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Description of document: First three pages of closing memo and/or final report for each closed Special Inspector General for Afghanistan Reconstruction (SIGAR) Investigation, 2009 - 2011

Requested date: 01-May-2011

Released date: 05-May-2011

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Date/date range of document: 19-May-2009 – 07-August-2011

Source of document: Office of Privacy, Records, and Disclosure
SIGAR
400 Army Navy Drive, CP6
Arlington, VA 22202-4704
Email: FOIA@SIGAR.mil

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Included: Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) closing memo and/or final reports for each closed SIGAR investigation (first three pages), May 19, 2009 – August 7, 2011

DATE	CASE No.	SUBJECT	No. PAGES
December 6, 2010	600-AF-0143	Possible Fraud and Abuse	3
October 3, 2010	300-AF-0057	Bribery; Conspiracy	3
April 26, 2011	200-HQ-0064	Possible Contract Fraud	4
April 22, 2011	200-AF-0054	Contract Fraud	3
May 3, 2011	500-AF-0149	Wire Fraud; False Claims; False Statements; Theft of Government Property	2
March 25, 2011	200-HQ-0032	False Statements; False Claims; Mail and Wire Fraud	4
April 3, 2011	100-AF-0071	Procurement Fraud	5
April 8, 2011	300-AF-0118	Bribe solicitation by contract	6
September 13, 2010	200-AF-0051	Contract Fraud	3
March 28, 2011	200-AF-0169	Contract Fraud; False Claim on a Defense Base Act Reimbursement	4
January 20, 2011	100-AF-0070	"bootleg" and "cheap Chinese knock-offs"	5
January 30, 2011	300-AF-0107	maintenance of foreign bank accounts	3
August 7, 2010	500-AF-0039	Wire Fraud; False Statements; Theft of Government Property	3
February 23, 2011	600-AF-0123	Miscellaneous Criminal Activity	3
November 16, 2010	200-AF-0109	Contract Fraud (Theft of Public Money)	4
January 12, 2011	800-AF-0108	Bulk Cash Initiative	2
January 31, 2011	300-AF-0084	Road Project	4
January 24, 2011	200-AF- 0116	drug trafficking; possible contract fraud	3
January 27, 2011	200-AF-0067	Contact fraud, bribery	2
January 28, 2011	200-AF-0083	Roads-Anonymous Complaint	3
January 31, 2011	300-AF-0104	Money laundering	4
February 17, 2011	200-AF-0049	Contract fraud	4
February 5, 2011	100-AF-0065	False claims	3
September 7, 2010	500-AF-0080	False Claims; Program Fraud; False Statements; Major Fraud against the United States	2
May 5, 2011	300-AF-0136	Bribery	2
May 28, 2010	300-AF-0075	Charging improper fees	3
June 2, 2010	300-AF-0027	Bribery	1
January 25, 2010	200-AF-0016	Bribery	2
October 27, 2010	200-AF-0150	Failure to pay Afghanistan sub-contractor companies	4
March 8, 2011	600-AF-0025	Larceny: Theft of Government Funds	2

Included: Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) closing memo and/or final reports for each closed SIGAR investigation (first three pages), May 19, 2009 – August 7, 2011

DATE	CASE No.	SUBJECT	No. PAGES
February 8, 2011	300-AF-0059	Bribery	3
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
January 28, 2011	500-AF-0091	Possible Misuse of [redacted] Funded Program Helicopter By [redacted] ; Possible Fraud & Abuse	2
May 5, 2011	300-AF-0148	Bribery; Contract Fraud	2
March 3, 2011	300-AF-0122	Bid Rigging on Various USG Contracts	2
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
January 30, 2011	300-AF-0093	Extortion	3
January 20, 2011	100-AF-0100	potential fraud	5
March 5, 2011	300-AF-0154	Bribery; Drug Smuggling; Weapons Smuggling	2
March 5, 2011	300-AF-0137	Bribery; Miscellaneous criminal activitying	2
January 25, 2011	300 -AF-0069	Bribery	2
March 29, 2011	200-AF-0156	Allegedly Awarding Development/Construction Projects at an Exorbitant Rate	3
February 22, 2011	100-AF-0095	Procurement fraud	4
April 21, 2011	300-AF-0092	Bribery	3
May 14, 2010	500-AF-0038	Embezzlement; conspiracy	2
November 28, 2010	300-AF-0135	Contract Corruption	3
April 21, 2011	300-AF-0092	Bribery	3
February 3, 2011	200-AF-0090	Contact fraud, False claims, theft	2
January 28, 2011	200-AF-0068	Contract Fraud - Violation of the Sherman Antitrust Act (Bid-Rigging)	2
January 24, 2011	300-AF-0105	Bribery, conspiracy	2
January 26, 2011	200-AF-0144	alleged product substitution, kickback and fraud	4
February 4, 2011	200-AF-0086	False claims, theft	3
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
September 7, 2010	100-AF-0101	Construction; Procurement Fraud	4
May 21, 2010	100-HQ-0076	Possible Procurement & Contract Fraud	5
December 6, 2010	100-AF-0103	[redacted] Livestock Improvement Program, 2007 Goat Purchase	6
February 1, 2011	100-AF-0082	receiving kickbacks from local Afghan Contractors	2
July 5, 2009	0026-09	Contract bidding process improprieties	1
February 4, 2011	500-AF-0134	Enbezzlement of disbursements	2

Included: Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) closing memo and/or final reports for each closed SIGAR investigation (first three pages), May 19, 2009 – August 7, 2011

DATE	CASE No.	SUBJECT	No. PAGES
April 10, 2011	500-AF-0120	Corruption/Theft by Prime contractor [redacted] Contract Fraud; Violation of Afghan Law, Article 36, Non Payment to Afghan Subcontractors	2
August 25, 2010	400-AF- 0119	Alleged non-payment of contracted services and materials	5
January 26, 2011	300-HQ-0164	Bribery	3
September 16, 2010	300-AF-0072	Alleged Corruption/Bribery for Sub-Contracts in [redacted] Province	2
December 19, 2010	200-AF-0158	Possible contractor abuse in a US contract and/or contract fraud	3
January 28, 2011	200-AF-0154	Alleged misuse of Field Ordering Officer Funds (FOO) by unnamed military units; Evasion of sole source contracts limits through the prohibited practice of splitting contracts.	2
October 27, 2010	200-AF-0130	failure to pay sub-contractor	3
January 25, 2011	300-AF-0128	Extortion; Conflict of Interest	4
February 14, 2010	300-AF-0041	Bribery, Mail Fraud	3
January 31, 2011	200-AF-0157	Possible Contractor Abuse in a U.S. Contract and / or Contract Fraud	3
November 21, 2010	200- AF-0121	Contract Violations	4
January 30, 2011	200-AF-0061	falsely billing the U.S. Government for work which had not been completed	3
March 5, 2010	200-AF-0010	Btiber; Bid Rigging	2
January 27, 2011	100-AF-0115	Falsifying contract documents pertaining to USAID contracts	3
August 30, 2010	100-AF-0077	Procurement Fraud	3
June 30, 2010	200-AF-0058	Construction Company receiving preferential treatment	3
February 22, 2010	600-AF-0021	redacted subject	2
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
February 14, 2010	600-AF-0013	Conflict of interest	2
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
July 2, 2010	500-AF-0079	Conspiracy to steal farm tractors purchased with USAID funds, in violation of Title 18, Section 641	3
January 11, 2010	500-AF-0002	Weapons Accountability	2
January 15, 2010	300-AF-0040	Bribery; Bid Rigging	2
April 6, 2010	300-AF-0036	Bribery; Bid-Rigging	2
February 26, 2010	300-AF-0030	Bribery	2
February 14, 2010	300-AF-0017	Various corruption and waste allegations	2
May 19, 2009	0014-09	Bribery of US contracting officer	1

Included: Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) closing memo and/or final reports for each closed SIGAR investigation (first three pages), May 19, 2009 – August 7, 2011

DATE	CASE No.	SUBJECT	No. PAGES
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
July 7, 2010	300-AF-0007	Violation of 18 US Code soliciting/accepting bribes	4
January 11, 2010	200-AF-0037	Construction Company; Contract Fraud	2
April 5, 2010	200-AF-0035	False Claims	2
September 13, 2010	200-AF-0034	Fraud; False Billing; Theft; Conversion	2
April 7, 2011	200-AF-0020	Attempted Larceny, False Claims, False Statements	2
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
April 6, 2010	200-AF-0009	province CERP Funds; Bribery	2
April 13, 2010	200-AF-0008	Violation of Anti-Corruption Law, Soliciting and Accepting Bribes	3
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
May 18, 2010	100-HQ-0078	Falsely Representing [redacted] on Contracts/Bids; Contract Fraud; Bribery	4
January 15, 2010	300-AF-0040	Bribery; Bid-Rigging	2
December 1, 2009	Multiple #s	Trucking industry; Bribery	2
February 22, 2010	100-AF-0003	Investigation of US Army Staff Sergeant	1



SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

Main: 703-602-3840

400 Army Navy Drive

Arlington, VA 22202-4704

www.sigar.mil

Herbert Richardson, Acting Inspector General

May 5, 2011

Re: **11-F-0004**

This acknowledges receipt of your May 1, 2011 Freedom of Information Act (FOIA) request to the Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR), for "a copy of the first three pages of the closing memo and/or final report for each closed SIGAR investigation (including any title or cover page, if applicable)." Your request was received in this office on May 5, 2011.

As a requester, you bear the burden under the FOIA of showing that the fee waiver requirements have been met. Based on my review of your May 1st letter and for the reasons stated herein, I have determined that your fee waiver request is deficient because you have not presented a convincing argument that your request meets the criteria of the six analytical factors considered in applying a statutory fee waiver standard. However, we anticipate that fees for this request will fall below the minimum established in the provisions of the FOIA. If so, you will incur not costs.

We have queried the appropriate component of SIGAR for responsive records. If any responsive records are located, they will be reviewed for determination of releasability. Please be assured that one of the processors in our office will respond to your request as expeditiously as possible. We appreciate your patience as we proceed with your request.

Your request has been assigned reference number **11-F-0004**. Please refer to this identifier in any future correspondence. You may contact this office at 703-604-3224.

Sincerely,

Kate Gastner
Records Manager



SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

Main: 703-602-3840
400 Army Navy Drive
Arlington, VA 22202-4704
www.sigar.mil

Herbert Richardson, Acting Inspector General

June 2, 2011

Re: 11-F-0004

This letter addresses your May 1, 2011 Freedom of Information Act (FOIA) request to the Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR), for "a copy of the first three pages of the closing memo and/or final report for each closed SIGAR investigation (including any title or cover page, if applicable)." Your request was received in this office on May 5, 2011.

We have queried the appropriate component of SIGAR for responsive records. A search of the agency yielded voluminous records. Processing these records for releasability will take longer than the twenty-day time limit mandated by that statute. The twenty-day time limit for your request ends June 2, 2011. The FOIA permits the agency a ten-day extension the agency's response time limit where, as here, there are "unusual circumstances," given the need to "search for, collect, and examine a voluminous amount of records."

Your request has been assigned reference number **11-F-0004**. Please refer to this identifier in any future correspondence. You may contact this office at 703-604-3224.

Sincerely,

Kate Gastner
Records Manager



SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

Herbert Richardson, Acting Inspector General

Main: 703-602-3840
400 Army Navy Drive
Arlington, VA 22202-4704
www.sigar.mil

July 12, 2011

Re: 11-F-0004

This is the final response to your May 1, 2011 Freedom of Information Act (FOIA) request to the Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR), for "a copy of the first three pages of the closing memo and/or final report for each closed SIGAR investigation (including any title or cover page, if applicable)." Your request was received in this office on May 5, 2011.

We granted your request under the FOIA, Title 5 U.S.C. § 552, as amended. Our search has revealed 279 pages responsive to your requests. After an initial review of these documents, I determined that portions of them are exempt from disclosure under the FOIA, 5 U.S.C. § 552 (b) (4), (b) (6), (b) (7) (a), and (b) (7) (c). We are releasing a total of 279 pages; 250 pages are released in part, and 29 pages are released in full.

On pages with redactions, we have provided you with the FOIA exemption(s) upon which we have relied. Exemption 4 allows the withholding of trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential. Exemption 6 allows the withholding of information prohibited from disclosure about individuals in "personnel and medical files and similar files" when the disclosure of such information "would constitute a clearly unwarranted invasion of personal privacy. Exemption 7 (a) protects records or information compiled for law enforcement purposes, disclosure of which "could reasonably be expected to interfere with enforcement proceedings." Exemption 7 (c) protects personal information in law enforcement records, disclosure of which "could reasonably be expected to constitute an unwarranted invasion of personal privacy."

Under the FOIA's administrative appeal provision, a requester has the right to administratively appeal any adverse determination an agency makes on his or her FOIA request. If you are not satisfied with this determination, you may appeal to the appellate authority within 60 days from the date of this letter. Your appeal should include a copy of your original request and this response, as well as a discussion of the reasons supporting your appeal. The envelope should be plainly marked to indicate that it contains a Freedom of Information Act appeal. If you decide to appeal, please send your appeal to:

Office of Privacy, Records & Disclosure
Special Inspector General for Afghanistan Reconstruction
400 Army Navy Drive
Arlington, VA 22202

Provisions of the FOIA allow us to recover part of the cost of complying with your requests. In this instance, because the cost is below the minimum, there is no charge.

If you need to contact us about this request, please refer to **11-F-0004**. You may contact this office at 703-604-3224 or FOIA@sigar.mil.

Sincerely,

A handwritten signature in black ink that reads "Kate Gastner". The signature is written in a cursive, flowing style.

Kate Gastner
Records Management Specialist

Enclosures: 11F0004-000001-000279

UNCLASSIFIED



**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Priority

Date: December 6, 2010

To: Investigations Directorate HQ

From: Investigations Directorate

(b)(6),(b)(7)(c)

Contact:

(b)(6),(b)(7)(c)

(b)(6),(b)(7)(c)

Approved By:

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case ID: 600-AF-0143 (C)

Title: TWO UNKNOWN EMPLOYEES, (b)(7)(A), (b)(6),(b)(7)(c)
ALLEGED CRIMINAL ACTIVITY
THROUGH MISUSE OF SEVENTEEN (17) GLOBAL DISTRIBUTION MANAGEMENT
SYSTEMS (GDMS) TRANSPONDERS AND MISSION SHEETS, FOUND IN THE
TRUNK OF A SINGLE VEHICLE.
ALLEGED FRAUD THROUGH THE USE OF MULTIPLE GDMS TRANSPONDERS.
VALUE UNKNOWN. POSSIBLE FRAUD AND ABUSE.

Synopsis: Closing communication.

Administrative: 600-AF-0143 A/C Closing 12/6/10
60-day Preliminary Inquiry initiated 10/24/2010. This case was
initiated based upon an allegation received by SIGAR (b)(6),(b)(7)(c)
at (b)(6),(b)(7)(c) on October 19, 2010. This investigation
was opened by all agencies associated with the (b)(6),(b)(7)(c) ICCTF.
At the time of opening the case, it was unknown as to the
funding source for the goods and services provided by the trucks
associated with the transponders. Additionally, it was believed
that this investigation would also develop evidence relevant to
a matter being reviewed by the (b)(6),(b)(7)(c) ICCTF.

Details:

JUSTIFICATION TO CLOSE INVESTIGATION

This case was initiated within SIGAR based upon information
initially received by (b)(6),(b)(7)(c) at (b)(6),(b)(7)(c) on October
19, 2010. It was alleged that criminal activity was in progress

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To: ID HQ
Date: December 06, 2010

From: ID (b)(6),(b)(7)(c)
Title: 600-AF-0143

through the misuse of seventeen (17) GDMS transponders and mission sheets, found in the trunk of a single vehicle. GDMS transponders are assigned one to a specific vehicle. The misuses of the transponders were indications of fraud. Subsequent to the initiation of this investigation documentation was obtained which disclosed that the trucks belonged to (b)(6),(b)(7)(c) (b)(6),(b)(7)(c) under the Host Nation Trucking (HNT) program. (b)(6),(b)(7)(c) is contracted by the Department of Defense under contract number (b)(4), task order 8. No Afghanistan Reconstruction funds were designated on the task order. Therefore, the source of funding for the above contract does not lie within the jurisdiction of SIGAR. Additionally, no information has been developed through interviews and reviews that are relevant to inquiries being conducted by the (b)(6),(b)(7)(c) ICCTF, in which SIGAR participating.

Since this contract involves no "Afghanistan Reconstruction funds, SIGAR has no jurisdiction. No further investigation is warranted in this matter and is considered closed by (b)(6),(b)(7)(c).

LEAD (s) :

UNCLASSIFIED

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To: ID HQ
Date: December 06, 2010

From: ID [REDACTED]
Title: 600-AF-0143

Set Lead 1: (Action)

INVESTIGATIVE DIRECTORATE

AT CRYSTAL CITY, VIRGINIA

Will close this case, for reasons as explained above.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** October 3, 2010**To:** Investigations Directorate HQ**From:** Investigations Directorate

(b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c) (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0057

Title: (b)(6), (b)(7)(c);
ET AL;
BRIBERY;
CONSPIRACY

Done Administratively
10/3/2010

Synopsis: Closing communication.

Reference: ID (b)(6), (b)(7) AC, dated 7/29/2010, and ID (b)(6), (b)(7) AC, dated 9/12/2010, both captioned as above.

Administrative: Preliminary Inquiry initiated 2/16/2010; converted to a Full Investigation on 4/13/2010.

Details: This case was opened to assist the ICCTF at (b)(6), (b)(7) in their investigation of (b)(6), (b)(7)(c) who allegedly was forcing local contractors to pay kickbacks to conduct business around the (b)(6), (b)(7) perimeter and on (b)(6), (b)(7)(c). In April 2010, ICCTF received a DOJ "declination to prosecute" on the bribery charges from (b)(6), (b)(7)(c). Subsequent ICCTF efforts through (b)(6), (b)(7)(c) military channels" have resulted in high level commanders preferring to "mentor" the (b)(6), (b)(7)(c) who are soliciting bribes through their (b)(6), (b)(7)(c).

After SIGAR received information that Subject may be involved in force labor in relation to these U.S. contracts at (b)(6), (b)(7)(c) Case Agent opined that DOJ's Civil Rights Division might be interested in reviewing this information, under the

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To: ID HQ
Date: 10/03/2010

From: ID (b)(6), (b)(7)(c)
Title: 300-AF-0057

theory that the contractors are violating the Trafficking Victims Protection Act (TVPA) and the Foreign Corrupt Practices Act (FCPA). This theory involved an aspect of "contract fraud," since the contracts included sections that required the contractor not to violate TVPA and FCPA.

By SIGAR letter dated 7/29/2010, DOJ Civil Rights Division was requested to consider a human trafficking investigation and prosecution jointly with a SIGAR contract fraud investigation. As documented in referenced AC dated 9/12/2010, DOJ advised on 9/10/2010, that they had not received that SIGAR letter, noting that most mail sent through the U.S. Postal Service has to go through their "anthrax irradiation process," which can take 3-4 weeks. A copy of the SIGAR letter was then emailed to them by Agent (b)(6), (b)(7)(c) on 9/10/2010.

Justification in closing case

Since this case was opened as a bribery case, DOJ has declined to prosecute Subject, and the other ICCTF agencies at (b)(6), (b)(7)(c) have closed their cases (SIGAR was not the lead), this bribery case should also be closed.

In the event that DOJ Civil Rights Division would like to further investigate the TVPA/FCPA violation and requests assistance by SIGAR, that requests for assistance will be considered by (b)(6), (b)(7)(c).

There is no further need to keep this bribery investigation opened.

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To: ID HQ
Date: 10/03/2010

From: ID [REDACTED]
Title: 300-AF-0057

LEAD(s) :

Set Lead 1: (Action)

INVESTIGATIONS DIRECTORATE

AT CRYSTAL CITY, VIRGINIA

Will close this case for reasons as explained above.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 04/26/2011**To:** Investigations Directorate (ID)**Attn:** (b)(6), (b)(7)(c)**From:** Investigations Directorate (ID)**Contact:** (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-HQ-0064

Title: UNSUB(S); (b)(7)(A);
(b)(6), (b)(7)(c);
Possible Contract Fraud

Synopsis: Closing communication

Details: It is recommended that this investigation be closed and referred to the Department of State, Under Secretary for Management and the Department of State, Office of the Inspector General for a review of the contract to ensure that (b)(7)(A) is hiring qualified personnel and that the correct labor rates have been applied since August 2005.

Allegation:

A SIGAR Hotline complaint alleged that (b)(7)(A) was violating the terms of its contract with the Department of State (DoS), Bureau of International Narcotics and Law Enforcement Affairs (INL) by hiring unqualified individuals to fill sensitive positions such as the (b)(6), (b)(7)(c).

The complaint made specific references to (b)(6), (b)(7)(c) that had no relevant prior (b)(6), (b)(7)(c) and to a (b)(6), (b)(7)(c) who was a citizen of (b)(6), (b)(7)(c) and therefore could not have had the (b)(6), (b)(7)(c) for that position.

Results of Investigation:

The DoS Office of the Inspector General was notified of the investigation and contract documents were obtained from DoS and

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To: ID

From: ID

Date: 04/26/2011

Title: UNSUB(S); (b) (7)(A)

Contract Fraud

(b) (7)(A). The analysis showed that DoS awarded contract number (b) (4) in the amount of (b) (4) to (b) (7)(A) on May 6, 2005. The contract required (b) (7)(A) to operate and maintain INL owned aircraft used in its counternarcotics operations in (b)(6), (b)(7)(c) and to hire qualified personnel to achieve this objective. A document titled Table 3-2 Personnel Qualifications was incorporated into the contract to establish minimum standards and qualifications for each of the positions filled by (b) (7)(A).

A number of INL's aircraft consist of helicopters fitted with fully automatic door mounted weapons which are operated by specialists referred to as aerial gunners. When the contract was awarded, the host nation was responsible for providing (b)(6), (b)(7)(c) in all of the countries where counternarcotics operations occurred. The same applied to the (b)(6), (b)(7)(c) position. Therefore, these positions were not included in Table 3-2.

