



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, JULY 29, 2009
WWW.USDOJ.GOV

CRM
(202) 514-2007
TDD (202) 514-1888

TWO INDIVIDUALS CHARGED WITH ATTEMPTING TO BRIBE U.S. ARMY CONTRACTING OFFICIAL

WASHINGTON – Two dual Afghan/U.S. citizens were charged today with conspiracy and bribery in connection with a scheme to offer \$1 million in bribes to a U.S. Army contracting official in order to influence the award of a road construction contract in Afghanistan, announced Assistant Attorney General of the Criminal Division Lanny A. Breuer and U.S. Attorney Dana J. Boente of the Eastern District of Virginia.

Rohullah Farooqi Lodin, 48, from Irvine, Calif., and Hashmatullah Farooqi, 38, from New York City, were charged today in a two-count indictment, returned by a federal grand jury in the Eastern District of Virginia. The indictment charges each defendant with one count of conspiracy to defraud and commit an offense against the United States and one count of attempting to bribe a public official.

The U.S. Army in Afghanistan is responsible for the Commander's Emergency Response Program (CERP), which enables U.S. Army commanders in Afghanistan to use U.S. monies to fund humanitarian relief and reconstruction projects, including road construction, in that country. According to the indictment, in 2009, the U.S. Army solicited bids from contractors to design and build a road in Logar Province, Afghanistan (the Logar Road Contract). The U.S. Army received numerous bids on the Logar Road Contract, including \$18 million bids each from National General Construction Company (NGCC) and Hamed Lais Group (Hamed Lais), both general contracting firms in Afghanistan that Lodin and Farooqi claimed to represent.

According to the indictment, on at least four occasions in May 2009, Lodin and Farooqi met with an Army captain who was the public official responsible for managing the CERP in Logar Province. Lodin and Farooqi told the Army captain that they represented NGCC and Hamed Lais, and were interested in securing the Logar Road Contract. According to the indictment, Lodin and Farooqi offered the Army captain \$1 million in bribes if he agreed to assist in disqualifying lower bidders on the Logar Road Contract and influence the award of the contract to NGCC and Hamed Lais.

According to the indictment, Lodin and Farooqi stated they had political connections, and that to facilitate the award of the Logar Road Contract to Hamed Lais and NGCC, they could arrange for the blacklisting of lower priced bidders currently ranked ahead of their bid. The indictment also alleges that Lodin and Farooqi had

numerous conversations with the Army captain and discussed the following options for paying him to influence the award of the Logar Road Contract: they stated they could wire the Army captain \$1 million through Dubai or Bangkok a bank account; they offered to pay the Army captain \$500,000 out of first payment under the contract and \$500,000 at the conclusion of the contract; and, they offered to pay the Army captain \$200,000 of the \$1 million in cash before the award of the contract.

The conspiracy count carries a maximum penalty of five years in prison and a fine of the greater of \$250,000 or twice the value gained or lost. The bribery count carries a maximum penalty of 15 years in prison and a fine of the greater of \$250,000, or twice the value gained or lost.

The case is being prosecuted by Special Assistant U.S. Attorney Steve A. Linick, Deputy Chief of the Criminal Division's Fraud Section, and Fraud Section Trial Attorney James J. Graham. The investigation is being conducted by the FBI; the U.S. Army Criminal Investigative Division; the Special Inspector General for Afghanistan Reconstruction; the Defense Criminal Investigative Service; 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.

An indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless and until convicted through due process of law.

###