U.S. Army Criminal Investigation Command, the Defense Criminal Investigative Service, the Washington Field Office of the FBI and members of the National Procurement Fraud Task Force and the International Contract Corruption Task Force (ICCTF).

The National Procurement Fraud Task Force, created in October 2006 by the Department of Justice, was designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in government contracting activity for national security and other government programs. The ICCTF is a joint law enforcement agency task force that seeks to detect, investigate and dismantle corruption and contract fraud resulting from U.S. Overseas Contingency Operations, including in Afghanistan, Iraq and Kuwait.

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