In August 2005, contract modification number M001 was issued, adding counter narcotics aviation support services for Afghanistan. The modification also required (b) (7)(A) to provide the personnel for the (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) positions. The contract review, as well as consultation with DoS and INL personnel, determined that two versions of Table 3-2 were in the files. The first reflected only those technical requirements under the original contract which did not require (b) (7)(A) to furnish (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c). The second version of Table 3-2, dated July 2, 2010, included the technical requirements for (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) for option year four (11/01/2009 through 10/31/2010) of the contract. However, no Table 3-2 exists for the period between August 2005 and November 2009 in which (b) (7)(A) was required to provide personnel for these positions in Afghanistan. Neither the DoS contracting officer or the deputy director of INL, Office of Aviation could explain the hiring process for (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) from August 2005 through October 2009, during which no contractually binding minimum qualifications hiring standards existed for either position. To further compound the problem, the second Table 3-2, reflecting the date of July 2, 2010, is eight months after the starting date of option year four, again creating a time frame during which (b) (7)(A) had no qualification guidelines for (b)(6), (b)(7)(c)

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To: ID

From: ID

Date: 04/26/2011

Title: UNSUB(S); (b) (7)(A)

Contract Fraud

(b)(6), (b)(7)(c) and (b)(6), (b)(7)(c).

The failure to define the technical requirements for these sensitive positions can contribute to hiring unqualified personnel as well as paying personnel using labor rates not approved by the U.S. Government. Criminal violations by DoS or (b) (7)(A) employees were not found. However, the recommended review of the contract should ensure that (b) (7)(A) is currently in compliance with the technical qualification standards for (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) and that the correct labor rates have been applied from August 2005 to the present. To inform the U.S. Department of State of these issues, a Management Alert letter was directed to (b)(6), (b)(7) [REDACTED]

[REDACTED]. A courtesy copy of the letter was directed to (b)(6), (b)(7) [REDACTED].

The investigation determined that the allegation is incorrect because (b) (7)(A) could not have been hiring unqualified (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) at a time when no minimum qualifications for these positions existed in the contract. This conclusion applies to the security clearance issue of the (b)(6), (b)(7)(c) [REDACTED] since Table 3-2 also defines the clearance requirements for all positions.

Encl: None

UNCLASSIFIED

To: ID

From: ID

Date: 04/26/2011

Title: UNSUB(S); (b) (7)(A)

Contract Fraud

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For closing action.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For information only.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: 04/22/2011

To: Investigations Directorate (ID)

Attn: (b)(6), (b)(7)(c)

From: Investigations Directorate (ID)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0054

Title: (b)(6), (b)(7)(c)

et. al.; Contract Fraud

Synopsis: Case Closure

Details: Email from (b)(6), (b)(7)(c), SIGAR, Afghanistan provided information that listed offenders, totaling 22 individuals either former employees of (b)(7)(A), or subcontractors to (b)(7)(A) were served debarment notices on February 28, 2011 by USAID. This debarment precludes any further participation by listed offenders in any contract or grant related projected funded directly or indirectly by the United States government.

Debarred individuals are:

(b)(6), (b)(7)(c)

[REDACTED]

UNCLASSIFIED

UNCLASSIFIED

To: ID
Date: 04/23/2011

From: ID
Title: (b)(6), (b)(7)(c)
[REDACTED]
[REDACTED] et. al.; Contract Fraud

(b)(6), (b)(7)

Recommend this action be closed as debarment action was taken,
which is the only action available to the US government.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Set Lead 2: (Info)

SIGAR

UNCLASSIFIED

UNCLASSIFIED

To: ID
Date: 04/23/2011

From: ID
Title: (b)(6), (b)(7)(c) [REDACTED]
[REDACTED] et. al.; Contract Fraud

AT KABUL, AFGHANISTAN

UNCLASSIFIED

UNCLASSIFIED



**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** 05/03/2011**To:** Investigations Directorate (ID)**Attn:** (b)(6), (b)(7)(c)**From:** Investigations Directorate (ID)**Contact:****Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c) [REDACTED] [REDACTED]**Case ID:** 500-AF-0149

Title: Unsubs; (b)(7)(A) [REDACTED]; Wire
Fraud; False Claims; False Statements; Theft of
Government Property

Synopsis: Receipt of (b)(7)(A) United States Court of Federal Claims
action No: (b)(6), (b)(7)(c), filed (b)(7)(A) [REDACTED]

Details: On 05/02/2011, (b)(6), (b)(7) [REDACTED]
[REDACTED], provided a copy of the
referenced filing.

Filing represents civil issue between subject and U.S. Government
regarding alleged overpayment by the government to Subject
Company and their position of underpayment by the U.S.
Government.

A copy of the referenced filing is attached to this report.

LEAD(s) :**Set Lead 1: (Info)**

UNCLASSIFIED

*Close & TRAF
for Suspension & Debt
5.9.11*

UNCLASSIFIED

To: ID
Date: 05/02/2011

From: ID
Title: Unsubs; (b) (7)(A)
[REDACTED]; Wire Fraud;
False Claims; False Statements; Theft of
Government Property

SIGAR

AT ARLINGTON, VA

1. Incorporate in case file
2. Provide copy of A/C and attachment to Kabul, SIGAR.

Set Lead 2: (Info)

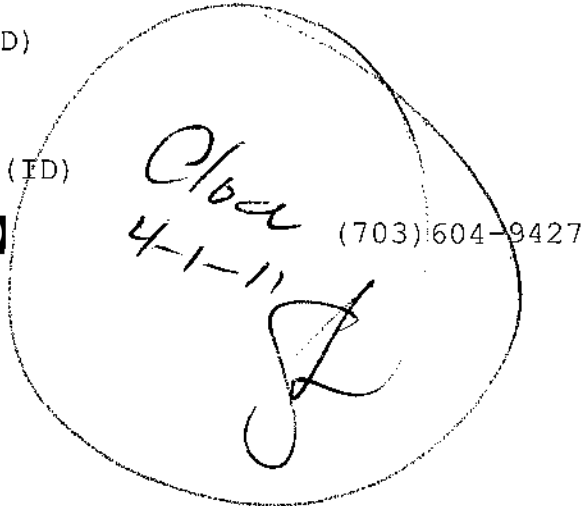
SIGAR

AT KABUL, AFGHANISTAN

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE****Priority:** Routine**Date:** 03/25/2011**To:** Investigations Directorate (ID)**Attn:** (b)(6), (b)(7)(c)**From:** Investigations Directorate (ID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-HQ-0032**Title:** UNSUB (S); aka,
(b)(6), (b)(7)(c)
(b)(7)(A);
False Statements; False Claims;
Mail and Wire Fraud

Synopsis: This document is a listing of the allegations made by the confidential source and the facts discovered during the course of the investigation as they relate to the specific allegation. Supporting documents not previously in the case file have been placed in the 1A file.

It is recommended that the investigation be closed and referred to the Audit Directorate to determine the amount of waste realized in this project which was doomed from the beginning due to the salinity content of the ground water. As a former (b)(7)(A) stated during the investigation, the fact that the land was not currently being used for agricultural purposes should have raised red flags from the beginning. The Audit Directorate has agreed to make this matter a part of their audit of (b)(6), (b)(7)(c).

Allegation:

(b)(6), (b)(7)(c), arrange \$ (b)(6), (b)(7)(c) sole source grant to (b)(7)(A) to develop the feasibility study, business plan, procurement plan and management of project.

Results of Investigation:

In November 2007, the (b)(7)(A) pre-existing contract was

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To: SIGAR INV

From: SIGAR INV

Date: 25 March 2011

Title: (b)(6), (b)(7)(c)

modified from (b)(4) to (b)(4) for the (b)(6), (b)(7)(c) Project. The modification followed required procedures and was approved by the (b)(6), (b)(7)(c) and the regional legal advisor. (b)(7)(A) had a long-term relationship with (b)(6), (b)(7)(c) in Afghanistan with nearly (b)(4) in contracts from 2002 through 2008.

During the investigation, additional allegations were received from other parties that (b)(6), (b)(7)(c) improperly influenced (b)(7)(A) to hire an acquaintance as chief of party on the (b)(6), (b)(7)(c) contract and provide "sweetheart" fringe benefits. This is a separate issue that USAID OIG will cover in their final report.

Allegation:

(b)(6), (b)(7)(c) went around (b)(6), (b)(7)(c) to have a payment to (b)(7)(A) which she had denied approved for payment.

Results of Investigation:

The document involved was Modified Acquisition and Assistance Request Document (MAARD) which is used to sub-obligate funds. The document was not used to authorize payment. It was used to obligate funds but was poorly written and did not clearly document how the funds were to be expended.

Allegation:

To show private industry involvement for the (b)(7)(A) loan, (b)(7)(A) registered the (b)(6), (b)(7)(c), a non-profit entity, and (b)(6), (b)(7)(c) with a temporary Board of Directors.

Results of Investigation:

The (b)(7)(A) loan was approved without an application since none was required at the time and it was an (b)(6), (b)(7)(c) initiative without a "real sponsor." (b)(7)(A) had no ownership interest in (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c). The plan was for the (b)(6), (b)(7)(c) to fund the company with a USAID grant until the company became viable. At that time, the foundation would sell at least 50% of the stock to qualified investors. The ownership structure was fully disclosed to (b)(7)(A).

The establishment of the (b)(6), (b)(7)(c) and related company were an attempt to salvage the project after (b)(6), (b)(7)(c) pulled out and (b)(6), (b)(7)(c).

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To: SIGAR INV

From: SIGAR INV

Date: 25 March 2011

Title: Loren Stoddard et al

was unable to attract any other private investors. It has been alleged that the Kabul (b)(6), (b)(7)(c) mission and (b)(6), (b)(7)(c) were under pressure to accomplish the (b)(6), (b)(7)(c) agenda. In addition, there was pressure to give (b)(6), (b)(7)(c) a successful project after two earlier projects in Afghanistan failed and (b)(7)(A) was under pressure from (b)(6), (b)(7)(c) for a success.

Allegation:

The (b)(7)(A) loan structure was not financially viable and the USG could potentially loose upwards of \$ (b)(6), (b)(7)(c) on a project that was not financially viable without private industry involvement.

Results of Investigation:

The (b)(7)(A) board of directors approved the loan based upon oral presentations by (b)(6), (b)(7)(c) and (b)(7)(A) along with the financial analyses and projections provided by (b)(6), (b)(7)(c) and (b)(7)(A). There was no formal application submitted. The (b)(7)(A) staff worked extensively on the financial analyses and projections due to a lack of expertise in this area by both (b)(6), (b)(7)(c) and (b)(7)(A). However, after approval and before closing, the (b)(7)(A) staff raised a question concerning the agricultural quality of the land since it was not currently being used for agricultural purposes. When testing results were finally received, (b)(7)(A) disclosed that the land was not fit for agricultural purposes due to salt contamination. The loan was cancelled before closing with no loss of funds by (b)(7)(A).

Encl:

None

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To: SIGAR INV

From: SIGAR INV

Date: 25 March 2011

Title: (b)(6), (b)(7)(c)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For filing.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Precedence: Routine

Date: 3 April 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate -

Approved By:

(b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c) (b)(6), (b)(7)(c)

Case #: 100-AF-0071

Title: (b)(7)(A) - Procurement Fraud

Synopsis: Close investigation per records received from USAID and (b)(7)(A). A thorough review of questioned purchase orders and modifications of rental vehicle and bandwidth services contracts offered no corroboration of complaint registered with the SIGAR Hotline by (b)(6), (b)(7)(c).

Details: After repeated requests to the USAID Contracting Officer, USAID special agent counterparts, and Afghan national investigators, purchase orders (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) with modifications, were received via email from USAID (b)(6), (b)(7)(c) on March 18, 2011.

Per the original hotline complaint by (b)(6), (b)(7)(c):

(b)(6), (b)(7)(c) the original amount was (b)(4), later on the contract has been amended and exceeds double charge of original contract (b)(4) no USAID contracting officer's consents and no competition."

The USAID records, pertaining to purchase order (b)(6), (b)(7)(c) with modifications, report the following rental vehicle expenditures:

Original Contract:	(b)(4)	Sep 08 - Mar 09
MOD 1		
Extend Rental Period	(b)(4)	Apr - Sep 2009

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To: SIGAR INV-HQ

From: SIGAR INV-Kabul

Date: 20 March 2011

Title: 100-AF-0071

MOD 2

Extend Rental Period (b) (4) Oct 1 - 31, 09

Total: (b) (4)

Purchase Order # (b)(6), (b)(7)(c) is directly associated with Task Order 2 from USAID/ (b) (7)(A) Contract No. (b) (4). The period of performance on the PO begins in September of 2008; whereas, the USAID/ (b) (7)(A) contract provided is dated June 6, 2010 through April 31, 2011. The latter dated and approved contract with the subcontractor ((b) (7)(A) Company) would be indicative of satisfaction with the subcontractor for prior deliverables also directly associated with said USAID/ (b) (7)(A) contract. It should also be noted for the same contract, Task Order 2, subcontractor (b) (7)(A) Company bid on, and was awarded, a request for (b)(6), (b)(7)(c) in May of 2010. (See: 100-AF-0071_#08-0084_Mod 1-2_4-1-09_10-1-09.pdf; 100-AF-0071_Email (b) (7)(A)-USAID_#08-084_1-22-11.pdf; 100-AF-0071_PO 010-(b) (7)(A)_#08-084_6-6-10.pdf)

Per the original complaint by "(b)(6), (b)(7)(c) " :

(b)(6), (b)(7)(c)
- The original amount was \$(b) (4), later on the contract has been amended and exceeds \$(b) (4) but (b) (7)(A) did not get CO consent."

The USAID records, pertaining to purchase order (b)(6), (b)(7)(c) with modifications, report the following regarding (b)(6), (b)(7)(c)

Original Bandwidth
Implementation:

(b) (4) Oct. 2008

Amend. 1&2

Additional amts:

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To: SIGAR INV-HQ

From: SIGAR INV-Kabul

Date: 20 March 2011

Title: 100-AF-0071

\$(b) (4) each:

(b) (4) [redacted] Each
Province-Upgrade
1-26-09 - 9-30-09

Amend. 1; Additional days
6 days for
first amendment of
\$(b) (4)

\$ (b) (4) Additional days 6
of (b)(6), (b)(7)(c)h (Jan09)

Amend. 3; Kabul upgrades
\$(b) (4) each

(b) (4) 2-6-09 - 10-31-09

Amend. 4; Contract
Extensions:

(b) (4) 11-1 to 11-30-09

Amend. 5; Contract
Extensions:

(b) (4) 12-1-09 - 1-30-10

Total TO #2 and Amendments: (b) (4)

Purchase Order # (b)(6), (b)(7)(c) is also directly associated with Task
Order 2 from USAID/ (b) (7)(A) Contract No. (b) (4). The
period of performance on the PO begins in October of 2008
regarding the (b)(6), (b)(7)(c)

[redacted]
located in (b)(6), (b)(7)(c) [redacted]. The
additional amounts for bandwidth services are contained in the
Amendments to the (b) (7)(A)/USAID contract Task Order 2 with
subcontractor (b) (7)(A). These amendments increase costs from the
original \$(b) (4) to (b) (4) for continued service and
upgrades in bandwidth capacities from 2008 into 2010.

The (b) (7)(A)/USAID original contract with (b) (7)(A) is dated October 10,
2008 (b)(6), (b)(7)(c) - Task Order 2) clearly explains the
length of service, and breakdown of cost, for bandwidth
services. The resulting Amendments added additional bandwidth
capacity and continued service through January of 2010. (See:
100-AF-0071_#08-086_10-7-08.pdf; 100-AF-0071_#08-086_Add-ups_1-
26-09.pdf; 100-AF-0071_Email (b) (7)(A)-USAID_#08-086_1-22-11.pdf)

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To: SIGAR INV-HQ

From: SIGAR INV-Kabul

Date: 20 March 2011

Title: 100-AF-0071

A recent inquiry by USAID OIG Special Agent (b)(6), (b)(7)(c) indicated (b)(7)(A) and USAID continue to use the (b)(6), (b)(7)(c) of (b)(7)(A).

The complainant also alleges that (b)(6), (b)(7)(c) has a close relationship with (b)(7)(A) and is involved in "illegal activities".

(b)(6), (b)(7)(c) name, or signature, is not contained on any of the contract and modifications for purchase order # (b)(6), (b)(7)(c) (vehicle rental). (b)(6), (b)(7)(c) is listed only once, in Item "7."; of the Award of Firm Fixed Price Purchase Order # (b)(6), (b)(7)(c) dated October 10, 2008, as the "Operations manager". This purchase order, and all amendments of purchase order # (b)(6), (b)(7)(c), are signed by the (b)(6), (b)(7)(c)

Prior to this SIGAR complaint, the complainant has been let go by (b)(7)(A) and has filed a Whistle Blower action against USAID and (b)(7)(A). A review of the employee (complainant) retaliation information disclosed no additional information regarding contractual issues discussed in this report of closing.

It is recommended that case #100-AF-0071 be closed.

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For information, assignment, referral, etc.

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To: SIGAR INV-HQ

From: SIGAR INV-Kabul

Date: 20 March 2011

Title: 100-AF-0071

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** April 8, 2011**To:** Investigations Directorate (ID) HQ**Attn:** (b)(6), (b)(7)(c)**From:** ID Bagram Airfield (BAF)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case #:** 300-AF-0118

Title: (b)(7)(A) COMPANY
BRIBE SOLICITATION BY COR - CONTRACT # (b)(6), (b)(7)(c)

*Close
4-8-11
JH*

Synopsis:

On 25AUG10, there was an alleged meeting at Forward Operating Base (FOB) (b)(7)(A) between an unknown US Army Contracting Officer Representative (COR) and representatives of (b)(7)(A) Company (b)(7)(A). The purpose of this meeting was for the representatives of (b)(7)(A) to receive their instructions regarding a construction project at FOB (b)(7)(A). Participants at this meeting included the unidentified COR, a second unidentified American, the USG interpreter (b)(6), (b)(7)(c) (KIA SEP2010), the (b)(7)(A) interpreter (b)(6), (b)(7)(c) (b)(7)(A) site engineer (b)(6), (b)(7)(c) and (b)(7)(A) site manager (b)(6), (b)(7)(c).

According to two (b)(7)(A) participants in this meeting the unidentified COR solicited a bribe. Allegedly the COR instructed them not to do any of the required work but that the COR would certify that all of the construction had been completed. The COR would then have the full amount owed under the contract terms (b)(4) deposited to the bank account of (b)(7)(A). Finally, (b)(7)(A) was to return all of the money to the COR except for \$45,000 which (b)(7)(A) could keep as profit.

Contact with the CJSOTF contracting office identified the current contracting officer as of 08NOV10 as (b)(6), (b)(7)(c). This was the basis of (b)(6), (b)(7)(c) identification as the target of this investigation.

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To: ID HQ

From: ID BAF

Date: April 8, 2011

Title: 300-AF-0118

Details:

Following are all of the material facts gathered during this investigation relating directly to the alleged meeting and bribe solicitation. All of the statements made by (b)(6), (b)(7)(c) contained in the case file, with the exception of the original complaint, are ignored for the purposes of this report. The only witnesses qualified to address the allegations made by (b)(6), (b)(7)(c) are (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c). In addition to these individuals, (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) was interviewed because he is familiar with (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) and the contract in question. Finally, (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) of the prime contractor, (b)(7)(A) was interviewed to determine the circumstances surrounding the FOB (b)(6), (b)(7)(c) project.

- (b)(6), (b)(7)(c) advised that (b)(7)(A) was contracted to fulfill the terms of the cited contract and proceeded to prepare to subcontract the work out to another contractor.
- (b)(6), (b)(7)(c) was contacted by (b)(7)(A) site engineer (b)(6), (b)(7)(c) who told (b)(6), (b)(7)(c) that (b)(7)(A) was going to take the subcontract work on this project on behalf of a man named (b)(6), (b)(7)(c).
- (b)(6), (b)(7)(c) told (b)(6), (b)(7)(c) that (b)(6), (b)(7)(c) had stated that he (b)(6), (b)(7)(c) was going to have the COR sign a paper stating the work was completed so the contractors would be paid without actually completing the work. (b)(6), (b)(7)(c) advised he did not believe that and instructed (b)(6), (b)(7)(c) to have (b)(6), (b)(7)(c) contact him.
- (b)(6), (b)(7)(c) was contacted the following day by (b)(6), (b)(7)(c) regarding the subcontract work. According to (b)(6), (b)(7)(c) stated that he could convince the COR on this project to sign off on a receipt stating that the work was complete but that (b)(6), (b)(7)(c) would not have to do any work. (b)(6), (b)(7)(c) advised (b)(6), (b)(7)(c) he did not believe him. (b)(6), (b)(7)(c) stated further that if (b)(7)(A) did not give him the work he could have the contract pulled away from APCC.
- (b)(6), (b)(7)(c) was killed the day after this conversation with (b)(6), (b)(7)(c).
- At the alleged meeting of 25AUG10, when the (b)(7)(A) employees were asked to pay a bribe by an unknown U.S. Army COR they immediately refused to be involved in any deal of this nature and called (b)(6), (b)(7)(c) (b)(6), (b)(7)(c), the owner of (b)(7)(A), to report what had happened.
- On 25AUG10 (b)(6), (b)(7)(c) submitted a SIGAR hotline complaint (#AR 0180-10) detailing the allegations cited above. (b)(6), (b)(7)(c) was not present at the meeting and was reporting what he was allegedly told by his employees.

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To: ID HQ

From: ID BAF

Date: April 8, 2011

Title: 300-AF-0118

- (b)(6), (b)(7)(c) was enlisted to arrange meetings between investigators and his employees, which he did.
- (b)(7)(A) interpreter (b)(6), (b)(7)(c) was interviewed via e-mail and telephone and was provided with several photographs of different people named (b)(6), (b)(7)(c) over several different occasions. On one occasion he identified a photograph of the COR who allegedly solicited the bribe, and now remembered that his name was (b)(6), (b)(7)(c).
 - The photograph that (b)(6), (b)(7)(c) identified as the COR who solicited a bribe was shown to (b)(6), (b)(7)(c) who did not recognize the individual pictured.
 - (b)(6), (b)(7)(c) described the events of 25AUG10 stating that the COR instructed (b)(7)(A) not to do any work on the contract but that the COR would provide an invoice stating that the work was complete. The COR would then deposit the contract payment of approximately (b)(4) into (b)(7)(A) bank account and (b)(7)(A) was to return all but \$45,000 to the COR.
 - (b)(6), (b)(7)(c) describes the COR that solicited a bribe as (b)(6), (b)(7)(c) (b)(6), (b)(7)(c).
 - (b)(7)(A) engineer (b)(6), (b)(7)(c) stated that the unidentified COR told him that if he (b)(6), (b)(7)(c) would sign a false invoice stating that he completed 100% of the work without actually doing any construction, the COR would give him \$285,000 and (b)(7)(A) was to return \$240,000 to the COR into a bank account specified by the COR. After the COR received his \$240,000 then the COR would sign the invoice stating falsely that the work was complete.
 - (b)(6), (b)(7)(c) describes the COR that solicited the bribe as a (b)(6), (b)(7)(c) (b)(6), (b)(7)(c).
 - (b)(7)(A) site manager (b)(6), (b)(7)(c) did not want to cooperate in this investigation.
 - ICCTF special agents who have met (b)(6), (b)(7)(c) describe him as (b)(6), (b)(7)(c) (b)(6), (b)(7)(c).
 - On 01SEP10 (b)(6), (b)(7)(c) was assigned to take over the contract from a (b)(6), (b)(7)(c). This date of assignment was provided by (b)(6), (b)(7)(c) who stated further that (b)(6), (b)(7)(c) never had any involvement with the contract formation, bidding or proposal.
 - (b)(6), (b)(7)(c) describes (b)(6), (b)(7)(c) as being (b)(6), (b)(7)(c) (b)(6), (b)(7)(c).
 - The earliest contract document bearing the signature of (b)(6), (b)(7)(c) is a DD Form 250 dated 23OCT10.
 - (b)(6), (b)(7)(c) was interviewed and advised that (b)(7)(c) never sat in on any meetings involving the contract. (b)(7)(c) oversaw the completion of the contract.

