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Department of Justice

Office of Public Affairs

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Former Senior U.S. Navy Employee Charged for Role in Bribery Conspiracy and Lying to Investigators

The former Director of Operations of the U.S. Navy's Military Sealift Command Office in Busan, Republic of Korea (ROK) was charged in a complaint filed today in connection with his alleged participation in a bribery conspiracy and alleged lying to federal investigators.

Assistant Attorney General Brian A. Benczkowski of the Justice Department's Criminal Division, Special Agent in Charge David Bell of the Naval Criminal Investigative Service's (NCIS) Far East Field Office, and Special Agent in Charge Stanley A. Newell of the Defense Criminal Investigative Service's (DCIS) Transnational Operations Field Office made the announcement.

Xavier Fernando Monroy, 62, a U.S. citizen, was charged in a complaint filed in the District of Columbia with one count of conspiracy to commit bribery, one count of bribery, one count of false statements, and one count of obstruction of justice.

The affidavit in support of the complaint alleges that Monroy engaged in a conspiracy to commit bribery with Sung Yol "David" Kim, the owner of DK Marine, a ROK-based company that provided ship husbanding services to the U.S. Navy, and James Russell Driver III, a former civilian U.S. Navy cargo ship captain, in connection with the provision of husbanding services for Driver's ship during a December 2013 port visit in Chinhae, ROK. In order to steer the ship's husbanding services business to DK Marine, Driver sought, and Kim conveyed, Monroy's directions on how to circumvent appropriate Navy procedures.

According to the affidavit, Monroy also provided Kim with confidential and other proprietary, internal U.S. Navy information. In exchange for the steering of business and the provision of such information, Kim paid bribes to Monroy, including cash, personal travel expenses, meals and alcoholic beverages, and the services of prostitutes. The affidavit further alleges that in July 2019, Monroy repeatedly lied to DCIS and NCIS during a voluntary interview.

Driver pleaded guilty to one count of conspiracy to commit bribery for his role in March 2019 before U.S. District Judge Arthur J. Tarnow of the Eastern District of Michigan. Kim pleaded guilty to one count of conspiracy to commit bribery for his role on May 1, 2020, before U.S. District Judge Mark A. Goldsmith of the Eastern District of Michigan.

A complaint is merely an allegation and the defendant is presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

NCIS and DCIS investigated the case. Trial Attorney Jessee Alexander-Hoeppner of the Criminal Division's Fraud Section is prosecuting the case.

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