



THE UNITED STATES ATTORNEY'S OFFICE

EASTERN DISTRICT *of* VIRGINIA

**Department of Justice**

U.S. Attorney's Office

Eastern District of Virginia

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FOR IMMEDIATE RELEASE

Thursday, November 12, 2015

## **North Dakota Man Pleads Guilty to \$2 Million Government Contract Scheme**

ALEXANDRIA, Va. – Jonathan Apple, 35, of Williston, North Dakota, pleaded guilty today to one count of conspiracy to commit wire fraud for his role in the receipt of \$2 million in micro-dairy contracts from the U.S. government for use in Iraq.

According to the statement of facts filed along with the plea agreement, K.A, a U.S. government employee, helped to steer the sole-sourcing of \$2 million in micro-dairy contracts to a company in which his son, Jonathan Apple, owned a 50 percent interest. However, Jonathan Apple and his partner had no technical experience in the industry. Jonathan Apple, his partner, and K.A. conspired to use K.A.'s official position to obtain non-public information in order to fraudulently win and administer government contracts. The conspirators further provided false information to, and concealed material details from, the U.S. government.

According to court records, K.A. provided templates and technical specifications used in the proposal submitted by Jonathan Apple and his partner to the U.S. government. In addition, Jonathan Apple caused false and misleading statements to be made to the U.S. government regarding his experience, ownership interest, and the status of the projects. Jonathan Apple received approximately \$230,000 of profit from the fraudulently awarded contracts. When federal law enforcement agents confronted Apple about the scheme, he made false statements about his role, including that his father had no involvement in government contracting.

Apple faces a maximum penalty of five years in prison when he is sentenced on Feb. 26, 2016. The maximum statutory sentence is prescribed by Congress and is provided here for informational purposes, as the sentencing of the defendant will be determined by the court based on the advisory Sentencing Guidelines and other statutory factors.

Dana J. Boente, U.S. Attorney for the Eastern District of Virginia; Paul M. Abbate, Assistant Director in Charge of the FBI's Washington Field Office; Frank Robey, Director of the U.S. Army Criminal Investigation Command's Major Procurement Fraud Unit (MPFU); and Robert E. Craig, Special Agent in Charge for the Defense Criminal Investigative Service's (DCIS) Mid-Atlantic Field Office, made the announcement after the plea was accepted by U.S. District Judge T.S. Ellis, III. Assistant U.S. Attorneys Uzo Asonye and Katherine Wong are prosecuting the case.

A copy of this press release may be found on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information may be found on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for **Case No. 1:15-cr-313**.

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