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To: ID HQ

From: ID BAF

Date: April 8, 2011

Title: 300-AF-0118

after the work had been moved from FOB (b) (7)(A) to FOB (b) (7)(A) where there was a greater need for the work.

- (b)(6), (b)(7)(c) stated that the contract was negotiated and awarded by the prior COR named (b)(6), (b)(7)(c) and that was with (b) (7)(A) who handled the hiring of sub contractors.
- (b)(6), (b)(7)(c) was asked if he knew the following people: (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) advised he has never met nor has he ever heard of any of these people.

Conclusions and Recommendations:

Based on the above information a number of conclusions can be drawn, all of which strongly suggest that (b)(6), (b)(7)(c) did not solicit a bribe from employees of (b) (7)(A) on 25AUG2010. These conclusions are:

- The meeting allegedly took place on 25AUG2010 but (b)(6), (b)(7)(c) did not become involved with the contract until 01SEP10, seven days after the meeting was supposed to have occurred. If this meeting took place, (b)(6), (b)(7)(c) was not there.
- Captain (b)(6), (b)(7)(c) advises that (b)(6), (b)(7)(c) was never involved in any of the contract negotiations. This supports the conclusion stated above.
- The fact that the earliest dated document bearing (b)(6), (b)(7)(c) signature is 23OCT10 further supports (b)(6), (b)(7)(c) claim as well as the timeline offered by (b)(6), (b)(7)(c). Again I would conclude that if this alleged meeting took place, (b)(6), (b)(7)(c) was not there.
- The photograph identified by (b)(6), (b)(7)(c) as the COR that allegedly solicited the bribe was a photograph of an individual unknown to (b)(6), (b)(7)(c) who is acquainted with (b)(6), (b)(7)(c). The photo identification made by (b)(6), (b)(7)(c) was wrong. I would conclude that (b)(6), (b)(7)(c) never met (b)(6), (b)(7)(c).
- There are only two eye witnesses to the alleged bribe offer that have come forward to provide information. (b)(6), (b)(7)(c) states that the COR was to provide a false invoice certifying that the contract has been fulfilled. However (b)(6), (b)(7)(c) states that the COR instructed (b) (7)(A) to provide the false invoice. The witnesses cannot agree on just how the COR ordered the false paperwork to be produced. I would conclude that this meeting never took place.
- (b)(6), (b)(7)(c) described the alleged bribe offer scheme to (b)(6), (b)(7)(c) before (b) (7)(A) had even been hired as the subcontractor on this project. The scheme had been planned before any meeting could possibly have been scheduled.
- This is the same scheme that (b)(6), (b)(7)(c) had described to (b)(6), (b)(7)(c) the day before (b)(6), (b)(7)(c) proposed it, attributing it to (b)(6), (b)(7)(c). Again, this occurred before KWCC was even hired as subcontractor. I would conclude that this scheme was the

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To: ID HQ

From: ID BAF

Date: April 8, 2011

Title: 300-AF-0118

product of (b)(6), (b)(7)(c) imagination and that it was subsequently adopted by the eyewitnesses and has nothing to do with (b)(6), (b)(7)(c). I believe that this bribe solicitation never happened and that this meeting never occurred.

- One eye witness describes the COR as (b)(6), (b)(7)(c) but the other witness describes the COR as (b)(6), (b)(7)(c). The two witnesses to the same event do not agree on the physical characteristics of the COR alleged to have solicited a bribe. I would conclude that this meeting never occurred and that neither witness ever met (b)(6), (b)(7)(c).
- (b)(6), (b)(7)(c) describes (b)(6), (b)(7)(c) as (b)(6), (b)(7)(c). That is not tall as described by (b)(6), (b)(7)(c) nor is it thin as described by (b)(6), (b)(7)(c). Again, it is clear that neither of these witnesses ever met (b)(6), (b)(7)(c).
- ICCTF agents familiar with (b)(6), (b)(7)(c) describe him as approximately (b)(6), (b)(7)(c). This contradicts both of the eye witnesses upon whose word this hotline complaint was filed.
- (b)(6), (b)(7)(c) exculpatory statements during his interview are fully supported by the statements of (b)(6), (b)(7)(c) regarding the timing of (b)(6), (b)(7)(c) and assignment to the project. Further, the complete lack of veracity on the part of the Afghan eyewitnesses strengthens (b)(6), (b)(7)(c) claim of innocence immensely.
- A question arises in this investigation the answer to which does not impact on the instant case but demands an answer none the less. If COR (b)(6), (b)(7)(c) was not the individual who solicited a bribe, could it have been his predecessor, COR (b)(6), (b)(7)(c)? The Afghan eyewitnesses were presented with a photograph of COR (b)(6), (b)(7)(c) during the extended photo ID process. Neither eyewitness gave any reaction to this picture, leading me to the conclusion that it's likely that they never met (b)(6), (b)(7)(c) either. I believe that the answer to this question is no.

Clearly (b)(6), (b)(7)(c) committed no crime and there is no prosecutable case to be presented. The alleged events of 25AUG10 never happened. The eyewitnesses never met (b)(6), (b)(7)(c). There was never a bribe solicitation made by (b)(6), (b)(7)(c) or anyone else.

Based on the above information I recommend that the investigation of (b)(6), (b)(7)(c) be closed.

This investigation was conducted by the Special Inspector General for Afghanistan Reconstruction (SIGAR) along with the U.S. Army Criminal Investigation Division (CID) and Defense Criminal Investigative Service (DCIS).

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To: ID HQ

From: ID BAF

Date: April 8, 2011

Title: 300-AF-0118

LEAD(s):

Set Lead 1: (Info)

SIGAR ID HQ

AT ARLINGTON, VIRGINIA

Close and transfer case from SA (b)(6), (b)(7)(c) to SIGAR HQ

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** September 13, 2010**To:** Investigations Directorate **Attn:** (b)(6), (b)(7)(c)**From:** Investigations Directorate AF**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0051 (PI)**Title:** UNSUBS, aka,
(b) (7)(A) ;
Contract Fraud**Synopsis:**

Request to merge 300-HQ-0098 with 200-AF-00051.

Details:

200-AF-0051 was opened January 11, 2010 and the investigation has been ongoing since that date. Based on a recent Hotline complaint (b)(6), (b)(7)(c) opened a second investigation on July 10, 2010 involving the same company and including some of the same issues under investigation. There is no reason to have two investigations involving the same subject so I am requesting that 300-HQ-0098 be merged with 200-AF-0051.

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To:
Directorate
Date:

From: Criminal Investigations
Title:

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Open and assign captioned matter.

Set Lead 2: (Info)

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To:
Directorate
Date:

From: Criminal Investigations
Title:

SIGAR

AT KABUL, AFGHANISTAN

Conduct appropriate investigation.

◆◆

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Priority

Date: 28 March 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - KAF

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case #: 200-AF-0169

Title: FAZLULLAH CONSTRUCTION & ENGINEERING
COMPANY / (b)(7)(A)
- SUBJECT;
CONTRACT FRAUD - FALSE CLAIM ON A
DEFENSE BASE ACT REIMBURSEMENT

Synopsis: Closing communication

Details:

On 2/7/2011, Special Agent (b)(6), (b)(7)(c) DCIS, ICCTF KAF, provided the following information about a new case DCIS opened involving fraud of reconstruction contracts:

On 2/3/2011, (b)(6), (b)(7)(c) (b)(6), (b)(7)(c), met with ICCTF KAF to report that (b)(7)(A) submitted false claims for payment related to reimbursement on Defense Base Act (DBA) insurance expenses. (b)(7)(A) is a US based company. (b)(6), (b)(7)(c) (b)(7)(A) and (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) (b)(7)(A) is an Afghan owned company.

SIGAR Investigations Directorate initiated a preliminary investigation based on the facts provided by Mr. (b)(6), (b)(7)(c). SIGAR Investigations Directorate solicited assistance from (b)(6), (b)(7)(c) (b)(6), (b)(7)(c), SIGAR Audits, to conduct a financial analysis of (b)(7)(A)'s contracts and DBA insurance. The following is an audit summary prepared by (b)(7)(A) (b)(6), (b)(7)(c):

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200 AF 0169-20

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To: SIGAR INV-HQ

From: SIGAR INV-KAF

Date: March 28, 2011

Title: 200-AF-0169

"Based on my analysis of the documentation he provided, as well as evidence collected through SIGAR Audit 025A, I have four reasons to question the validity of this allegation:¹"

- Mr. (b)(6), (b)(7)(c)'s data appear incomplete. Our data show that (b)(7)(A) has paid more than (b)(4) for at least one of these contracts. Specifically, while (b)(7)(A), (b)(6), (b)(7)(c) indicates that (b)(7)(A) paid (b)(4) for DBA coverage for Contract No. (b)(4), our data show that, to date, (b)(7)(A) has paid a total of (b)(4) for DBA coverage for this contract.
- The DBA Contract Line Item Numbers (CLINs) for three of these contracts are firm fixed price (FFP). (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) has provided a legal opinion stating that, if the DBA CLIN is FFP, the U.S. government is not due the difference between the amount of money invoiced to the government for DBA coverage and the amount invoiced to the company.²
- The contracts cited in the allegation are still ongoing. Mr. (b)(6), (b)(7)(c) and his colleague, (b)(6), (b)(7)(c), have confirmed that the contracts cited in the allegation are still ongoing. Therefore, (b)(7)(A) may intend to pay more for DBA coverage than it has paid to date. Although Mr. (b)(6), (b)(7)(c) subsequently provided information on four FCEC contracts that had been closed out, my analysis of the accompanying data he provided indicate that his information was, again, incomplete.
- FCEC'S DBA invoices to the U.S. government may include the cost of providing DBA coverage to subcontractors. Because of the way the DBA program is implemented, prime contractors charge the U.S. government for the cost of DBA

¹ There may be additional information regarding this allegation that I am either unaware of or not in a position to evaluate.

² (b)(7)(A) has since corrected this problem by requiring that DBA CLINs be fully cost reimbursable.

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To: SIGAR INV-HQ

From: SIGAR INV-KAF

Date: March 28, 2011

Title: 200-AF-0169

- (b) (7)(A) DBA invoices to the U.S. government may include the cost of providing DBA coverage to subcontractors. Because of the way the DBA program is implemented, prime contractors charge the U.S. government for the cost of DBA coverage both for themselves and their subcontractors. However, (b)(6), (b)(7)(c) (the insurance broker for USACE's single insurance provider) bills the prime contractor and the subcontractors separately for their DBA coverage. The prime contractor then reimburses the subcontractors for their coverage. Therefore, comparing the prime contractor's invoices from (b)(6), (b)(7)(c) to the U.S. government's invoices from the prime contractor is an inadequate method for detecting false claims.

Based upon Ms. (b)(6), (b)(7)(c) summary, SIGAR Investigations Directorate recommends that this case be closed. If any additional information is received to indicate additional irregularities or anomalous claims beyond the instant allegation, the case will be re-opened.

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To: SIGAR INV-HQ

From: SIGAR INV-KAF

Date: March 28, 2011

Title: 200-AF-0169

LEAD(s):

Set Lead 1: (Action)

SIGAR INVESTIGATIONS DIRECTORATE

AT ARLINGTON, VIRGINIA

It is requested that this case be closed for reasons explained above.

Set Lead 3: (Info)

SIGAR INVESTIGATIONS DIRECTORATE

AT KABUL, AFGHANISTAN

For general awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Precedence: Routine

Date: 1-20-2011

To: Investigations Directorate (ID), HQ

Attn: (b)(6), (b)(7)(c) [REDACTED]

From: Investigations Directorate (ID), Kabul

Contact: (b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)

Approved By: [REDACTED]

Created By: (b)(6), (b)(7)(c)

Case ID: 100-AF-0070

Title: (b)(6), (b)(7)(c)
(b)(7)(A)

Close
2-1-11
[Signature]

Synopsis: Response to AC dated 10-28-2010 regarding investigative leads remaining unaddressed in the closing of case number 100-AF-0070. Special Agent requests that case be closed due to diminuous harm to the government and lack of prosecution or civil action. (b)(6), (b)(7)(c)

[REDACTED] advised that this case lacks prosecution potential due to small dollar allegations in relation to the scope of the contract, and complex engineering issues involving allegations of "bootleg" and "cheap Chinese knock-offs".

Details: According to (b)(6), (b)(7)(c)

[REDACTED] the contract for the (b)(6), (b)(7)(c) was a typical (b)(6), (b)(7)(c) cost plus award. The (b)(6), (b)(7)(c) was monitored by (b)(6), (b)(7)(c). (See FBI 302 dated 6-3-10)

The (b)(7)(A) contract, Work Change Request (WCR) #3, and Modification 06 (2-20-2009) all indicate a cost plus, or fee, contract. (See WCR #3, (b)(7)(A) G&A (General & Administrative Expenses) and fee = \$(b)(6), (b)(7)(c)); and MOD 06 states on page 2, "2. Section B - Supplies/Services; The estimated cost and fee for this contract are shown below. - MOD 06; Cost: \$(b)(4) Fee: \$(b)(4) (the Fee (cost plus amount) is 7.5 % of the Cost. The same section states: The applicable fixed fee set forth below may be increased or decreased only by negotiation and modification of the contract for added or deleted work.)

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To: CID
Date: January 20, 2011

From: ID
Title: Rick McBryar; ITSI

WCR #3 indicates that (b)(6), (b)(7)(c) is seeking to make the (b)(6), (b)(7)(c) a more permanent structure. In Item 8, "Reason for Change/Additional Requirement" of WCR #3, it states: (A) *Government direction to consider the Administration Building permanent facilities (not expeditionary Facilities) and to make these buildings appropriate for the ANA Air Corps, i.e. durable, maintainable, and economical in the O&M phase considering life cycle costs.* There is an administrative corrected statement of work (SOW) outlined in MOD 04 dated 9-17-08, whereby WCRs 3, 5, 6, 7, and 8 are addressed in MOD 03. MOD 03, dated 9-9-08 indicates (b)(4) (7.5% fee of (b)(4) included) bringing the total of the contract to (b)(4).

It should be noted that because the contract is a cost plus/fee contract, increases of supplies and services would result in additional fees for (b)(7)(A); i.e. it would be to the benefit of (b)(4) to report all purchases and services associated with the contract.

In response to the following additional information being sought regarding the proposed closing of said investigation:

1. Contact complainant (b)(6), (b)(7)(c) to obtain additional information regarding 'bootleg' equipment reported to be involved in or responsible for fires in buildings 102 and 106.

(b)(6), (b)(7)(c) has been interviewed ON May 22, 2010, and has supplied a folder with colored partitions where he discusses the allegations. The most serious cost allegations reported (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c) in purported 'bootleg' HVAC units having been installed at (b)(6), (b)(7)(c). An on-site inspection by Special Agent (b)(6), (b)(7)(c) (SIGAR) and other ICCTF members indicated that the central HVAC units installed were (b)(6), (b)(7)(c); and installed to make the (b)(6), (b)(7)(c) 'permanent' per Work Change Request #3 revised 7-16-2008 (WCR #3 dated 7-16-08).

A follow up interview is not recommended regarding the ancillary remaining complaints involving wall heaters and lighting fixtures.

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To: CID
Date: January 20, 2011

From: ID
Title: (b)(6), (b)(7)(c) [REDACTED]

2. Contact (b)(6), (b)(7)(c) [REDACTED] regarding reduction of HVAC units. Was government approval obtained for the Work Change Request No. 3, and any substantiation regarding reason for the WCR.

A Work Change Request (revised) was signed and approved on 7-16-2008. This WCR stated, in item 7: *Modification of Administration Building (B101 through B106) to provide suitable permanent facilities for the ANA Air Corps (provide central HVAC instead of window split-unit air conditioners,*

The resulting modification document was signed on 2-20-2009 by the government's (b)(6), (b)(7)(c) [REDACTED]; however, the 'original copy' was not signed by the Contract/Offeror.

3. Were inferior (b)(6), (b)(7)(c) [REDACTED] ballasts installed in the Vehicle Maintenance Building, and if correct, how was this reported or agreed upon by the government.

(b)(6), (b)(7)(c) states in his complaint (blue cover sheet - "Vehicle Maintenance BLDG, Intentional deletion of Radiant Heater System") in item 6.: This bldg was to have 24 of 400 watt HID lighting. The contractor supplied cheap Chinese knock-offs. All ballast were defective. Instead of replacing the fixtures with quality HID fixtures at \$ (b)(6), (b)(7)(c) [REDACTED] each plus labor and material, the (b)(7)(A) person (Salim Kahn) had the contractor bypass ballast and install 250 watt incandescent bulb.

Pictures from the site inspection dated 7-3-2010 evidenced incandescent bulb lighting fixtures at the Vehicle Maintenance Building. The potential loss allegation of \$7,200 is alleged by (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) [REDACTED] plus installation/exchange/cost of incandescent bulb lighting modifications).

4. Document complainants assertion that electrical heating calculation for open barracks buildings 207, 208, and 209 which purport to show heating at 25% of contract requirements.

According to a Memorandum dated 7-22-2010, (b)(6), (b)(7)(c) [REDACTED], sub-contractor of (b)(7)(A) [REDACTED], confirmed

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To: CID
Date: January 20, 2011

From: ID
Title: (b)(6), (b)(7)(c) [REDACTED]

that the contractor only provided 25-30% of the total required heating.

5. Obtain documentation from (b)(7)(A) for warranty work requested and completed.

The documentation is attached. (see the (b)(6), (b)(7)(c) *Warranty Claim Form* dated 4-11-10 and the *Responses to* (b)(6), (b)(7)(c) *Warranty Claim* dated 4-11-2010).

6. Was the government billed for 29 radiant heating units in the Vehicle maintenance Building?

Investigators requested all wall heater invoices from (b)(7)(A) [REDACTED]. According to an FBI 302, dated 7-3-10, an inspection of the Vehicle Maintenance Building (VMB) disclosed that in fact no wall heaters were installed and that no invoices were produced regarding the 29 radiant heaters reflected in the VMB plans.

An invoice was produced for 51 "Wall heater Luxcell" at \$ (b)(6), (b)(7)(c) apiece for a total of (b)(6), (b)(7)(c), dated August 4, 2008.

In the FBI 302 dated 7-3-10 and an email from FBI Special Agent (b)(6), (b)(7)(c) dated 11-17-10 regarding the ICCTF inspection of the (b)(7)(A) facilities on 7-3-10. During the inspection they were able to identify 40 wall heaters and locations where they had been previously installed.

The 51 wall heating units invoiced were (b)(6), (b)(7)(c); and pictures of the barrack's wall heating units are identified as (b)(6), (b)(7)(c). Whether the (b)(6), (b)(7)(c) units are the same wall heating units as reflected in the invoice dated 8-4-08 is unknown. Calculations regarding 11 units 'missing' from the invoice for 51 (b)(6), (b)(7)(c) wall heaters, would amount to a \$ (b)(6), (b)(7)(c) discrepancy (See FBI email dated 11-17-10).

7. Obtain any information regarding 160 heating units, to include invoices, cost of installation and purchase of missing units.

As indicated in the contract MODs and WCRs, Contract Number (b)(4) [REDACTED] is a cost-plus/fee award. The fees can be calculated as 7.5% when dividing the MOD amount (Mods 03, 06) by the fee amount. Additional 'G&A' fees

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To: CID
Date: January 20, 2011

From: ID
Title: (b)(6), (b)(7)(c) [REDACTED]

(General and Administrative fees) are also assessed (See WCR #3). There is evidence the plans for the (b)(6), (b)(7)(c) project called for wall heaters; however, the only evidence wall heaters were purchased is the invoice dated 8-4-08 for 51 Luxcell wall heating units.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine

Date: January 30, 2011

To: Investigations Directorate (ID), HQ

Attn: (b)(6), (b)(7)(c)

From: Investigations Directorate (ID), (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c) *WP*

Created By: (b)(6), (b)(7)(c)

Case ID: 300-AF-0107

Title: (b)(6), (b)(7)(c)

Synopsis: The following is a request to close this investigation.

Details: THIS CASE WAS INITIATED AS A RESULT OF A REQUEST FOR ASSISTANCE FROM SPECIAL AGENTS OF IRS-CID AT THE NEW YORK OCDE STRIKE FORCE. SPECIAL AGENTS OF IRS-CID ADVISED THAT THEY AN ACTIVE, CRIMINAL INVESTIGATION WHICH WAS TARGETING (b)(6), (b)(7)(c). THE ALLEGATIONS INCLUDED INCOME TAX EVASION RELATING TO A NUMBER OF FRAUDS BEING PERPETRATED BY (b)(6), (b)(7)(c) AND (b)(7)(C)(b)(6), (b)(7)(c). THERE WERE ALSO ALLEGATIONS THAT (b)(6), (b)(7)(c) FAILED TO DISCLOSE, ON (b)(7)(C) U.S. FEDERAL INCOME TAX RETURN, THE FACT THAT (b)(7)(C) MAINTAINED FOREIGN BANK ACCOUNTS OUTSIDE OF THE U.S. IN VIOLATION OF FEDERAL INCOME TAX STATUTES, UNDER TITLE 26 USC 7201. SPECIAL AGENTS REQUESTED THE ASSISTANCE OF SIGAR IN DETERMINE IF (b)(6), (b)(7)(c) DID MAINTAIN SUCH BANK ACCOUNTS IN AFGHANISTAN. SPECIAL AGENTS OF IRS-CID ALSO REQUESTED THE ASSISTANCE OF SIGAR IN IDENTIFYING U.S. CONTRACTS THAT HAD BEEN AWARDED TO (b)(6), (b)(7)(c) AND (b)(7)(C) (b)(6), (b)(7)(c) IN (b)(7)(A).

Special Agents of SIGAR utilized their contacts at (b)(6), (b)(7)(c) in an attempt to verify if (b)(6), (b)(7)(c) did in fact maintain bank accounts at (b)(6), (b)(7)(c) in (b)(7)(A). Special Agents of SIGAR contacted (b)(6), (b)(7)(c) and were not able to locate any bank accounts in the name of (b)(6), (b)(7)(c) at (b)(6), (b)(7)(c). Special Agents of SIGAR were then able to identify and locate payments, in the (b)(6), (b)(7)(c) system, that were sent to companies in which (b)(6), (b)(7)(c) was a (b)(6), (b)(7)(c). This information was passed to Special Agents of IRS-CID.

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To: ID
Date: January 30, 2011

From: ID
Title: Request Inv.Closing

(b)(6), (b)(7)(c) was subsequently notified by IRS Special Agents that through a number of witness interviews they had been able to identify foreign bank accounts controlled by (b)(6), (b)(7)(c). The agents also advised (b)(6), (b)(7)(c) that they were pursuing other additional avenues in the investigation.

At this stage, it does not appear that SIGAR will play an active role in this investigation. Special Agents of SIGAR were able to provide a limited amount of information which may have been of some benefit to the case agents in New York. The primary reason for the assistance of SIGAR was to help identify bank accounts controlled by (b)(6), (b)(7)(c) (b)(7)(A). This was one of the justifications for opening this investigation. Special Agents of SIGAR were not able to identify accounts in (b)(7)(A) controlled by (b)(6), (b)(7)(c). It does not appear that Special Agents of IRS-CID will need further assistance from SIGAR at this time. For this reason, it is felt that this investigation should be closed with no further action by SIGAR Special Agents.

LEAD(s) :

Set Lead 1: (Info) - Request closing of investigation.

SIGAR

AT Arlington, Va.

Set Lead 2: (Info)

SIGAR

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To: ID
Date: January 30, 2011

From: ID
Title: Request Inv.Closing

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 08/07/2010

To: Criminal Investigations Directorate

Attn: (b)(6), (b)(7)(c) [REDACTED]

From: Criminal Investigations Directorate

Contact: (b)(6), (b)(7)(c) [REDACTED]

Approved By: (b)(6), (b)(7)(c) [REDACTED]

Created By: (b)(6), (b)(7)(c) [REDACTED]

Case ID: 500-AF-0039 (C)

Title: UNSUBS;

(b)(7)(A) [REDACTED];

WIRE FRAUD; FALSE CLAIMS; FALSE STATEMENTS; THEFT OF
GOVERNMENT PROPERTY

Synopsis: The purpose of this communication is to update the file with the final adjudication of captioned investigation and request it be placed in a closed status.

Details: This case was predicated upon the receipt of United States Army Criminal Investigation Command (USACIDC) report: 0045-2009-CID079-73628-7F1A1/8L1A/5M3E1/9C1. Complainant, (b)(6), (b)(7)(c) [REDACTED]

[REDACTED] reported that (b)(7)(A) [REDACTED] had filed false claims against the U.S. Government (USG) and had stolen USG property from a construction site.

(b)(7)(A) [REDACTED] was awarded contract no: (b)(4) [REDACTED] on November 18, 2006, to construct (b)(6), (b)(7)(c) [REDACTED] compound in (b)(6), (b)(7)(c) [REDACTED] Provinces, (b)(6), (b)(7)(c) [REDACTED].

The contract required completion of the work within 365 calendar days from the Notice to Proceed, which was issued on December 26, 2006; thereby establishing a contract completion date of December 26, 2007; however, the contract was modified 9 times.

On September 28, 2009, AED de-scoped the project because of (b)(7)(A) [REDACTED] failing to complete the project by the then required completion date of January 24, 2009. Site work had been stopped by AED due

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AC received
2-3-11
Case previously
closed per
AC dated
3-2-10
(see enclosed)

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To: CID
Date: 03-02-2010

From: CID
Title: (b) (7)(A)

to (b) (7)(A) failing to pay employees and sub-contractors. As a result of failure to pay, (b) (7)(A) employees removed a connex, supplies and construction equipment from the construction site.

AED determined that (b) (7)(A) was overpaid approximately \$(b) (4) due to (b) (7)(A) filing invoices for work that had not been completed on the project. A site inspection performed by USACE personnel determined that it would cost approximately \$(b) (4) dollars to complete the project.

On 12/16/2009, SIGAR opened an investigation to assist in this matter at the request of Army CID. The investigation was coordinated via the participants of the International Contract Corruption Task Force (ICCTF).

On 03/02/2010, a copy of a finalized Civil Settlement between the U.S. Government and (b) (7)(A), demanding repayment of \$(b) (4) in which the company is indebted to the U.S. Government, was provided to the ICCTF. This agreement was approved by (b) (6), (b) (7)(c) who has ICCTF oversight.

Based on this Civil Settlement approved by the U.S. Government, (b) (6), (b) (7)(c) declined further action on the part of the DOJ and (b) (5).

A copy of this settlement is attached hereto:

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For information of the file, and to place this investigation in a closed status.

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To: CID
Date: 03-02-2010

From: CID
Title: (b) (7)(A)

Set Lead 2:

SIGAR

AT KABUL, AFGHANISTAN

For information

♦♦

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FOUO//UNCLASSIFIED

**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Priority

Date: February 23, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - (b)(6), (b)(7)(c)

Approved By: [REDACTED]

Created By: (b)(6), (b)(7)(c)

Case #: 600-AF-0123 (C)

Title: UNKNOWN SUBJECT, AKA, [REDACTED] (b)(6), (b)(7)(c)
[REDACTED] E, AFGHANISTAN
MISCELLANEOUS CRIMINAL ACTIVITY

Synopsis: Closing communication

Administrative: 600-AF-0123 A/C Closing 2/23/2011. 60 day
Preliminary Inquiry initiated 9/26/2010. A/C
Update to Full Investigation dated 11/17/2010.

Details:

JUSTIFICATION TO CLOSE INVESTIGATION

This investigation was initiated based upon a report to the SIGAR Hotline and Complaint Management System (HCMS) that a PRT (b)(6), (b)(7)(c) (Subject) solicited a \$(b)(4) kickback from a contractor. The Contractor reported the information and subsequently provided a written statement to support his allegation. The written statement alleged the Subject told the Contractor the Contractor would receive a contract if he paid the Subject (b)(6), (b)(7)(c) USD. The Subject provided a (b)(6), (b)(7)(c) account number where the funds were to be deposited. The Contractor was interviewed by SIGAR S/As and provided documentation to support this allegation. The Subject was interviewed and was deceptive and vague in his responses. During interview the subject provided his USG issued (b)(6), (b)(7)(c)

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To: SIGAR INV-HQ

From: SIGAR INV-KAF

Date: February 23, 2011

Title: 600-AF-0123

cellular telephone number two times. The Subject was shown a picture of a (b)(6), (b)(7)(c) cell phone with his telephone number indicated as the calling party. The Subject provided a wrong number as his (b)(6), (b)(7)(c) phone number. On numerous occasions the Subject contradicted himself. Shortly after interviewing the Subject, PRT (b)(6), (b)(7)(c) was briefed by those participating in the interview. (b)(6), (b)(7)(c) chose to defer a decision. During the Subject's interview it was learned the Subject applied for the (b)(6), (b)(7)(c). Also the Subject had a (b)(6), (b)(7)(c) processing through (b)(6), (b)(7)(c). The (b)(6), (b)(7)(c) is important in that the Subject stated during the interview the only reason he was working at PRT (b)(6), (b)(7)(c) was to obtain the (b)(6), (b)(7)(c). He added if he learned his (b)(6), (b)(7)(c) was disapproved he would immediately stop working at the PRT. Subsequently the US Army was contacted to determine if the Subject had a (b)(6), (b)(7)(c) pending. The Subject's (b)(6), (b)(7)(c) was determined to be somewhere in the (b)(6), (b)(7)(c). Additionally the U.S. State Department was contacted and a lookout was placed on the (b)(6), (b)(7)(c).

SIGAR (b)(6), (b)(7) was contacted by Military Intelligence (MI) regarding the Subject. On January 11, 2011, a meeting was held between SIGAR (b)(6), (b)(7) and MI. It was agreed the avenue available to determine the credibility of the Subject was to offer him the opportunity to exonerate himself through a polygraph examination. However, as the Subject is located in (b)(7), permission was required from that regional office to (A) offer the polygraph. On February 22, 2011, (b)(6), (b)(7)(c) met with a MI Special Agent, who advised approval to conduct a polygraph had not been granted. This investigation did not result in an acknowledgement by Subject of culpability. Documentation available and the Subject's interview indicate the Subject was not truthful. Therefore, it is deemed best to refer this matter to US Army MI for appropriate action. No further SIGAR investigation is warranted in this matter and the case considered closed. MI agreed to provide SIGAR with any pertinent information it may develop regarding the bribery allegation in the future.

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To: SIGAR INV-HQ

From: SIGAR INV. (b)(6), (b)(7)(C)

Date: February 23, 2011

Title: 600-AF-0123

LEAD(s):

Set Lead 1: (Action)

INVESTIGATIVE DIRECTORATE

AT ARLINGTON, VA

Will close this case, for reasons as explained above.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** November 16, 2010**To:** Investigations Directorate (CID) HQ**From:** Investigations Directorate

(b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0109**Title:** (b)(6), (b)(7)(c)

(b) (7)(A)

AF

CONTRACT FRAUD (THEFT OF PUBLIC MONEY)

Synopsis: Closing communication.

Reference: 200-AF-0109 AC 07/01/2010 (opening)
 200-AF-0109 AC 09/01/2010 (update)

Enclosure(s): Enclosed for recipient (electronically by Kabul) are copies of the following NCIS documents:

200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS Intv of (b)(6), (b)(7)(c)
 200-AF-0109 Doc - NCIS (b)(6), (b)(7)(c) - Invoices
 200-AF-0109 Doc - NCIS (b)(6), (b)(7)(c) - CERP Contract
 200-AF-0109 Doc - NCIS (b)(6), (b)(7)(c) - Letter of Justification
 200-AF-0109 Doc - NCIS (b)(6), (b)(7)(c) - Payments
 200-AF-0109 Doc - NCIS (b)(6), (b)(7)(c) - Purchase Orders
 200-AF-0109 Doc - NCIS Summary to DOJ

Administrative: Case opened on 07/01/2010. Lead Agency: NCIS.

Details: This case was opened to address fraud concerns by NCIS that Subject, (b)(6), (b)(7)(c)

, who served during the negotiations of a CERP contract at (b)(6), (b)(7)(c) Province,

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To: ID HQ
Date: November 16, 2010

From: ID (b)(6), (b)(7)
Title: 200-AF-0109

Afghanistan, may have solicited "kickbacks" from the CERP contractor. Since (b)(6), (b)(7) was the Subject of 200-AF-0099 (O & A 7/1/2010), SIGAR requested to work with NCIS (Lead Agency) in this matter.

CERP project in this case

Purpose

The purpose of this project was to strengthen the relationship between ISAF and the local population and provide much needed water source for truck drivers.

Contract identification

Requisition #: (b)(7)(A)
Name: (b)(6), (b)(7)(c) Project, (b)(6), (b)(7)(c) District
Cost: \$(b)(4)

Awardee

(b)(7)(A)
Afghanistan.

Background on (b)(6), (b)(7)(c)

Name: (b)(6), (b)(7)(c)
DOB: (b)(6), (b)(7)(c)
POB: (b)(6), (b)(7)(c)
Affiliations: (b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)

Investigation

When this case was opened by SIGAR on 7/1/2010, there was no NCIS Agent assigned to the ICCTF to assist SIGAR; however, NCIS Agent (b)(6), (b)(7)(c) arrived at (b)(6), (b)(7)(c) in mid September 2010. Agent (b)(6), (b)(7)(c) previously worked on their (b)(6), (b)(7)(c) case in 2009, and was familiar with this person. On 11/16/2010, Agents (b)(6), (b)(7)(c)

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To: ID HQ
Date: November 16, 2010

From: ID (b)(6), (b)(7)(C)
Title: 200-AF-0109

and (b)(6), (b)(7)(C) (both at (b)(6), (b)(7)(C)) met to discuss this case and review the NCIS interviews of (b)(6), (b)(7)(C). Agent (b)(6), (b)(7)(C) briefed Agent (b)(6), (b)(7)(C) on other SIGAR cases involving (b)(6), (b)(7)(C). Agent (b)(6), (b)(7)(C) advised that NCIS has not been able to locate one contractor who would admit to being forced to pay a kickback to (b)(6), (b)(7)(C); whereupon, NCIS closed their case on (b)(7)(C).

Justification to closing case

Since the lead ICCTF Agency (NCIS) in this matter has closed their case and no further investigative leads remain, it is recommended that this case be closed.

Agents (b)(6), (b)(7)(C) and (b)(6), (b)(7)(C) intend to review closed cases involving interpreters working on reconstruction contracts who are alleged to have solicited kickback from contractors, to discuss at upcoming ICCTF (b)(6), (b)(7)(C) weekly meetings.

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To: ID HQ
Date: November 16, 2010

From: ID (b)(6), (b)(7)
Title: 200-AF-0109

LEAD(s) :

Set Lead 1: (Action)

INVESTIGATIVE DIRECTORATE

AT CRYSTAL CITY, VIRGINIA

Will close this case, for reasons as explained above.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 01/12/2011**To:** Investigations Directorate, HQ**From:** Investigations Directorate, Kabul**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 800-AF-0108**Title:** Bulk Cash Initiative**Synopsis:** Recommend closing case.

Details: SIGAR Investigations had participated in a joint investigation with Homeland Security (ICE) and other Federal Agencies to track the flow of Bulk Cash from Afghanistan to (b)(7)(A).

On 1/11/11 (b)(6), (b)(7)(c) reviewed the documentation in 800-AF-0108 and noted there hasn't been any investigative action reported since 9/13/10 and no activity recorded in the case file since 10/16/10.

On 1/12/11 (b)(6), (b)(7)(c) met with Homeland Security (ICE) (b)(6), (b)(7)(c) in Kabul to discuss the Bulk Cash initiative. (b)(6), (b)(7)(c) advised the Bulk Currency Initiative is part of the Airport Action Plan which is on hold because the Ministry of Finance hasn't signed off on the Program. Also during the last quarter there weren't any ongoing currency investigations nor are the counters in place to track/verify the movement of bulk currency.

After reviewing the documentation and discussing the lack of progress of the Bulk Cash Initiative with (b)(6), (b)(7)(c) recommends this case be close.

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To: SIGAR INV
Date: January 12, 2011

From: SIGAR INV KABUL
Title: Bulk Cash Initiative

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Case Closure

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: January 31, 2011

To: SIGAR Investigations Directorate, Headquarters
Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate, (b)(6), (b)(7)(c)
Contact: (b)(6), (b)(7)(c)

Approved By:

(b)(6), (b)(7)(c), (b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case #: 300-AF-0084

Title: (b)(6), (b)(7)(c) ROAD PROJECT

Synopsis: It is recommended that this investigation be closed.

Details:

On April 8, 2010, (b)(6), (b)(7)(c) contacted (b)(6), (b)(7)(c) of the (b)(6), (b)(7)(c) PRT at (b)(6), (b)(7)(c). Members of the ICCTF had received information that (b)(6), (b)(7)(c) of (b)(4) (b)(6), (b)(7)(c) Afghanistan, (b)(6), (b)(7)(c) had reported that three employees of the (b)(6), (b)(7)(c) PRT were soliciting bribes from contractors in exchange for influencing the awarding of PRT contracts to those contractors. The PRT's perform security and governmental interfacing with the Provincial governors, and lead the reconstruction efforts in their assigned province. (b)(6), (b)(7)(c) stated the names of the (b)(6), (b)(7)(c) PRT employees that were soliciting the kickbacks were (b)(6), (b)(7)(c), (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c). All of the aforementioned (b)(6), (b)(7)(c) were (b)(6), (b)(7)(c) who worked on (b)(6), (b)(7)(c) in the (b)(6), (b)(7)(c) office.

Special Agents proceeded to interview numerous contractors who had been awarded U.S. Reconstruction projects by the (b)(6), (b)(7)(c) PRT. A number of these individuals stated that they were aware that (b)(6), (b)(7)(c) had been soliciting large bribes from Afghan Contractors in exchange for influencing the awarding of PRT Contracts. Although many of the contractors provided similar, corroborating information, none of them expressed interest in testifying against (b)(6), (b)(7)(c) due to fear of retribution by (b)(6), (b)(7)(c) or associates of (b)(6), (b)(7)(c). A number of individuals stated that bribes

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To: SIGAR INV-HQ

From: SIGAR INV-[REDACTED]

Date: January 31, 2011

Title: Investigation Closing

were paid to [REDACTED] by contractors who were awarded one of the five sections of roadway on the [REDACTED] Roadway Project. The [REDACTED] Roadway Project was broken up into five sections with a separate contract awarded for each section. Five different afghan contractors were awarded contracts for this project; one contractor for each of the five sections of the roadway project.

A full report of the findings of these interviews was submitted by [REDACTED] to the commander of the [REDACTED] PRT. Based upon the findings of [REDACTED], the [REDACTED] PRT contemplated the dismissal of [REDACTED] from the PRT. It was decided that the contract of [REDACTED] with the PRT will not be renewed in April of 2011.

In addition, during the interview of many of the local Afghan Contractors, the [REDACTED] Province, [REDACTED] was identified as being involved in a large scale extortion of Afghan Contractors who had been awarded U.S. Reconstruction Contracts by the [REDACTED] PRT. [REDACTED] was arguably the most powerful criminal figure in [REDACTED] Province. Special Agents of SIGAR began to work a joint investigation targeting [REDACTED] along with members of the Major Crimes Task Force (MCTF) [REDACTED] was identified as one of the the most powerful organized crime figures in [REDACTED] Province whose criminal activities, aside from extortion of local Afghan Contractors, included, murder, theft, kidnapping, attacks on [REDACTED] and coalition forces and a host of other crimes. Based upon the findings of this joint investigation, [REDACTED] was relieved of his duties as [REDACTED]. Although not prosecuted, the release of [REDACTED] from his position as [REDACTED] sent out a positive message to the local Afghan Community that corruption of this kind would not be tolerated.

As stated previously, although no criminal prosecutions were realized as a result of this investigation, the investigation did lead to the dismissal of [REDACTED] from his duties as [REDACTED] Province. In addition, the investigation has led to the recommendation of the termination of [REDACTED] from his duties as [REDACTED] of the [REDACTED] PRT.

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(C)

Date: January 31, 2011

Title: Investigation Closing

The removal of these two individuals from their positions will have a positive affect on the battle against corruption, fraud waste and abuse in the (b)(6), (b)(7)(C) Province area.

It is recommended that this investigation now be closed.

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(C)

Date: January 31, 2011

Title: Investigation Closing

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: January 24, 2011

To: SIGAR Investigations Directorate, Headquarters
Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate, BAF
Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c) [redacted] (b)(6), (b)(7)(c) [redacted] (b)(6), (b)(7)(c) [redacted]

Created By: (b)(6), (b)(7)(c) [redacted]

Case Number: 200-AF-0116

Title: (b)(6), (b)(7)(c) [redacted]
(b)(7)(A) [redacted]

Synopsis: Preliminary Inquiry concluded. Refer to other authority. Close investigation.

Details:

1. A 60-day Preliminary Inquiry was initiated by the Investigations Directorate - (b)(6), (b)(7)(c) [redacted] based upon information provided by Army CID. Reference is made to AC by (b)(6), (b)(7)(c) [redacted] dated 09/16/2010 under the above case number (200-AF-0116).
2. The Army CID unit working at Forward Operating Base (FOB) (b)(6), (b)(7)(c) [redacted] provided information to SIGAR (b)(6), (b)(7)(c) [redacted] regarding an ongoing drug trafficking investigation. Of interest to SIGAR, a defendant in that case initially alleged that a program manager for a company called (b)(7)(A) [redacted] perpetrated a false billing scheme. Based upon that allegation of possible contract fraud, a Preliminary Inquiry was initiated.

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To: SIGAR INV-HQ

From: SIGAR INV (b)(6), (b)(7)(C)

Date: January 24, 2011

Title: 200-AF-0124

3. Shortly after the commencement of the Preliminary Inquiry, the source of the original allegation (b)(6), (b)(7)(C), provided details of his illicit activities pursuant to a (b)(6), (b)(7)(C) agreement with (b)(6), (b)(7)(C). According to (b)(6), (b)(7)(C), (b)(7)(A) was contracted by the Department of Defense (DOD) to install the (b)(6), (b)(7)(C) for a location on (b)(6), (b)(7)(C). (b)(6), (b)(7)(C) claimed (b)(6), (b)(7)(C) bragged of having "saved" (b)(7)(A) (b)(4) by using (b)(7)(A) employees rather than subcontractors. Contrary to the initial allegation, (b)(6), (b)(7)(C) further stated that (b)(7)(C) had no information that the contract had been inflated and was not aware of any impropriety or fraud with respect to (b)(6), (b)(7)(C)'s alleged "cost saving" efforts.
4. (b)(6), (b)(7)(C) was later barred from theater after a search of (b)(7)(C) domicile at (b)(6), (b)(7)(C) revealed quantities of illicit drugs.
5. It was subsequently determined that (b)(7)(A) holds a Firm Fixed Price type contract (b)(4) for (b)(6), (b)(7)(C) at (b)(6), (b)(7)(C). This is a "Services" contract awarded by the (b)(6), (b)(7)(C) to provide (b)(6), (b)(7)(C) to U.S. military components stationed at (b)(6), (b)(7)(C). As such, this would be Title 10 funding and outside the purview of SIGAR.
6. Based upon these findings, no further action will be taken and the Preliminary Inquiry will be closed. It is recommended that this matter be referred to the Department of Defense Inspector General (DODIG).

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(C)

Date: January 24, 2011

Title: 200-AF-0124

LEAD(s):

Set Lead 1: (Close Preliminary Inquiry refer matter to DODIG)

SIGAR

AT ARLINGTON, VIRGINIA

Set Lead 2: (info)

SIGAR

AT KABUL, AFGHANSTAN

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Precedence: Routine

Date: 01-27-2011

To: Investigations Directorate (ID), HQ

Attn: AIG (Acting) (b)(6), (b)(7)(c)

From: Investigations Directorate (ID), Kabul

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0067

Title: (b)(6), (b)(7)(c), aka: (b)(6), (b)(7)(c), aka; (b)(6), (b)(7)(c)
Contract Fraud, Bribery

Synopsis: Recommendation for Case Closure.

Details: This memorandum is to close case file number 200-AF-0067, (b)(6), (b)(7)(c), Et Al; (b)(6), (b)(7)(c) for the following reasons:

Case was originally predicated on the cooperation of two CHSS; 700-CI-0020 and 700-AF-0011, the captioned subject was operating out of (b)(6), (b)(7)(c) and offering to assist in obtaining fuel contracts from (b)(6), (b)(7)(c), Afghanistan.

Confidential Human Sources, (b)(7)(A) and (b)(7)(A), have been closed and any meetings regarding money for fuel contracts involving (b)(6), (b)(7)(c) are not anticipated.

No additional reports or information have been received regarding the allegations concerning (b)(6), (b)(7)(c) and his assisting in the obtaining of fuel contracts in Afghanistan.

Due to the CHS closings and lack of any additional corroborating information pertaining to (b)(6), (b)(7)(c), it is recommended that Case #300-AF-0069 be closed. The expenditure of further investigative effort is unwarranted and any prosecution potential doubtful with information received during the investigation.

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To: CID
Date: January 27, 2011

From: ID
Title: (b)(6), (b)(7)(c); Contract
Fraud, Bribery

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

For case closure

Set Lead 2: (Info)

SIGAR

For case closure

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Precedence: Routine

Date: 01-28-2011

To: Investigations Directorate (ID), HQ

(b)(6), (b)(7)(c)

Attn: AIG (Acting) (b)(6), (b)(7)(c)

2.8.11

From: Investigations Directorate (ID), Kabul

Contact: (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Approved By:

(b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0083

Title: (b)(6), (b)(7)(c) Roads-Anonymous Complaint

Synopsis: This communication is to close case number 200-AF-0083 and add/join CERP information concerning the (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c) road with investigation 200-AF-0051, pertaining to the (b)(6), (b)(7)(c) project investigation.

Details: This memorandum is to close case file number 200-AF-0083 for the following reasons:

Original investigation was predicated on a SIGAR audit that has not materialized concerning the CERP road construction in question.

USAID's (b)(6), (b)(7)(c) dollar (b)(6), (b)(7)(c) project with (b)(6), (b)(7)(c) (investigation 200-AF-0051) has assumed construction of the (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c) Road. Contracting Officer (b)(6), (b)(7)(c) stated in an email dated 10-31-2010:

(b)(6), (b)(7)(c) z to (b)(6), (b)(7)(c): Project was initiated to sustain traffic while the USAID project mobilized; project facilitated USAID project. Project was paid 75% (\$ (b)(6), (b)(7)(c) and terminated for convenience because the USAID project, (b)(6), (b)(7)(c) Road mobilized.

Email dated 11-17-2010:

We are very familiar with the location of (b)(6), (b)(7)(c) Road, and are currently working on closing out the (b)(6), (b)(7)(c) Road and the (b)(6), (b)(7)(c)

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To: CID

From: ID

Date: January 28, 2011

Title: (b)(6), (b)(7)(c) Roads-Complaint

(b)(6), (b)(7)(c) Road. I would have to pull up the (b)(6), (b)(7)(c) project, but I believe that's the road USAID has been working on and is now prepped for asphalt. We would have to discuss specific dates on (b)(6), (b)(7)(c); however, I can tell you that we have some inspections coming up on or around these sites.

Due to travel itinerary problems with Embassy Air, an attempt to inspect the (b)(6), (b)(7)(c) Roads project failed in July of 2010. The Contracting Office experienced a change in personnel during October 2010; and a repeated attempts for road inspection, with SIGAR Engineer and Special Agents did not occur due to scheduling issues.

The expenditure of parallel investigative effort is unwarranted. Due to the related USAID (b)(6), (b)(7)(c) project road investigation, it is recommended investigation 200-AF-0083 will be closed and information uncovered utilized in case number 200-AF-0051.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Set Lead 2: (Info)

SIGAR

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To: CID

Date: January 28, 2011

From: ID

Title: (b)(6), (b)(7)(c) Roads-Complaint

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: January 31, 2011

To: SIGAR Investigations Directorate, Headquarters
Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate, (b)(6), (b)(7)(c)
Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c) [redacted] (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case #: 300-AF-0104

Title: (b)(6), (b)(7)(c)

Synopsis: Request to close Preliminary Investigation

Details: In July of 2010, SIGAR (b)(7)(C) made contact with (b)(6), (b)(7)(c) in Pakistan. (b)(6), (b)(7)(c) agreed to send money that the CHS had in Afghanistan to the new York City area. The CHS agreed to travel to the U.S. to receive the funds. (b)(6), (b)(7)(c) provided the CHS with a bank account that he held at (b)(6), (b)(7)(c) in Kabul. (b)(6), (b)(7)(c) instructed the CHS to deposit his money into said account either by wire transfer or cash deposit. Once the money was deposited into (b)(6), (b)(7)(c) bank account at (b)(6), (b)(7)(c), (b)(6), (b)(7)(c) would authorize the CHS to be paid the equivalent sum in New York, less a fee of 6%.

Because (b)(6), (b)(7)(c) believes that the money being sent from Afghanistan to the U.S. is bribe money received by a (b)(6), (b)(7)(c), the money needs to be wire transferred from a bank account in the region of the southwest asia.

This type of proposed money laundering operation, while fairly common in the U.S. and other countries in the Western Hemisphere, is a relatively new concept in Afghanistan. The ability of Special Agents to conduct such an operation will allow law enforcement the opportunity to analyze and identify the flow of funds, through the Hawala, from Afghanistan to the U.S. as well as other parts of the world. Investigations have

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To: SIGAR INV-HQ

From: SIGAR INV (b)(6), (b)(7)(C)

Date: January 31, 2011

Title: Investigation Closing

shown that the Hawala is frequently utilized by corrupt individuals to launder U.S. Reconstruction Funds that have been siphoned off in the form of bribery, extortion and theft. It is also well known that insurgent groups frequently receive monies from U.S. Reconstruction Contracts and utilize the Hawala to help them launder and move these funds which are then used to finance their operations.

This operation will also be useful in identifying large money laundering organizations operating in Afghanistan, Pakistan, the U.S. and other countries around the world. It is believed that this operation could result in the identification and prosecution of high level money launderers operating in the U.S. Significant currency seizures, asset forfeitures which may include the recovery of stolen U.S. Reconstruction Funds could also be generated by this proposed operation.

In January of 2011, Special Agents of SIGAR met with FBI agents of the Joint Terrorism Task Force, New York Field Office. Special Agents expressed great interest in initiating this operation with the participation of (b)(7)(C). Much of the interest is due to great possibilities of success due to the CHS position and access to high level money launderers operating in this arena and the opportunity to identify the flow of terrorist financing in the U.S. and other countries around the world..

It was agreed that Special Agents of the JTTF in conjunction with Special Agents of SIGAR would seek to initiate the operation in a period of 90 days once all approvals were obtained by Special Agents of the FBI, JTTF. However, it was agreed that (b)(7)(C), (b)(7)(C) would be tasked to identify targets other than (b)(6), (b)(7)(C) who were involved in terrorist financing which included the use of U.S. Reconstruction Funds.

In addition, (b)(7)(C) recently provided information about a number of high level money launderers who are using the Hawala to launder tens of millions of dollars. It is believed these Kabul Based money launderers/money exchangers are utilized by a number of high level Afghan Contractors and businessmen to

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(C)

Date: January 31, 2011

Title: Investigation Closing

launder stolen U.S. Reconstruction Funds. In addition, it is believed the subjects identified by (b)(6), (b)(7)(C) are also heavily involved in the bribery and corruption of U.S. and Afghan Officials. The subject Kabul based money exchangers are facilitating the laundering of these illegal proceeds. Special Agents of ICE have expressed in working a joint investigation with Special Agents of SIGAR targeting these kabul based money exchange houses. Special Agents of SIGAR are currently coordinating with Special Agents of ICE at the U.S. Embassy in Kabul as well as Special Agents of ICE, New York Field Office regarding the proposed joint operation.

For these reasons, it is proposed that both of these operations, the first utilizing (b)(7)(C) in conjunction with Special Agents of the FBI and JTTF, New York Field Office and the second operation utilizing SIGAR (b)(6), (b)(7)(C) in conjunction with Special Agents of ICE be combined under one SIGAR investigation which could be labeled as a money laundering project. The proposed project could encompass both joint operations mentioned in this report. Said project could be initiated at a later date when Special Agents of FBI and ICE have obtained the appropriate approvals for the proposed undercover operations. Project could also be possibly be initiated as an OCDETF Investigation, thus opening up access to OCDETF Funding and other resources.

With this in mind, it is proposed that the investigation targeting (b)(6), (b)(7)(C) be closed at this time. It does not appear that (b)(6), (b)(7)(C) will be a target of the proposed money laundering project.

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To: SIGAR INV-HQ

From: SIGAR INV- [REDACTED]

Date: January 31, 2011

Title: Investigation Closing

LEAD(s):

Set Lead 1: (Info) - Close Preliminary Investigation

SIGAR

AT ARLINGTON, VA

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: 17 FEBURARY, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate, (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case #: 200-AF-0049

Title: (b)(6), (b)(7)(c) -Contract Fraud

Synopsis: Submission of closed investigation.

Details:

REFERENCES:

- (A) SIGAR AC/09MAY10
- (B) SIGAR AC/21APR10
- (C) SIGAR AC/21MAR10
- (D) SIGAR AC/01MAR10
- (E) SIGAR AC/04JAN10

1. This investigation was initiated in JAN10 after a witness, identified as (b)(6), (b)(7)(c), reported (b)(7)(C) suspicions of wrongdoing in the awarding of contracts to one contractor in (b)(6), (b)(7)(c) Province. Subsequent to the initial reporting, (b)(6), (b)(7)(c) left Afghanistan, returning to (b)(7)(C) position at DOS.

2. During DEC09 (b)(6), (b)(7)(c) contacted SIGAR (b)(6), (b)(7)(c) and provided his allegations of contract bidding improprieties. In APR10, (b)(6), (b)(7)(c) was re-interviewed in (b)(6), (b)(7)(c) and provided amplifying details. (b)(6), (b)(7)(c) indicated, in JUL09 (b)(7)(C) was assigned to (b)(7)(C)

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(c)

Date: 17FEB11

Title: (b)(6), (b)(7)(c) -Contract Fraud

the International Narcotics and Law Enforcement Affairs (INL), Rule of Law, Provincial Reconstruction Team (PRT), (b)(6), (b)(7)(c) Province. Reportedly, (b)(7)(C) assignment was to provide advice on the (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) Provinces. After (b)(6), (b)(7)(c) arrived at (b)(7)(C) (b)(6), (b)(7)(c) assignment, (b)(6), (b)(7)(c) noted a large number of Commander's Emergency Relief Fund (CERP) contracts had been awarded by (b)(6), (b)(7)(c) to one specific (b)(6), (b)(7)(c), identified as (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) had a desk in the office of the (b)(6), (b)(7)(c), across from (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) added that (b)(7)(C), (b)(6), (b)(7)(c) had (b)(6), (b)(7)(c) for all CERP related contracts pertaining to the Rule of Law. According to (b)(6), (b)(7)(c) after three to four days, and subsequent to (b)(7)(C) arrival at the PRT, (b)(7)(C) conducted a review of CERP contracts wherein (b)(7)(C) noted the contracts seemed to display what (b)(7)(C) termed as, 'Red Flags' or indicators of possible fraudulent activity, (b)(7)(C) described the indicators as the following:

- all the contracts were being issued to (b)(6), (b)(7)(c)
- the justification for the funding request were suspect
- the dates were frequently incorrect
- the Statements of Work were generally poorly written
- many of the contracts were for the same amount - (b)(4) for lodging and subsistence of judges being trained in Kabul

(b)(6), (b)(7)(c) had no specific evidence of wrongdoing but felt these CERP contracts needed closer review. Reportedly, (b)(6), (b)(7)(c) brought (b)(7)(C) concerns to (b)(6), (b)(7)(c) resulting in (b)(6), (b)(7)(c) becoming defensive. According to (b)(6), (b)(7)(c) explained (b)(6), (b)(7)(c) was awarded the contracts because (b)(7)(C) had connections; (b)(7)(C) could get things done; and they were in a war zone that demanded flexibility. (b)(6), (b)(7)(c) reported (b)(6), (b)(7)(c) methodology regarding the issuance of CERP contracts to (b)(7)(C) supervisor, (b)(6), (b)(7)(c)

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(c)

Date: 17FEB11

Title: (b)(6), (b)(7)(c) Contract Fraud

(b)(6), (b)(7)(c), who reportedly disagreed to the way the military utilized CERP funds. (b)(6), (b)(7)(c) later informed higher military authority resulting in the decision not to award further CERP contracts to (b)(6), (b)(7)(c).

3. (b)(6), (b)(7)(c) stated, in addition to the Rule of Law CERP contracts awarded by (b)(6), (b)(7)(c), (b)(7)(c) also issued numerous other CERP contracts estimated to be in excess of \$(b)(6), (b)(7)(c). (b)(6), (b)(7)(c) indicated while there was no specific evidence of criminal wrongdoing; the appearance of fairness and transparency was not present, EXHIBITS (1-2) pertain.

4. During FEB10, a U.S. Army (USA) DOD Employ Interactive Data System (DEIDS) report was obtained regarding (b)(6), (b)(7)(c). The report revealed (b)(6), (b)(7)(c) was a (b)(6), (b)(7)(c) (b)(6), (b)(7)(c). In JAN09, (b)(6), (b)(7)(c) was assigned to the (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) Afghanistan, effective FEB09, EXHIBIT (3) pertains.

5. In OCT10, contact was made with (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) PRT. (b)(6), (b)(7)(c) conducted inquiries of CERP contracts that were issued to (b)(6), (b)(7)(c) wherein six CERP contracts were identified as being awarded with five being funded, totaling \$(b)(4), EXHIBIT (4) pertains.

6. Financial inquiries focusing on (b)(6), (b)(7)(c), consisting of (b)(6), (b)(7)(c) (b)(6), (b)(7)(c), property checks and other public records checks were conducted during the pendency of this investigation. No unusual or suspect findings surfaced, EXHIBIT (5) pertains.

7. Investigative inquiries cited herein failed to identify any witnesses that had information on specific wrongdoing regarding (b)(6), (b)(7)(c). No criminal activity or criminal violations were discovered. Pursuant to management review, this case will be closed.

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(c)

Date: 17FEB11

Title: (b)(6), (b)(7)(c) Contract Fraud

EXHIBITS:

- (1) SIGAR Memorandum of Interview / 23DEC09
- (2) Results of Interview of (b)(6), (b)(7)(c) /21APR10
- (3) SIGAR USA DEIDS Report / 02FEB10
- (4) Results of Inquiries to Locate CERP Contracts / OCT10
- (5) Copy of FINCEN Check / Undated

PARTICIPATING AGENTS:

- (1) (b)(6), (b)(7)(c) SIGAR; Kabul, Afghanistan
- (2) (b)(6), (b)(7)(c) SA; SIGAR; Crystal City, VA

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Note this investigation as closed.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For information.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: February 5, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - Kabul, Afghanistan

Approved By:

(b)(6), (b)(7)(c) /

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case #:

100-AF-0065

Title:

(b)(6), (b)(7)(c)

(b)(7)(A)

(b)(6), (b)(7)(c), (b)(7)(A)

False Claims, 31 US 3729

Synopsis:

Case Closed

Details:

A Confidential Human Source (CHS) reported that (b)(7)(A) may be defrauding on their contract with the US Army Corp of Engineers (USACE). (b)(7)(A) was owned by (b)(6), (b)(7)(c) a citizen of (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) (nationality unknown).

CHS advised that (b)(6), (b)(7)(c) was a (b)(7)(A) subcontractor. (b)(6), (b)(7)(c) rented cars for (b)(7)(A) on the local economy and inflated the invoices to (b)(7)(A). (b)(7)(A) submitted the inflated invoices to USACE for reimbursement. The CHS alleged that (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) were aware that the invoices were inflated and (b)(6), (b)(7)(c) may have bribed them to submit the invoices.

CHS believed that (b)(6), (b)(7)(c) left Afghanistan with a large amount of money, which (b)(6), (b)(7)(c) received as a result of his fraudulent activities.

(b)(6), (b)(7)(c)

Afghanistan and (b)(6), (b)(7)(c)

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To: SIGAR INV-HQ

From: SIGAR INV - Kabul, AF

Date: February 6, 2011

Title: (b)(6), (b)(7)(c)
 (b)(7)(A)

(b)(6), (b)(7)(c) (b)(7)(A)

was contacted for information on USACE's relationship with (b)(7)(A).

(b)(6), (b)(7)(c) had no pertinent information. (b)(6), (b)(7)(c) never heard of (b)(7)(A) but USACE had a contract with (b)(7)(A) (b)(7)(A) Joint Venture.

(b)(6), (b)(7)(c) was (b)(6), (b)(7)(c) of (b)(7)(A) one of the 52 licensed and legal security companies operating in Afghanistan. (b)(7)(A) Joint Venture used (b)(7)(A) and (b)(6), (b)(7)(c) stated that two Federal Bureau of Investigation (FBI) agents working at the International Contract Corruption Task Force (ICCTF) investigated (b)(7)(A).

FBI Special Agents (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) were interviewed. They advised that another company was conducting business under the name of (b)(7)(A).

(b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) advised that the Afghanistan Government attempted to collect tax revenue from (b)(6), (b)(7)(c) on the (b)(7)(A) revenues earned in Afghanistan, but that was nothing for the FBI/ICCTF to investigate.

Results of a Joint Operations Center (JOC) request on (b)(6), (b)(7)(c), (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) did not reveal anything relevant. There is no evidence that (b)(6), (b)(7)(c) rented any vehicles for (b)(7)(A). There is no evidence that (b)(6), (b)(7)(c) left Afghanistan with a large amount of money. The FBI interviewed (b)(6), (b)(7)(c) and did not open an investigation. This Investigation is now Closed.

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To: SIGAR INV-HQ

From: SIGAR INV - Kabul, AF

Date: February 6, 2011

Title: (b)(6), (b)(7)(c)
 ■(b)(7)(A)
(b)(6), (b)(7)(c) ■(b)(7)(A)

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For closing.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

FOUO//UNCLASSIFIED



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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 09/07/2010**To:** Investigations Directorate (ID), HQ**Attn:** (b)(6), (b)(7)(c)**From:** Investigations Directorate (ID), Kabul**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 500-AF-0080

Title: (b)(6), (b)(7)(c);
18USC 287 False Claims;
18USC 666 Program Fraud;
18USC 1001 False Statements;
18USC 1031 Major Fraud against the United States

Synopsis: Requesting this investigation be closed.

Details: Evidence that (b)(6), (b)(7)(c) had embezzled money owed to the (b)(6), (b)(7)(c) for monthly House tax payments of his employer, (b)(7)(A), was turned over to the Major Crimes Task Force (MCTF). Officers of the MCTF continued the investigation and subsequently arrested (b)(6), (b)(7)(c) on May 10, 2010. He was charged with making false statements and fraud. On August 2, 2010 (b)(6), (b)(7)(c) was found guilty of committing fraud, making false statements, falsifying documents and embezzling public property.

He was sentenced to seven years and six months in prison.

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To: CID
Date: May 2, 2010
(b)(6), (b)(7)(c)

From: CID
Title: (b)(6), (b)(7)(c)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

For information

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

Close Case.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Precedence: Routine

Date: 5/5/11

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - Kabul

Approved By:

(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case ID: 300-AF-0136 (Closed)

Title:

(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c) Afghanistan;
(b)(6), (b)(7)(c)
Bribery;
Major Crimes Task Force (MCTF)

Synopsis: To report the arrest of (b)(6), (b)(7)(c) (b)(6), (b)(7)(c)
(b)(6), (b)(7)(c) and request that case be closed.

Details: Approximately (b)(6), (b)(7)(c) months ago an arrest warrant for (b)(6), (b)(7)(c) by the Afghan Major Crimes Task Force (MCTF). (b)(6), (b)(7)(c) was subsequently arrested and began cooperating with the MCTF. Since (b)(6), (b)(7)(c) is no longer assigned to the MCTF, it is requested that this matter be taken out of Pending Inactive and be Closed.

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To: SIGAR INV-HQ

From: SIGAR INV-EGGERS

Date: 5/5/11

Title: (b)(6), (b)(7)(c)

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For informational purposes. Case closed.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

Remove the above captioned matter from Pending
Inactive and close case.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** May 28, 2010**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID), Kabul**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0075**Title:** (b)(6), (b)(7)(c)**Synopsis:** Close Preliminary Investigation.**Details:**

Special Agents of the ICCTF were provided information that (b)(6), (b)(7)(c) had been charging local nationals fees/money in order to gain access to the base at (b)(6), (b)(7)(c) for day labor jobs. (b)(6), (b)(7)(c) supposedly has been on active duty at (b)(6), (b)(7)(c) here over (b)(6), (b)(7)(c) years, which is somewhat unusual and may have been involved in this practice during that time. In addition, (b)(6), (b)(7)(c) previously worked for a (b)(6), (b)(7)(c) who was the subject of a prior investigation involving similar allegations, while working at the (b)(6), (b)(7)(c) at (b)(6), (b)(7)(c). As a result of this prior investigation, (b)(6), (b)(7)(c) and the rest of his unit, which included (b)(6), (b)(7)(c), were relieved of their duties at the (b)(6), (b)(7)(c). This occurred approximately (b)(6), (b)(7)(c) months ago. However, during the month of April 2010, (b)(6), (b)(7)(c) was again observed at the (b)(6), (b)(7)(c) at (b)(6), (b)(7)(c) and interacting with the locals. Based upon (b)(6), (b)(7)(c) assignment at the time, (b)(6), (b)(7)(c) had no valid reason for being at the (b)(6), (b)(7)(c) or interacting with local nationals. Information was also provided by local nationals alleging that (b)(6), (b)(7)(c) was again charging local nationals in order to gain access to (b)(6), (b)(7)(c) for day labor jobs. For these reasons, it was recommended that a Preliminary Investigation be initiated in order to further investigate these allegations of corruption on the part of (b)(6), (b)(7)(c) and other individuals who may have been involved in these criminal activities.

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To: CID
Date: May 28, 2010

From: CID
Title: (b)(6), (b)(7)(c)

Special Agents of the ICCTF contacted the (b)(6), (b)(7)(c) who had made the initial report recording suspicious activities of (b)(6), (b)(7)(c). The (b)(6), (b)(7)(c) attempted to contact (b)(6), (b)(7)(c) and interview (b)(6), (b)(7)(c) about the suspicious activity. This request was made in and around the time (b)(6), (b)(7)(c) was due to rotate back to the U.S. The interview was never conducted as (b)(6), (b)(7)(c) rotated back to the U.S. before the interview could take place. A full work up was done on (b)(6), (b)(7)(c) including (b)(6), (b)(7)(c), and (b)(6), (b)(7)(c) and as well as other investigative background and financial checks. Nothing unusual was discovered to support the allegations against (b)(6), (b)(7)(c). Due to the fact that (b)(6), (b)(7)(c) is no longer in country and that the investigative steps taken to this point have not uncovered any evidence that would substantiate the initial allegations against (b)(6), (b)(7)(c), it is being recommended that this PI be closed.

LEAD (s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Close Preliminary Investigation.

Set Lead 2: (Info)

SIGAR

(b)(6), (b)(7)(c) Afghanistan

Close Preliminary Investigation.

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To: CID
Date: May 28, 2010

From: CID
Title: (b)(6), (b)(7)(c)

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** June 2, 2010**To:** Criminal Investigations Directorate (CID), HQ**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID), Kabul**Contact:** (b)(6), (b)(7)(c) (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0027 (c)**Title:** (b)(6), (b)(7)(c), (b)(7)(A)

Close 7/27/10

Synopsis: Requesting this investigation be closed and no further investigative actions be taken.

Details: This investigation was predicated on the allegation that (b)(6), (b)(7)(c) who has several DOD contracts had bribed the former (b)(6), (b)(7)(c). An analysis of the allegation disclosed that the alleged bribery was for favorable treatment in matters relating to business and private security licenses. The alleged bribery has no relationship to the contracts and did not involve reconstruction funds. The alleged criminal acts are therefore outside the jurisdiction of SIGAR. The allegations continue to be investigated by the FBI for violations of the Foreign Corrupt Practices Act. The FBI report on the investigation concluded that the contract fraud allegations were largely unsupported and would require substantial development to determine if there was a violation of federal law.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** January 25, 2010**To:** Criminal Investigations Directorate **Attn:** (b)(6), (b)(7)(c) [REDACTED]**From:** Criminal Investigations Directorate**Contact:** (b)(6), (b)(7)(c) [REDACTED] [REDACTED]**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0016**Title:** (b)(6), (b)(7)(c) [REDACTED], (b)(7)(A) [REDACTED],
(b)(6), (b)(7)(c) [REDACTED] Province:
Bribery**Synopsis:** Request this investigation be placed in closed status.**Details:** A confidential source provided information that the captioned subject had attempted to bribe individuals associated with the U.S. Military at FOB (b)(6), (b)(7)(c) in an attempt to obtain information and assistance in the award of an upcoming CERP road construction project.

Recent investigation indicates there is insufficient evidence to conclude the violation took place. Therefore, the case was declined by the Rule of Law representatives in Kabul.

In view of the above, it is requested this matter be placed in closed status.

Close Administrative
1/25/10
[Signature]

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To: From: Criminal Investigations Directorate
Date: Title:

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For appropriate action.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

Information for action deemed appropriate.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** October 27, 2010**To:** Investigations Directorate HQ**From:** Investigations Directorate**Approved By:****Created By:****Case ID:** 200-AF-0150

Title: (b) (7)(A) failure to pay Afghanistan sub-contractor Companies

Synopsis: Closing Communication

Administrative: Preliminary Inquiry initiated on August 19, 2010, Inquiry determined no evidence of any criminal violations. However the inquiry did discover that (b) (7)(A) owes two afghan companies over (b) (4) US Dollars for sub-contracting work done during 2009, on behalf of (b) (7)(A). During October 2010, debarment submission was submitted to Chief Judge Advocate to Army S-D-Official recommending debarment of (b) (7)(A).

Details:**JUSTIFICATION TO CLOSE INVESTIGATION**

1. On June 27, 2010 and June 29, 2010, the (b) (4) filed three separate complaints on behalf of their members with the SIGAR Hotline & Complaints Management System against (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) is purported to be the (b)(6), (b)(7)(c) of (b) (7)(A) and the (b)(6), (b)(7)(c) of (b) (7)(A). The (b)(6), (b)(7)(c) received complaints from (b) (7)(A) and (b) (7)(A).

2. On October 4 and 5, 2010, Reporting Agent reviewed the

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To: Directorate HQ
Date: October 27, 2010

From: SIGAR (b)(6), (b)(7)
Title: 200-AF-0150

contracts and payment history regarding (b)(7)(A) and their Afghanistan sub-contractors (b)(7)(A) and (b)(7)(A).

3. The contract and payment history review noted there were no progress payments made other than a partial payment under (b)(4) which was requested by the Military not the Contractor to slow down the rate of delivery of gravel to (b)(6), (b)(7)(c). [See Federal Acquisition Regulation (FAR) Part 32, payment clause 52.232.1 which authorizes the Military to make a partial payment.]
4. Contract and payment review disclosed no evidence of any criminal violations. No certifications of sub contracting payments were found. However the inquiry did discover that (b)(7)(A) owes two (b)(6), (b)(7)(c) companies (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c), over (b)(6), (b)(7)(c) US Dollars for sub-contracting work done during 2009, on behalf of (b)(7)(A) [Note: Contract review determined that the monies owed were Title 10 monies vice reconstruction funds. (b)(7)(A) and (b)(7)(A) provided gravel, (b)(6), (b)(7)(c) for United States Contracts (b)(4) contract sequence numbers (b)(4) contract sequence numbers (b)(4) and (b)(4).]
5. On October 5, 2009, Reporting Agent spoke with (b)(6), (b)(7)(c) Afghanistan, for debarment (b)(7)(A) for non-payment to (b)(6), (b)(7)(c) sub-contractors.
6. (b)(6), (b)(7)(c) advised he was working on a request to the (b)(6), (b)(7)(c) for debarment of (b)(7)(A) for failure to pay (b)(6), (b)(7)(c) subcontractor, (b)(6), (b)(7)(c) who is owed \$(b)(6), (b)(7)(c) US dollars for delivery of gravel on one the same contracts (b)(4) involving (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c).
7. (b)(6), (b)(7)(c) indicated that he was interested in rolling over the information gathered in 200-AF-0150 and consolidating the information into the same debarment request.
8. On October 5, 2010, Reporting Agent contacted (b)(6), (b)(7)(c)

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To: Directorate HQ
Date: October 27, 2010

From: SIGAR (b)(6), (b)(7)(c)
Title: 200-AF-0150

(b)(6), (b)(7)(c) [redacted]
[redacted] who granted permission to release case
documentation to (b)(6), (b)(7)(c) for Debarment of (b)(7)(A)

9. On October 27, 2010, (b)(6), (b)(7)(c) advised Reporting agent that the debarment submission has been submitted to (b)(6), (b)(7)(c) [redacted] for debarment of (b)(7)(A)
10. All investigative leads have been completed. No further investigation is warranted in this matter and is considered closed by (b)(6), (b)(7)(c)

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To: Directorate HQ
Date: October 27, 2010

From: SIGAR KAF
Title: 200-AF-0150

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close case 200-AF-0150

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: March 8, 2011

To: SIGAR Investigations Directorate HQ

From: SIGAR Investigations Directorate, Kabul

Approved By:

(b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case ID: 600-AF-0025

Title: (b)(6), (b)(7)(c), Larceny: Theft of Government Funds
(b)(4)

Synopsis: Recommendation to close this investigation.

Administrative: 600-AF-0025 A/C closing, 3/7/11, 60-day Preliminary Inquiry initiated on 12/8/2011. This case was initiated based upon a report from (b)(6), (b)(7)(c) that on 10/14/08 (b)(6), (b)(7)(c) received (b)(4) when it was erroneously transferred to his bank account by Electronic Funds Transfer (EFT). (b)(6), (b)(7)(c) withdrew the funds and refused to return them.

Details:

JUSTIFICATION TO CLOSE INVESTIGATION

On 12/7/10 this case was assigned to (b)(6), (b)(7)(c) with the intent to work a joint investigation with Afghan Shafafiyat Investigative Unit (ASIU) to arrest and prosecute (b)(6), (b)(7)(c) in Afghanistan.

On 1/27/11 SIGAR requested the Afghan Attorney General's (AG) Office assistance in tracking the stolen funds with the intent to seize the funds and to locate (b)(6), (b)(7)(c).

On 3/7/11 (b)(6), (b)(7)(c) advised (b)(7)(A) was unable to document the bank transfer because (b)(7)(A) was unable to match bank account information to (b)(6), (b)(7)(c).

There is no reasonable expectation that Afghan authorities will

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To: ID HQ

From: ID KABUL

Date: March 8, 2011

Title: 600-AF-0025

further investigate or promote this investigation and prosecution due to the above circumstances. I make the recommendation to close this SIGAR investigation.

LEAD(s):

Set Lead 1: (Action)

INVESTIGATIVE DIRECTORATE

AT CRYSTAL CITY, VIRGINIA

Close this case for reasons as explained above.

Set Lead 2: (Info)

SIGAR

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: February 8, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn:

(b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - Kabul, AF

Approved By:

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case #: 300-AF-0059

Title: UNSUB(s) aka, (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) of
(b)(6), (b)(7)(c); Bribery

Synopsis: Recommendation to close this investigation.

REF: AC dated February 3, 2011 by (b)(6), (b)(7)(c)

Details:

On 2/3/11 this investigation was reassigned to (b)(6), (b)(7)(c) to conduct joint investigation with Afghan Shafafiyat Investigative Unit (ASIU). (b)(6), (b)(7)(c) then reviewed the case file as follows:

On 11/16/2009 (b)(6), (b)(7)(c) wrote a statement at (b)(6), (b)(7)(c) that alleged the (b)(6), (b)(7)(c) Province ordered (b)(7)(A) to stop work on the (b)(6), (b)(7)(c). The (b)(6), (b)(7)(c) then solicited a (b)(4) bribe from (b)(7)(A) in order to allow their return to work. The project was stopped for approximately 10 days and the workers returned on November 15, 2009, after the local community pressured the (b)(6), (b)(7)(c). See attached sworn statement by (b)(6), (b)(7)(c) dated 11/16/2009.

Note: In his statement (b)(6), (b)(7)(c) did not identify the (b)(7)(A) official who was solicited to pay the bribe.

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To: SIGAR INV-HQ

From: SIGAR INV-

Date: FEB 8, 2011

Title: 300-AF-0059

In June 2010 it was reported the US Agency for International Development Office of Inspector General (USAID-OIG) Kabul, had closed their OIG case regarding this same complaint. The USAID-OIG witness, (b)(6), (b)(7)(c), an employee of (b)(7)(A) reported overhearing a taped conversation where the (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) of (b)(6), (b)(7)(c) Province had solicited bribe/extortion payments for \$(b)(4) and (b)(4) respectively.

In November 2010 SIGAR (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) interviewed (b)(6), (b)(7)(c) in the U.S. (b)(6), (b)(7)(c) stated to his knowledge no bribe payments were paid by (b)(4) officials.

On 2/3/11 (b)(6), (b)(7)(c) prepared an AC under this case file title and number in which it was alleged (b)(6), (b)(7)(c), former (b)(6), (b)(7)(c) Province, solicited a (b)(4) bribe, and (b)(6), (b)(7)(c) solicited a (b)(4) bribe from an unidentified U.S. contractor at (b)(7)(A). (b)(6), (b)(7)(c) further reported it was alleged voice recordings of the (b)(6), (b)(7)(c) related to the bribes existed however, no recordings were recovered by law enforcement authorities. Attempts to locate any additional evidence of payments or witnesses to this offense were negative.

Based on this review it is concluded referral of this investigation to ASIU is inappropriate based on the superficial and peripheral nature of the allegations and lack of evidence.

(b)(6), (b)(7)(c) therefore recommends this case be closed.

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To: SIGAR INV-HQ

From: SIGAR INV-

Date: FEB 8, 2011

Title: 300-AF-0059

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close this case.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: January 28, 2011

To: Investigations Directorate - HQ

Attn: (b)(6), (b)(7)(c) [REDACTED]

From: Investigations Directorate - (b)(6), (b)(7)(c) [REDACTED]

Contact: (b)(6), (b)(7)(c) [REDACTED]

Approved By: [REDACTED]

(b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 500-AF-0091

Title: UNSUB(S), aka,
Possible Misuse of (b)(6), (b)(7)(c)
Funded Program Helicopter
By (b)(7)(A); Possible Fraud & Abuse

Synopsis: Case Closed.

Details: SIGAR Hotline complaint. Complainants lost their motivation. Multiple attempts to contact complainants by telephone and e-mails to arrange interviews have met with little success. Matter was worked jointly with (b)(6), (b)(7)(c) Investigations. (b)(6), (b)(7)(c) contract helicopter records were collected and examined but due to the contract helicopter service not compiling passenger manifests, (b)(7)(A) subjects could not be conclusively placed on the (b)(6), (b)(7)(c) contract helicopters. (b)(6), (b)(7)(c) case agent has rotated back to South Africa. Close case due to lack of documentation of travel on (b)(6), (b)(7)(c) contract helicopters by subjects.

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To: ID-HQ
Date: 1/28/11

From: ID (b)(6), (b)(7)
Title: UNSUB(S), aka, Possible
Misuse of (b)(6), (b)(7)(c) Helicopter

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Close case file.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Precedence: Routine

Date: 5/5/11

To: Investigations Directorate (ID)

Attn: (b)(6), (b)(7)(c)

From: Investigations Directorate (ID)

Contact: (b)(6), (b)(7)(c)

Approved By:

(b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case ID:

300-AF-0148 (Closed)

Title:

(b)(6), (b)(7)(c)

Province;

Bribery;

Contract Fraud;

Major Crimes Task Force (MCTF),

Synopsis:

Request to close case.

Details:

(b)(6), (b)(7)(c)

(b)(6), (b)(7)(c) is no longer assigned to the Major Crimes Task Force (MCTF). The investigation is heavily dependent on numerous wire intercepts. Since (b)(6), (b)(7)(c) is no longer assigned to the MCTF and in a position to monitor the intercepts, it is recommended that this matter be closed.

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To: SIGAR INV-HQ
Date: 5/5/11

From: SIGAR INV (b)(6), (b)(7)(c)
Title: (b)(6), (b)(7)(c)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For informational purposes.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

Request to close the above captioned matter.

closed
5-21-11

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: March 3, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - Kabul

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case #: 300-AF-0122

Title: Bid Rigging on Various USG Contracts

Synopsis: Requesting this investigation be closed.

Details:

This investigation was predicated on a SIGAR Hotline complaint received September 14th 2010. The initial complaint alleged bid rigging by individuals at (b)(6), (b)(7)(c) who's last names were not known.

A subsequent preliminary inquiry conducted by agents of the ICCTF determined that the anonymous complainant could not provide any more information relating to the original complaint. He did, however provide detailed information relating to local staff of the embassy who he alleged were engaged in numerous fraudulent activities. The employees are all (b)(6), (b)(7)(c) working for the (b)(6), (b)(7)(c) who he alleged were involved in (b)(6), (b)(7)(c) on behalf of the Embassy.

An analysis of interviews of the complainant conducted by the FBI on 09/02/10, 11/23/10, and 12/05/10 revealed that all the allegations relate to (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c). None of his allegations relate to reconstruction funds.

Requesting this investigation be closed due to lack of SIGAR jurisdiction.

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To: SIGAR INV-HQ

From: SIGAR INV- Kabul

Date: 03/03/11

Title: 200-AF-0122

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Closing Communication

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Precedence: Routine

Date: January 30, 2011

To: Investigations Directorate (ID), HQ

Attn: (b)(6), (b)(7)(c)

From: Investigations Directorate (ID), [REDACTED]

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 300-AF-0093

Title: (b)(6), (b)(7)(c)

Synopsis: The following AC details a request to close this investigation.

Details:

(b)(6), (b)(7)(c) was previously employed as an (b)(6), (b)(7)(c) for the (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) Province. According to Confidential Sources working with Special Agents of SIGAR, (b)(6), (b)(7)(c) frequently extorted monies from local Afghan Contractors who were awarded U.S. Reconstruction contracts by the (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) demanded as much as 20% of the U.S. Reconstruction contract price in exchange for influencing the awarding of the U.S. Reconstruction Project to the local Afghan Contractors.

In May of 2010, information provided by (b)(6), (b)(7)(c) indicated that (b)(6), (b)(7)(c) was involved in the extorting of money from local Afghan Contractors in exchange for influencing the awarding of U.S. Reconstruction Projects in (b)(6), (b)(7)(c) Province. At other times, (b)(6), (b)(7)(c) would extort money from Afghan contractors after they had been awarded U.S. Reconstruction Projects. If the contractors did not pay (b)(6), (b)(7)(c), (b)(6), (b)(7)(c) would threaten to blacklist the contractors from receiving any future U.S. Reconstruction contracts.

In June of 2010, (b)(6), (b)(7)(c) provided (b)(6), (b)(7)(c) with recordings of phone calls of (b)(6), (b)(7)(c) in which (b)(6), (b)(7)(c) attempted to

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To: ID

From: ID

Date: January 30, 2011

Title: Req. to Close Investigation

solicit money from the CHS as a result of a U.S. Reconstruction project that was awarded to the (b)(6), (b)(7)(c) by the (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) Province.

In July of 2010, (b)(6), (b)(7)(c) met with (b)(6), (b)(7)(c) of the (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) listened to the recordings made by the (b)(6), (b)(7)(c) and confirmed that the person on the recording was in fact, (b)(6), (b)(7)(c), the (b)(6), (b)(7)(c) from the (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) advised (b)(6), (b)(7)(c) that members of the intelligence community may have additional information regarding criminal activities of (b)(6), (b)(7)(c) and his associates in (b)(6), (b)(7)(c) province. (b)(6), (b)(7)(c) then contacted members of the Counter Intelligence (CI) team, U.S. Army at (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) Province. (b)(6), (b)(7)(c) agreed to coordinate closely with the CI members in the investigation.

In September 2010, the investigation disclosed that (b)(6), (b)(7)(c) had significant ties to high ranking members of the Taliban in both Afghanistan and Pakistan. Based on this information, and the information previously received about (b)(6), (b)(7)(c) involvement in bribery and extortion, (b)(6), (b)(7)(c) was terminated as an (b)(6), (b)(7)(c) for the (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) Province. (b)(6), (b)(7)(c) was relieved from his duties as an (b)(6), (b)(7)(c) and has also been banned from entering or working on any U.S. facility in the future.

These actions will result in a positive message being sent to the local Afghan Contracting Community that this type of fraud and corruption, with respect to the U.S. Reconstruction effort, will not be tolerated. In addition, given his strong ties to the insurgency, the removal of (b)(6), (b)(7)(c) has removed (b)(6), (b)(7)(c) from U.S. Bases where he was able to have access to highly sensitive information that could be passed to members of the Taliban and insurgency. This information could then be used to launch attacks on coalition forces and significantly affect the U.S. Reconstruction effort in Afghanistan.

It should be noted that no local prosecution of (b)(6), (b)(7)(c) was sought. Evidence provided by (b)(6), (b)(7)(c), which included recorded contacts with (b)(6), (b)(7)(c) could not be utilized in said

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To: ID

From: ID

Date: January 30, 2011

Title: Req. to Close Investigation

prosecution. (b)(6), (b)(7)(c) is a high level, long term source. The disclosure of these recordings to any local Afghan authorities could result in the (b)(6), (b)(7) being compromised or even placed in danger. Since this evidence would be needed for any successful prosecution, and the evidence would not be available, it was decided not to pursue a local prosecution.

For these reasons, it is now requested that this investigation be closed.

LEAD(s):

Set Lead 1: (Info) - Request to Close Investigation

SIGAR

AT Arlington, Va.

Set Lead 2: (Info)

SIGAR

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: January 20, 2011

To: Investigations Directorate (ID) HQ

Attn: (b)(6),(b)(7)(c)

From: ID (b)(6),(b)(7)(c)

Contact: (b)(6),(b)(7)(c)

Approved By:

(b)(6),(b)(7)(c)

Created By: (b)(6),(b)(7)(c)

Case Number: 100-AF-0100

Title: (b)(6),(b)(7)(c) et al.

Synopsis: Preliminary Inquiry concluded. No further actions warranted at this time. Close Investigation.

Details:

1. A 60 day Preliminary Inquiry was initiated based upon SIGAR hotline #AR0099-10 in which the complainant, (b)(6),(b)(7)(c) alleged that several former employees attempted to defraud (b)(6),(b)(7)(c) company, (b)(7)(A).
2. (b)(6),(b)(7)(c) claimed that former (b)(7)(A) (b)(6),(b)(7)(c) awarded a subcontract with inflated amounts to a company, (b)(7)(A), with whom (b)(6),(b)(7)(c) had an undisclosed business relationship with.

BACKGROUND

3. According to (b)(6),(b)(7)(c), (b)(7)(A) (b)(6),(b)(7)(c) began his employment with (b)(7)(A) in approximately October 2007. Unbeknownst to (b)(6),(b)(7)(c) later formed a

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To: ID HQ

From: ID (b)(6),(b)(7)(C)

Date: January 20, 2011

Title: 100-AF-0100

company in approximately February 2009 called (b)(7)(A) incorporated in the (b)(6),(b)(7)(c). In approximately July 2009, (b)(7)(A) entered into an agreement with (b)(6),(b)(7)(c) to provide consulting services. This agreement was also without the knowledge of (b)(6),(b)(7)(c).

4. In approximately September 2009 (b)(7)(A) as a subcontractor, entered into a contract with the (b)(7)(A) the Prime contractor on a (b)(6),(b)(7)(c) project awarded by the U.S. Army Corp of Engineers (USACE). Several months later, (b)(7)(A) retained a company called (b)(7)(A) to perform quality control services with respect to (b)(7)(A) contract with (b)(7)(A). Coincidentally, (b)(7)(A) is also (b)(6),(b)(7)(c) by (b)(6),(b)(7)(c). At the time this proposal was submitted by (b)(7)(A) (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) had an undisclosed business relationship (b)(7)(A) providing consultation to (b)(7)(A). (b)(6),(b)(7)(c) acting in his capacity as a (b)(6),(b)(7)(c) for (b)(7)(A), subsequently awarded the contract to (b)(7)(A).

CONTRACT IRREGULARITIES

5. In February 2010, (b)(6),(b)(7)(c) replaced the management staff at (b)(7)(A) which included the termination of (b)(6), (b)(7)(c) employment. A subsequent review by the new management staff uncovered these contracting irregularities which lead to (b)(6), (b)(7)(c) complaint to SIGAR.
6. (b)(6), (b)(7)(c) provided copies of the documents they discovered on the computers used by the previous management team. Of particular interest are what appear to be two separate sets of "Price Schedules" prepared for the (b)(6), (b)(7)(c) contract. One schedule lists the proposed bid amount sought by (b)(7)(A) as being (b)(4) for one month. A second proposed bid by (b)(7)(A) that being the one actually submitted and accepted by (b)(6), (b)(7)(c), shows the

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To: ID HQ

From: ID (b)(6), (b)(7)

Date: January 20, 2011

Title: 100-AF-0100

amount to be (b)(4) for 1.5 months.

7. During the early part of 2010, (b)(7)(A) sought payment from (b)(7)(A) for services rendered. However, due to the irregularities (b)(6), (b)(7)(c) staff had discovered no payments were made. Based upon the information discovered by the (b)(7)(A) staff, (b)(6), (b)(7)(c) believes that (b)(6), (b)(7)(c), with that help of (b)(6), (b)(7)(c), took (b)(7)(A) original quote of (b)(4) and revised the amount upwards to \$(b)(4) with the intentions of enriching himself with the overage. (b)(6), (b)(7)(c) felt that the (b)(7)(A) contract as awarded by (b)(6), (b)(7)(c) included services not required and increased unit cost amounts. This belief was somewhat validated to (b)(6), (b)(7)(c) by the discovery of the two separate quotes found on the computers used by (b)(6), (b)(7)(c).
8. (b)(6), (b)(7)(c) indicated that he met with (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) on May 18, 2010 to discuss the matter. According to (b)(6), (b)(7)(c), (b)(6), (b)(7)(c) claimed that (b)(6), (b)(7)(c) was responsible for inflating the quote which he (b)(6), (b)(7)(c) later accepted on behalf of (b)(7)(A) (b)(6), (b)(7)(c) further indicated that he would no longer seek payment for the full amount of the quality control contract and offered his assistance in any future investigation that may arise.
9. With the help of (b)(6), (b)(7)(c) several attempts to contact (b)(6), (b)(7)(c) to accept (b)(7)(C) offer of assistance with regard to investigating this matter were unsuccessful.

CONCLUSIONS/RECOMMENDATIONS

10. (b)(6), (b)(7)(c) company, (b)(7)(A) was a subcontractor (tier 1) to the prime contractor (b)(7)(A) who held the contract for a USACE road project. The alleged fraud occurred between (b)(7)(A) (tier 1 subcontractor) and a lower (tier 2) company (b)(7)(A) which was awarded a quality control contract

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To: ID HQ

From: ID (b)(6), (b)(7)

Date: January 20, 2011

Title: 100-AF-0100

by (b)(7)(A). The awarding of the second tier contract to (b)(7)(A) occurred several months after (b)(7)(A) (tier 1) had been awarded the subcontract by (b)(7)(A). This is noted to highlight the fact that at the time (b)(7) bid was accepted by (b)(7)(A) the (b)(7)(A) contract had not been awarded by (b)(6), (b)(7)(c) and as such was not included in the bid submission made to the prime contractor. Although, Title 41 United States Code Section 53 (anti-Kickback Act) provides that it is prohibited for any person to solicit a kickback, in this particular instance, the alleged kickback scheme occurred between the subcontractor (tier 1) and a subordinate company (tier 2) which would make U.S. prosecution that much more difficult. Additionally, the alleged fraud was discovered before any funds were actually paid. Furthermore, although the USACE project did involve U.S. reconstruction funds, no actual loss occurred to the U.S. Government or the Government of the Islamic Republic of Afghanistan (GIROA). In this instance, while the monetary loss would have impacted (b)(7)(A) it would have been deemed "de minimis" and not likely warranted U.S. prosecution. Also, under provisions of the Sherman Anti-Trust Act (Title 15, United States Code Section 1), a conspiracy that exists for unreasonable restraint of commerce that is "international in nature" or "affects foreign trade", may be viable however in this instance the effect on foreign trade is distant at best and again would likely not warrant U.S. prosecution.

11. Alternate prosecution avenues such as referring the matter to the newly formed Afghanistan Shafafiyat Investigative Unit (ASIU) would not be viable without the cooperation of the alleged accomplice; (b)(6), (b)(7)(c) who no longer appears willing to help. Also, as previously mentioned, no monetary loss occurred and the amounts involved would likely be deemed negligible by Afghanistan authorities.

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To: ID HQ

From: ID [REDACTED]

Date: January 20, 2011

Title: 100-AF-0100

LEAD(s):

Set Lead 1: (Close Preliminary Inquiry)

SIGAR ID HQ

AT ARLINGTON, VIRGINIA

Set Lead 2: (info)

For SIGAR, Kabul

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE****Precedence:** Routine**Date:** 3/5/11**To:** SIGAR Investigations Directorate, Headquarters**Attn:** (b)(6),(b)(7)(c)**From:** SIGAR Investigations Directorate - Kabul**Approved By:**

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case ID: 300-AF-0145 (Closed)**Title:**

(b)(6),(b)(7)(c)

Province;
Bribery;
Drug Smuggling;
Weapons Smuggling;
Major Crimes Task Force (MCTF)

Synopsis: Case closed.**Details:** Per Acting (b)(6),(b)(7)(c), the above captioned matter should be closed due to no SIGAR nexus.

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FOUO//UNCLASSIFIED

To: SIGAR INV-HQ

From: SIGAR INV- Kabul

Date: 3/5/11

Title: (b)(6),(b)(7)(c)

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For informational purposes. Case closed.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For informational purposes. Case closed.

LEAD(s):

FOUO//UNCLASSIFIED



FOUO//UNCLASSIFIED

**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE****Precedence:** Routine**Date:** 3/5/11**To:** SIGAR Investigations Directorate, Headquarters**Attn:** (b)(6),(b)(7)(c)**From:** SIGAR Investigations Directorate - Kabul**Approved By:**

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case ID: 300-AF-0137 (Closed)**Title:**

(b)(6),(b)(7)(c)

(b)(6),(b)(7)(c)

Province, Afghanistan;
Bribery;
Miscellaneous Criminal Activity;
Major Crimes Task Force (MCTF)

Synopsis: Case closed.**Details:** Per Acting (b)(6),(b)(7)(c), the above captioned matter should be closed due to no SIGAR nexus.

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FOUO//UNCLASSIFIED

To: SIGAR INV-HQ

From: SIGAR INV- Kabul

Date: 3/5/11

Title: (b)(6),(b)(7)(c)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For informational purposes. Case closed.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For informational purposes Case closed.

FOUO//UNCLASSIFIED



UNCLASSIFIED

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Precedence: Routine

Date: 01-25-2011

To: Investigations Directorate (ID), HQ

Attn: AIG (Acting) (b)(6),(b)(7)(c)

(b)(6),(b)(7)(c)

From: Investigations Directorate (ID), Kabul

Contact: (b)(6),(b)(7)(c)

Approved By: (b)(6),(b)(7)(c)

Created By: (b)(6),(b)(7)(c)

Case ID: 300-AF-0069

Title: (b)(6),(b)(7)(c) Province - Bribery

Synopsis: Recommendation for Consensual Monitoring Bribery Case Closure.

Details: This memorandum is to close case file number 300-AF-0069 for the following reasons:

(b)(6),(b)(7)(c) has left the Province, is currently living in (b)(6),(b)(7)(c) and believed to have close ties with the (b)(6),(b)(7)(c)

The bribe payments were solicited, on behalf of (b)(6),(b)(7)(c) by two Afghan (b)(7)(A) employees.

The cooperating witness (CW) is unavailable and not willing to participate further in the investigation. The cooperating witness was recently (December 2010) involved in a 'failure to pay a bribe' scenario and arrested by Afghan National Police. The cooperating witness was asked to pay \$(b)(4) for his release. It is unknown if the CW paid the money to ANP, however, it is known that the CW does not want to cooperate with investigations involving (b)(6),(b)(7)(c) at this time.

The investigation disclosed (b)(6),(b)(7)(c) drafted loan documents regarding the bribe payments received from the cooperating witness's company (see AC dated 4-11-2010). The following alleged bribe payments were made to the (b)(6),(b)(7)(c) during 2008 by the cooperating witness.

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To: CID
Date: January 25, 2011

From: ID
Title: (b)(6),(b)(7)(c)

11-23-2008 (b)(4) Cash Deposit by CW
11-27-2008 (b)(4) Cash Deposit by CW

Due to the lack of cooperation by the (b)(6),(b)(7)(c)
(cooperating witness), it is recommended that the (b)(6),(b)(7)(c) Case
#300-AF-0069 be closed.

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Close investigation

Set Lead 2: (Info)

SIGAR

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: March 29, 2011

To: SIGAR Investigations Directorate, Headquarters

From: SIGAR Investigations Directorate - (b)(6),(b)(7)(c)

Approved By: [REDACTED]

Created By: (b)(6),(b)(7)(c)

Case #: 200-AF-0156 (C)

Title: (b)(6),(b)(7)(c) [REDACTED], ALLEGEDLY AWARDED
DEVELOPMENT/CONSTRUCTION PROJECTS TO (b)(6),(b)(7)(c)
[REDACTED] AT AN EXORBITANT RATE

Synopsis: Closing communication

Details: 200-AF-0156 A/C Closing 3/29/2011. 30 day
extension Preliminary Inquiry 1/26/2011. Opening
A/C dated 11/26/2010.

JUSTIFICATION TO CLOSE INVESTIGATION

Investigation initiated based upon information provided by an unknown U.S. citizen through a U.S. Government employee. It was alleged that (b)(6),(b)(7)(c) is assigned (b)(6),(b)(7)(c) in (b)(6),(b)(7)(c) Province, Afghanistan. (b)(6),(b)(7)(c) is alleged in some form or fashion to have awarded all of the development/construction projects to the construction company owned by (b)(6),(b)(7)(c), at an exorbitant rate. Documentation obtained shows that (b)(6),(b)(7)(c) started a business operating from his (b)(6),(b)(7)(c) residence in 2010. On November 21, 2010, (b)(6),(b)(7)(c) projected his sales volume at \$(b)(4). An analysis of National Comprehensive Report (CLEAR), dated January 10, 2011, received through the Joint Operations Center (JOC) did not reveal any transactions, wire transfers, bank deposits or cash receipts by (b)(6),(b)(7)(c). An inquiry to the (b)(7)(A) was negative for any foreign financial

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6),(b)(7)(c)

Date: March 29, 2011

Title: 200-AF-0156

transactions involving (b)(6),(b)(7)(c) or members of his immediate family.

Analysis of CERP Project (b)(6),(b)(7)(c) shows a contract being awarded to (b)(7)(A) Construction Company, in the amount of \$(b)(4). The contractor is listed as (b)(7)(A). A bulk contract for AF (b)(4) (US (b)(4)) was awarded for retaining walls. (b)(7)(A) as well as (b)(7)(A) Construction Company and (b)(7)(A), were each awarded AF (b)(4) (approximately US (b)(4)) contracts. The awarding of retaining wall contracts to other entities refutes the initial allegation that (b)(6),(b)(7)(c) awarded all contracts to (b)(4). The opportunity to interview the source of information is not possible as the referring U.S. employee redeployed out of Afghanistan without providing source contact information.

Based upon analyses of contracts issued by (b)(6),(b)(7)(c), it is determined that the initial allegation is not true. Due diligence has been done to resolve this issue. No further investigation is warranted in this matter and is considered closed by SIGAR (b)(6),(b)(7)(c).

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(C)

Date: March 29, 2011

Title: 200-AF-0156

LEAD(s):

Set Lead 1: (Action)

AT ARLINGTON, VA

Will close this case, for reasons as explained above.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: 22 FEBURARY, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6),(b)(7)(c)

From: SIGAR Investigations Directorate, (b)(6),(b)(7)(c)

Contact: (b)(6),(b)(7)(c)

Approved By:

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case #: 100-AF-0095

Title: UNSUB(S), aka, (b)(7)(A)
(b)(6),(b)(7)(c) to (b)(6),(b)(7)(c) Paved Road
Project, (b)(6),(b)(7)(c) Province; Procurement Fraud

Synopsis: Closed investigation.

Details:

REFERENCES

- (A) SIGAR AC / 03FEB11
- (B) SIGAR AC / 19JUL11

1. This investigation was initiated based on information from a (b)(6),(b)(7)(c) source who reported (b)(7)(C) suspected (b)(7)(A) was utilizing inferior grade asphalt on a U.S. reconstruction roadway titled: (b)(6),(b)(7)(c), in (b)(6),(b)(7)(c) Province, Afghanistan.

2. Inquiries confirmed this reconstruction project was paid by the Commander's Emergency Response Program (CERP) funds and was initially funded for \$ (b)(4), but later reduced to (b)(4).

3. During JUL10, the CERP contract file titled: (b)(6),(b)(7)(c) was obtained and reviewed. The road construction project was to provide a (b)(6),(b)(7)(c) Kilometer, (b)(6),(b)(7)(c) meter wide, paved road from (b)(6),(b)(7)(c) to (b)(6),(b)(7)(c), to include the construction and repair of water crossings, culverts, and bridges. The project goals were noted as: to connect the eastern half of the Province to the

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To: SIGAR INV-HQ

From: SIGAR INV (b)(6),(b)(7)(c)

Date: 22FEB11

Title: (b)(6),(b)(7)(c)
Paved Road Project

Western Half and to the Provincial capital which will facilitate the expansion of governance, increased security, and stimulate the economy.

4. (b)(7)(A) signed the contract on 17APR07. The start date was APR07 and the completion date was anticipated to be 15SEP10. The road project is 66% complete and spent funds total (b)(4). The last payment date was 27APR10, EXHIBIT (1).

4. On 15JUL10, (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) assigned to the Special Inspector General for Afghanistan Reconstruction (SIGAR), interviewed (b)(6),(b)(7)(c); (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) resulting in the following information being obtained. (b)(6),(b)(7)(c) confirmed he previously worked for (b)(7)(A). He alleged (b)(7)(A) was using an inferior grade of asphalt for road construction equal to 70/90 % grade when the correct grade of asphalt should be 60/70 %. Additionally, (b)(6),(b)(7)(c) indicated the PRT engineer, described as a U.S. person, may be accepting bribes in return for not reporting the use of the inferior asphalt. Additionally, (b)(7)(c) suspected (b)(7)(A) paid bribes to obtain the (b)(6),(b)(7)(c) road project. (b)(6),(b)(7)(c) failed to provide any specific or amplifying details other than (b)(7)(c) suspicions, EXHIBIT (2).

5. On 28NOV10, the Reporting Agent interviewed (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c), U.S. Army Corps of Engineers, at the Provincial Reconstruction Team (PRT), (b)(6),(b)(7)(c) Province. The purpose of the interview was to obtain information on the construction progress of the (b)(6),(b)(7)(c) road project.

6. On 20JAN11, (b)(6),(b)(7)(c) re-contacted (b)(6),(b)(7)(c) for the purpose of obtaining an update on the (b)(6),(b)(7)(c) road/bridge project. According to (b)(6),(b)(7)(c), the contractor had completed 22-24 kilometers or approximately 66% of the project. (b)(6),(b)(7)(c) reported approximately 40% of the 66% involved paving, the construction of culverts and a causeway bridge called the (b)(6),(b)(7)(c) Bridge. (b)(6),(b)(7)(c) added the contractor failed to complete the work and the contractor failed to respond to PRT attempts to discuss the road project.

7. According to (b)(6),(b)(7)(c), the contractor ceased work because of ongoing poor workmanship and security issues. As it pertained to allegations of poor quality asphalt being utilized, (b)(6),(b)(7)(c)

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6),(b)(7)(c)

Date: 22FEB11

Title: (b)(6),(b)(7)(c) [REDACTED]
Paved Road Project

commented the majority of the required paving work was done in 2009-2010 and was holding well without quality issues and damage, crumbling asphalt, potholes, etc. (b)(6),(b)(7)(c) failed to find evidence of poor quality asphalt. (b)(6),(b)(7)(c) stated the PRT issued a Termination for Default (T for D) and or 'Show Cause' letter to the contractor due to (b)(7)(c) poor workmanship. (b)(6),(b)(7)(c) added the cost to repair the poor quality construction of the (b)(6),(b)(7)(c) Bridge was estimated at (b)(4) [REDACTED]. The cost to complete the (b)(6),(b)(7)(c) road project is (b)(4) [REDACTED] million, EXHIBIT (4).

8. (b)(6),(b)(7)(c) was telephonically re-contacted on 18FEB11 and reported the Regional Contracting Command (RCC), (b)(6),(b)(7)(c), is pursuing the contractor termination process. (b)(7)(c) provided the RCC point of contact as: (b)(6),(b)(7)(c) [REDACTED].

9. On 18FEB11, (b)(6),(b)(7)(c) was telephonically contacted. (b)(7)(c) reported; the current action against the contractor is not 'Terminating for Default.' Instead, the RCC is re-defining the Statement of Work. Thus, the RCC is advising the contractor that all work performed on this contract to date is complete and no further construction efforts are needed. The RCC will attempt to contact the contractor telephonically and by email to determine if any further payments are needed, EXHIBIT (5).

10. This investigation failed to surface any supporting information regarding the payment of bribes to the PRT engineer. Additionally no independent test results or visual inspection detected inferior asphalt used on this project while positive asphalt test documentation was provided by the contractor. However poor concrete construction methods were demonstrated by the contractor resulting in visual damage to the (b)(6),(b)(7)(c) Bridge and in the contractor ceasing further work effort. No fines or penalties are being placed against the contractor. As the result of the RCC's ongoing administrative actions against the contractor and no available evidence to support the allegations cited herein no further investigative effort will be conducted. This case is closed.

EXHIBITS

1. CERP contract file, (b)(6),(b)(7)(c) [REDACTED], (selected documents) / 19JUL10

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6),(b)(7)(c)

Date: 22FEB11

Title: (b)(6),(b)(7)(c) [REDACTED]
Paved Road Project

2. SIGIR Results of Interview; (b)(6),(b)(7)(c) [REDACTED] /
15JUL10
3. SIGAR Results of Interview; (b)(6),(b)(7)(c) [REDACTED] /
(b)(6),(b)(7)(c) [REDACTED] / 28NOV10
4. SIGAR Results of Interview; (b)(6),(b)(7)(c) [REDACTED] / 20JAN11
5. SIGRA Results of Interview of (b)(6),(b)(7)(c) [REDACTED] /18FEB11

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Note close investigation.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 21 April, 2011**To:** SIGAR Investigations Directorate, Headquarters**From:** SIGAR Investigations Directorate Kabul**Approved By:**

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case #: 300-AF-0092**Title:** UNSUB(S), AKA, (b)(6),(b)(7)(c);
(b)(6),(b)(7)(c); PRT Road Project in (b)(6),(b)(7)(c) Province;
Bribery**Synopsis:** Recommendation to close this investigation.**Reference:** AC dated 2/5/11 by (b)(6),(b)(7)(c) transferring
case to (b)(6),(b)(7)(c), for the purpose of conducting
a joint investigation with Afghan Shafafiyat
Investigative Unit (ASIU).**Details:**

Justification to close investigation:

On 6/20/11 (b)(6),(b)(7)(c), aka (b)(6),(b)(7)(c), (b)(6),(b)(7)(c) for
(b)(7)(A) Construction Company, filed a SIGAR HOTLINE complaint (AR
0082-10), claiming Afghan Provincial government and non
government officials stopped his workers from performing on a
PRT road project in (b)(6),(b)(7)(c) Province unless he paid them bribes.

These allegations are unsubstantiated and though (b)(6),(b)(7)(c) initial
complaint indicated he had audio recordings that supported his allegations
he did not provide them to SIGAR. Nor did (b)(6),(b)(7)(c), provide
SIGAR with contract information verifying he was working on a PRT funded
road project.

Between 6/25/10 and 9/30/10, (b)(6),(b)(7)(c) made numerous telephone
calls and sent emails to coordinate a meeting with (b)(6),(b)(7)(c).
These attempts were unsuccessful as (b)(6),(b)(7)(c) failed to meet
(b)(6),(b)(7)(c) at designated dates/times. (b)(6),(b)(7)(c) made numerous
excuses as to why (b)(7)(c) couldn't attend the meetings.

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To: SIGAR INV-HQ

From: SIGAR INV-

Date: 4/21/11

Title: UNSUB(S), AKA, (b)(6),(b)(7)(c)
PRT Road Project in (b)(6),(b)(7)(c)
Province; Bribery

On 7/11/10 (b)(6),(b)(7)(c) reported (b)(6),(b)(7)(c), aka (b)(6),(b)(7)(c) as the (b)(6),(b)(7)(c) of (b)(7)(A) Construction Company (b)(7)(A), (b)(6),(b)(7)(c), Afghanistan.

On 2/5/11 (b)(6),(b)(7)(c) reported (b)(6),(b)(7)(c) as the (b)(6),(b)(7)(c) of (b)(7)(A) Construction Company.

On 2/7/11 this case was assigned to (b)(6),(b)(7)(c) with the intent to work a joint investigation with Afghan Shafafiyat Investigative Unit (ASIU).

(b)(6),(b)(7)(c) requested SIGAR linguist staff to contact (b)(6),(b)(7)(c). Between 12/25/10 and 4/11/11, (b)(6),(b)(7)(c) made numerous telephone calls and sent emails to coordinate a meeting with (b)(6),(b)(7)(c). On 4/11/11 (b)(6),(b)(7)(c) was able to speak with (b)(6),(b)(7)(c), cell phone number (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) stated "I had no more interest to provide or help with SIGAR about (b)(7)(C) allegation or complaint and that (b)(7)(C) wanted his complaint to be closed".

On 4/18/11 SIGAR requested by email contract verification from (b)(6),(b)(7)(c), (b)(6),(b)(7)(c), for contracts with (b)(7)(A) Construction Company and (b)(7)(A) Construction Company for the PRT road project in (b)(6),(b)(7)(c) Province.

On 4/18/11 (b)(6),(b)(7)(c) replied by email, "they do not have any relations with these contractors and according to their master contractor list the PRT has never had any contracts with these two companies".

On 4/18/11 SIGAR requested Afghanistan Investment Support Agency (AISA) to conduct business license records for (b)(7)(A) Construction Company and (b)(7)(A) Construction Company.

On 4/20/11 AISA replied that (b)(7)(A) Construction Company, license No: (b)(6),(b)(7)(c), issued (b)(6),(b)(7)(c), listed the (b)(6),(b)(7)(c) as (b)(6),(b)(7)(c).

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FOUO//UNCLASSIFIED

To: SIGAR INV-HQ

From: SIGAR INV-

Date: 4/21/11

Title: UNSUB(S), AKA, (b)(6),(b)(7)(c)

(b)(6),(b)(7)(c)
Laghman
Province; Bribery

AISA also reported (b)(7)(A) Construction Company didn't have a business license in Afghanistan.

To date, SIGAR hasn't been able to verify (b)(6),(b)(7)(c) had been awarded a PRT road project in (b)(6),(b)(7)(c) Province.

There is no reasonable expectation that Afghan authorities will further investigate or promote this investigation and prosecution due to the above circumstances. I make the recommendation to close this SIGAR investigation.

The results of this investigation will be shared with (b)(6),(b)(7)(c).

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Case to be closed.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

FOUO//UNCLASSIFIED

UNCLASSIFIED



SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 05/14/2010**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6),(b)(7)(c) [REDACTED]**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6),(b)(7)(c) [REDACTED]**Approved By:** (b)(6),(b)(7)(c) [REDACTED]**Created By:** (b)(6),(b)(7)(c) [REDACTED]**Case ID:** 500-AF-0038 (C)**Title:** (b)(6),(b)(7)(c) [REDACTED]
Embezzlement; Conspiracy

*Close Abm -
Not Reconstruction
funds - 5/16/10
[Signature]*

Synopsis: Request subject case be closed with no further action as SIGAR lacks investigative jurisdiction of alleged offenses.

Details: On May 13, 2010, the writer reviewed the classified FinCen report re: listed subjects. Subjects have outstanding Interpol warrants based on an Afghanistan government request. Subject offenses are based on Afghan law. There is no open investigation or any action contemplated by any United States (US) investigative agency. There is no intended action to seek an arrest warrant or extradition.

Alleged offenses involve theft of Afghan Government or private funds. There is no information to indicate the involvement of Afghan Reconstruction funds or any type of funds appropriated by the US government.

Recommend this case be closed as SIGAR jurisdiction involves only Afghan Reconstruction funds which are not involved in this matter.

UNCLASSIFIED

500-AF-0038

UNCLASSIFIED

To: CID
Date: 05/14/2010

From: CID
Title: (b)(6),(b)(7)(c) [REDACTED]
[REDACTED]
Embezzlement; Conspiracy

LEAD (s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close the investigation.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

Information only.

UNCLASSIFIED



UNCLASSIFIED

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

To: Investigations Directorate HQ**Date:** November 28, 2010**From:** Investigations Directorate (b)(6),(b)(7)(c)
Afghanistan Field Office - (b)(6),(b)(7)(c)**Approved By:**

(b)(6),(b)(7)(c)

Created By: (b)(6),(b)(7)(c)**Case ID:** 300-AF-0135 (Closing CCW 11-28-2010)**Title:** Contract Corruption at (b)(6),(b)(7)(c) District**Synopsis:** Closing Communication

Administrative: Preliminary Inquiry initiated on October 15, 2010, from a Hotline Complaint received September 29, 2010 via telephone. Numerous attempts to contact Complainant were negative. Inquiry determined no evidence of any criminal violations based upon information reported in complaint was unfounded.

Details:**JUSTIFICATION TO CLOSE INVESTIGATION**

1. On September 29, 2010, the complainant (b)(6),(b)(7)(c) made a telephonic complaint via SIGAR Hotline, wherein (b)(6),(b)(7)(c) alleged that an unidentified (b)(6),(b)(7)(c) at the Army PRT in (b)(6),(b)(7)(c) province (b)(6),(b)(7)(c) district was involved in corrupt activities.
2. Numerous efforts to contact (b)(6),(b)(7)(c) have met with negative results.
3. On November 28, 2010, reporting agent contacted (b)(6),(b)(7)(c), who advised that there was no (b)(6),(b)(7)(c) in (b)(6),(b)(7)(c) or any (b)(6),(b)(7)(c) assigned to the (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) said the only (b)(6),(b)(7)(c) assigned to (b)(6),(b)(7)(c) were a

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To: Directorate HQ
Date: November 28, 2010

From: SIGAR (b)(6), (b)(7)
Title: 300-AF-0135

(b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) and they were both assigned to the (b)(6),(b)(7)(c) unit.

4. All investigative leads have been completed. No further investigation is warranted in this matter and is considered closed by KAF.

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To: Directorate HQ
Date: November 28, 2010

From: SIGAR (b)(6), (b)(7)
Title: 300-AF-0135

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close investigation.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 21 April, 2011

To: SIGAR Investigations Directorate, Headquarters

From: SIGAR Investigations Directorate Kabul

Approved By: (b)(7)(c), (b)(6)

Created By: (b)(7)(c), (b)(6)

Case #: 300-AF-0092

Title: UNSUB(S), (b)(7)(c), (b)(6)
(b)(7)(c), (b)(6) PRT Road Project in Laghman Province;
Bribery

Synopsis: Recommendation to close this investigation.

Reference: AC dated 2/5/11 by S/A (b)(7)(c), (b)(6) transferring case to S/A (b)(7)(c), (b)(6), for the purpose of conducting a joint investigation with Afghan Shafafiyat Investigative Unit (ASIU).

Details:

Justification to close investigation:

On 6/20/11 Engineer (b)(7)(c), (b)(6), aka (b)(7)(c), (b)(6), (b)(7)(c), (b)(6) for (b)(7)(A) Company, filed a SIGAR HOTLINE complaint (AR 0082-10), claiming Afghan Provincial government and non government officials stopped his workers from performing on a PRT road project in (b)(7)(A) Province unless he paid them bribes.

These allegations are unsubstantiated and though (b)(7)(A)(b)(7)(c), (b)(6) initial complaint indicated he had audio recordings that supported his allegations he did not provide them to SIGAR. Nor did (b)(7)(C)(b)(7)(c), (b)(6), provide SIGAR with contract information verifying (b)(7)(C) was working on a PRT funded road project.

Between 6/25/10 and 9/30/10, S/A (b)(7)(c), (b)(6) made numerous telephone calls and sent emails to coordinate a meeting with (b)(7)(C)(b)(7)(c), (b)(6). These attempts were unsuccessful as (b)(7)(C)(b)(7)(c), (b)(6) failed to meet S/A (b)(7)(c), (b)(6) at designated dates/times. (b)(7)(C)(b)(7)(c), (b)(6) made numerous excuses as to why (b)(7)(C) couldn't attend the meetings.

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(b)(7)(c), (b)(6)

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To: SIGAR INV-HQ

From: SIGAR INV-

Date: 4/21/11

Title: UNSUB(S), (b)(7)(c), (b)(6)

(b)(7)(c), (b)(6)

PRT Road Project in (b)(7)(A)

Province; Bribery

On 7/11/10 S/A (b)(7)(c), (b)(6) reported (b)(7)(c), (b)(6), aka (b)(7)(c), (b)(6) (b)(7)(c), (b)(6), as the (b)(7)(c), (b)(6) of (b)(7)(A) Company (b)(7)(A), Afghanistan.

On 2/5/11 S/A (b)(7)(c), (b)(6) reported Mr. (b)(7)(c), (b)(6) as the (b)(7)(c), (b)(6) of (b)(7)(A) Construction Company.

On 2/7/11 this case was assigned to S/A (b)(7)(c), (b)(6) with the intent to work a joint investigation with Afghan Shafafiyat Investigative Unit (ASIU).

S/A (b)(7)(c), (b)(6) requested SIGAR linguist staff to contact (b)(7)(A) (b)(7)(c), (b)(6). Between 12/25/10 and 4/11/11, (b)(7)(c), (b)(6) made numerous telephone calls and sent emails to coordinate a meeting with (b)(7)(A)(b)(7)(c), (b)(6). On 4/11/11 (b)(7)(A)(b)(7)(c), (b)(6) was able to speak with (b)(7)(c) (b)(7)(c), (b)(6), cell phone number (b)(7)(c), (b)(6). (b)(7)(c) (b)(7)(c), (b)(6) stated "(b)(7)(c) had no more interest to provide or help with SIGAR about (b)(7)(c) allegation or complaint and that (b)(7)(c) wanted his complaint to be closed".

On 4/18/11 SIGAR requested by email contract verification from (b)(7)(c), (b)(6) PRT (b)(7)(C) for contracts with (b)(7)(A) Company and (b)(7)(A) Company for the PRT road project in (b)(7)(A) Province.

On 4/18/11 (b)(7)(c), (b)(6) (b)(7)(A) PRT replied by email, "they do not have any relations with these contractors and according to their master contractor list the PRT has never had any contracts with these two companies".

On 4/18/11 SIGAR requested Afghanistan Investment Support Agency (AISA) to conduct business license records for (b)(7)(A) Company and (b)(7)(A) Company.

On 4/20/11 AISA replied that (b)(7)(A) Company, license No. (b)(7)(c), (b)(6) issued 5/30/10, listed the President and owner as (b)(7)(c), (b)(6)

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To: SIGAR INV-HQ

From: SIGAR INV-

Date: 4/21/11

Title: UNSUB(S), (b)(7)(c), (b)(6)

(b)(7)(c), (b)(6)

PRT Road Project in Laghman
Province; Bribery

AISA also reported (b)(7)(A) Company didn't
have a business license in Afghanistan.

To date, SIGAR hasn't been able to verify (b)(7)(C)(b)(7)(c), (b)(6) had been
awarded a PRT road project in (b)(7)(A) Province.

There is no reasonable expectation that Afghan authorities will
further investigate or promote this investigation and
prosecution due to the above circumstances. I make the
recommendation to close this SIGAR investigation.

The results of this investigation will be shared with (b)(7)(c), (b)(6)

(b)(7)(c), (b)(6)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Case to be closed.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: February 3, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6),(b)(7)(c)

From: SIGAR Investigations Directorate - Kabul, Afghanistan

Approved By: [REDACTED]

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case #:

200 AF 0090

Title:

(b)(6),(b)(7)(c)

Contract Fraud, False claims, Theft

Synopsis:

Case Closed and Referred to Army CID

Details:

(b)(6),(b)(7)(c) is the owner of an Afghan Company known as (b)(6),(b)(7)(c) Construction Company. (b)(6),(b)(7)(c) alleged that in October or November 2009, (b)(6),(b)(7)(c) of (b)(6),(b)(7)(c) in (b)(6),(b)(7)(c), verbally contracted with him to deliver (b)(6),(b)(7)(c) and to lease (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c).

The cost of the (b)(6),(b)(7)(c) was (b)(4) USD. The value of the (b)(6),(b)(7)(c) was (b)(4) USD. The value of the (b)(6),(b)(7)(c) was (b)(4) USD. (b)(6),(b)(7)(c) stated the value of lost (b)(6),(b)(7)(c) payments was (b)(4) USD.

(b)(6),(b)(7)(c) met (b)(6),(b)(7)(c) at (b)(6),(b)(7)(c) and received a payment of (b)(4) Afghani cash and (b)(4) USD for the first month payment. The next month (b)(6),(b)(7)(c) went to (b)(6),(b)(7)(c) for payment and was told that (b)(6),(b)(7)(c) was transferred to (b)(6),(b)(7)(c) in (b)(6),(b)(7)(c) Province.

(b)(6),(b)(7)(c) traveled to (b)(6),(b)(7)(c) and met (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) told him that there was no cash available and that he should return in (b)(6) months. (b)(6),(b)(7)(c) is no longer in Afghanistan. (b)(6),(b)(7)(c) has not been able

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To: SIGAR INV-HQ

From: SIGAR INV - Kabul, AF

Date: February 3, 2011

Title: (b)(6),(b)(7)(c)

to obtain (b)(6),(b)(7)(c) payments and has not been able to get his equipment returned.

This information was referred to (b)(6),(b)(7)(c) Army CID, ICCTF, along with pertinent documents from the case file.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For closing.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 01/28/2011

To: SIGAR Investigation Directorate - HQ

Attn: (b)(6),(b)(7)(c)

From: SIGAR Investigations - (b)(6),(b)(7)(c)

Contact: (b)(6),(b)(7)(c)

Approved By: (b)(6),(b)(7)(c)

Created By: (b)(6),(b)(7)(c)

Case ID: 200-AF-0068

Title: UNKNOWN SUBJECTS, (b)(7)(A)
LTD,
(b)(6),(b)(7)(c) AFGHANISTAN, AND
(b)(7)(A) CONSTRUCTION COMPANY,
(b)(6),(b)(7)(c) AFGHANISTAN
CONTRACT FRAUD - VIOLATION OF THE
SHERMAN ANTITRUST ACT (BID-RIGGING)

Synopsis: Case Closed.

Administrative: 60 day Preliminary Inquiry initiated 4/7/2010.

Details: This case was an extract of bid rigging allegations from an ICCTF case pertaining to the (b)(7)(A) which was investigated under U.S. Army CID case file (b)(6),(b)(7)(c) and which has since been transferred to CONUS per the ICCTF/CID case agent, (b)(6),(b)(7)(c), and is no longer being worked in Afghanistan. Little documentation exists in Afghanistan pertaining to this case. This case is closed based on a lack of records at this location and the fact that the matter has already been examined by the ICCTF in the (b)(7)(A) investigation.

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To: CID HQ
Date: 01/28/2011

From: CID (b)(6),(b)(7)
Title: 200-AF-0068

LEAD(s):

Set Lead 1: (Action)

SIGAR CID HQ

AT ARLINGTON, VIRGINIA

Close case file.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine

Date: 1-24-2011

To: Criminal Investigations Directorate (CID), HQ

(b)(6),(b)(7)(c)

2-8-11

From: Criminal Investigations Directorate (CID), Kabul

Contact: (b)(6),(b)(7)(c)

(b)(6),(b)(7)(c)

Approved By:

Created By: (b)(6),(b)(7)(c)

Case ID: 300-AF-0105

Title: UNSUB(S): AKA (b)(6),(b)(7)(c); (b)(6),(b)(7)(c), AKA (b)(6),(b)(7)(c), AKA;
Bribery; Conspiracy

Synopsis: Close preliminary investigation and discontinue
possible utilization as a Confidential Source.

Details: This report is submitted to close the preliminary
investigation, 300-AF-0105, regarding (b)(6),(b)(7)(c) as a possible
source on fuel deliveries.

(b)(6),(b)(7)(c) was interviewed on January 24, 2011 at the office of
SIGAR Investigations, U.S. Embassy - Kabul, by (b)(6),(b)(7)(c)
and (b)(6),(b)(7)(c). (b)(6),(b)(7)(c)
advised he has been out of work for several months and presented
no new information regarding fuel distribution irregularities
other than the military, at (b)(6),(b)(7)(c), was
negligent in checking fuel truck seals and matching up fuel
distribution and receiving invoices with the FOBs. (b)(7)(C) advised he
had no knowledge of any American, or Afghan-American, receiving
money from Afghan fuel truck operators to short fuel deliveries.

It is recommended that case number 300-AF-0105 be closed;
however, in the event Mohammed Kandagha obtains any actionable
information regarding fuel diversion matters, (b)(7)(C) be re-evaluated
for future consideration.

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To: Investigation Directorate, HQ From: Investigation
Directorate, AF
Date: 1/24/2011 Title: #300-AF-0105

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

For Information

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

To: Investigations Directorate HQ
Attn: (b)(6),(b)(7)(c)

Date: January 26, 2011

From: Investigations Directorate
Afghanistan Field Office - (b)(6),(b)(7)(c)
Contact: (b)(6),(b)(7)(c)

Approved By: [REDACTED]

Created By: (b)(6),(b)(7)(c)

Case ID: 200-AF-0144

Title: (b)(7)(A) [REDACTED] and (b)(7)(A) [REDACTED]

Synopsis: Closing Communication

Administrative: Preliminary Inquiry initiated on October 31, 2010, from a result of interview of former (b)(7)(A) employee, on October 29, 2010, wherein complainant alleged product substitution, kickback and fraud by the owners of (b)(7)(A) and (b)(7)(A).

Details:

JUSTIFICATION TO CLOSE INVESTIGATION

1. On October 29, 2010, Special Agents (b)(6),(b)(7)(c) [REDACTED] and (b)(6),(b)(7)(c) [REDACTED] Special Inspector General for Afghanistan Reconstruction (SIGAR) interviewed (b)(6),(b)(7)(c) [REDACTED] Afghanistan regarding (b)(6),(b)(7)(c) [REDACTED] knowledge of corruption aboard (b)(6),(b)(7)(c) [REDACTED].
2. (b)(6),(b)(7)(c) [REDACTED], noted he was a former employee of (b)(6),(b)(7)(c) [REDACTED] and said (b)(6),(b)(7)(c) [REDACTED] and (b)(6),(b)(7)(c) [REDACTED], were involved in a fraud scheme to defraud the United States by substituting inferior products RBLs by cutting 40 foot RBL container units into two 20 foot container units and misrepresenting them to the Military as original 20 foot container units.
3. (b)(6),(b)(7)(c) [REDACTED] made several allegations against (b)(6),(b)(7)(c) [REDACTED], (b)(6),(b)(7)(c) [REDACTED], and (b)(6),(b)(7)(c) [REDACTED], which are listed as follows:

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To: Directorate HQ
Date: January 26, 2011

From: SIGAR (b)(6),(b)(7)
Title: 200-AF-0144

- That the foundation (concrete slabs) poured by (b)(6),(b)(7) for RBL South were sub-standard. According to (b)(6),(b)(7), (b)(6),(b)(7) was not a construction company and that the RLB containers received from (b)(6),(b)(7) were also sub-standard. (b)(6),(b)(7) claims that the RLBs installed by (b)(7)(A) on (b)(7)(A) behalf at (b)(6),(b)(7)(c) were falling apart and have continued to this day.
- That (b)(7)(A) was providing sub-standard container units to the US Military. (b)(6),(b)(7) said that (b)(7)(A) were cutting 40 foot container units in half and representing them as 20 foot container units which according to (b)(6),(b)(7)(c), was in violation of the specifications contained in the contract. That the majority of containers received at the (b)(6),(b)(7)(c) site had holes in the containers which (b)(6),(b)(7) alleges caused leakage problems, were falling apart and presented potential safety hazards for the occupants of those units.
- That the owner of (b)(7)(A), (b)(6),(b)(7) sold the RBL contract valued at (b)(4) US dollars to (b)(6),(b)(7) owner of (b)(7)(A), for (b)(4) US Dollars. (b)(6),(b)(7) said he based his knowledge on conversations that he (b)(6),(b)(7)(c) had separately with (b)(6),(b)(7) and (b)(6),(b)(7)(c) between October 2008 and April 2009.
- That the Regional Contracting (RCC) Office at (b)(6),(b)(7) was aware of the substandard construction of the RBL units at (b)(6),(b)(7)(c) and the financial problems regarding (b)(6),(b)(7)(c) for non-payment to their afghan employees and sub-contractors. (b)(6),(b)(7) said (b)(7)(c) has spoken in person and had sent e-mails from his (b)(7)(A) computer to the various contracting officer and contracting officer technical representatives (COTRs) at the (b)(6),(b)(7) RCC regarding the above stated issues.
- (b)(6),(b)(7) said he had spoken with all three RCC personnel, two COTRs, (b)(6),(b)(7)(c) (phonetic), and (b)(6),(b)(7)(c) and unidentified Major who (b)(6),(b)(7) said was the (b)(6),(b)(7)(c) whom (b)(6),(b)(7) could not recall the

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To: Directorate HQ
Date: January 26, 2011

From: SIGAR (b)(6),(b)(7)
Title: 200-AF-0144

name of regarding the substandard construction and non-payment issues by (b)(7)(A). (b)(6),(b)(7) said he informed all three individuals that the materials (RBL containers) the Military was receiving from (b)(7)(A) was sub-standard, had holes in the sides, that they were receiving 40 foot container units from (b)(7)(A) that had been cut in half and represented as 20 Foot containers.

4. On October 29, 2010, (b)(6),(b)(7)(c) met with (b)(6),(b)(7)(c), Defense Criminal Investigative Service (DCIS), International Contract & Corruption Task Force Afghanistan (ICCTF-A) who was briefed on the investigation as the monies ((b)(4) Dollars) appropriated under (b)(4) were determined to be title 10 funds not reconstruction funds. (b)(6),(b)(7)(c) agreed to accept the investigation.
5. On November 15, 2010, (b)(6),(b)(7)(c) provided (b)(6),(b)(7)(c) with all SIGAR investigative reports and contract documents.
6. On January 17, 2011, (b)(6),(b)(7)(c) was advised by (b)(6),(b)(7)(c) to close said investigation because it involved Title 10 monies which did not fall under SIGAR jurisdiction.
7. All investigative leads have been completed. No further investigation is warranted in this matter and the case is considered closed by (b)(6),(b)(7)(c).

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To: Directorate HQ
Date: January 26, 2011

From: SIGAR (b)(6),(b)(7)
Title: 200-AF-0144

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Case to be closed

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: February 4, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6),(b)(7)(c)

From: SIGAR Investigations Directorate - Kabul, Afghanistan

Approved By: (b)(6),(b)(7)(c)

Created By: (b)(6),(b)(7)(c)

Case #: 200 AF 01020086

Title: (b)(6),(b)(7)(c)
False Claims, Theft

Synopsis: Case Closed and Referred to Army CID

Details: (b)(6),(b)(7)(c) is the (b)(6),(b)(7)(c) of an Afghan Company known as (b)(6),(b)(7)(c) Construction Company. (b)(6),(b)(7)(c) alleged that in 2009 he was awarded contract number (b)(4) to provide 7,953 cubic meters of crush to (b)(6),(b)(7)(c) in (b)(6),(b)(7)(c), Afghanistan.

The value of the crush was (b)(4). The contracting officer was (b)(6),(b)(7)(c).

In October 2009, (b)(6),(b)(7)(c) delivered the crush to (b)(6),(b)(7)(c) at (b)(6),(b)(7)(c) and then went to see (b)(6),(b)(7)(c) at (b)(6),(b)(7)(c) for payment. (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) have redeployed.

(b)(6),(b)(7)(c) replaced (b)(6),(b)(7)(c) as the (b)(6),(b)(7)(c) and referred the non-payment issue to (b)(6),(b)(7)(c).

(b)(6),(b)(7)(c) advised that the contract was an unauthorized commitment and that the contract was under ratification.

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To: SIGAR INV-HQ

From: SIGAR INV - Kabul, AF

Date: February 4, 2011

Title: (b)(6),(b)(7)(c) [REDACTED]

The information was referred to (b)(6),(b)(7)(c) [REDACTED] Army CID, ICCF, along with pertinent documents from the case file.

This case is now closed.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For closing.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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To: SIGAR INV-HQ

From: SIGAR INV - Kabul, AF

Date: February 4, 2011

Title: (b)(6),(b)(7)(c)

For general awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6),(b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6),(b)(7)(c)**Approved By:** (b)(6),(b)(7)(c)**Created By:** (b)(6),(b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE****Priority:** Routine**Date:** September 7, 2010**To:** Investigations Directorate (ID) HQ**Attn:** (b)(6),(b)(7)(c)**From:** ID (b)(6),(b)(7)(c)**Contact:** (b)(6),(b)(7)(c)**Approved By:** (b)(6),(b)(7)(c)**Created By:** (b)(6),(b)(7)(c)**Case #:** 100-AF-0101 (P)**Title:** (b)(7)(A) Construction
(b)(7)(A) Construction;
Procurement Fraud

Synopsis: Preliminary Inquiry concluded. No further actions at this time. Close investigation.

Details: A 60-day Preliminary Inquiry was initiated on 7/27/2010. The primary fraud allegation as it relates to reconstruction funding pertained to the (b)(7)(A) Construction Company and the (b)(7)(A) Construction company. The complainant, (b)(6),(b)(7)(c), claimed that these two companies were awarded road construction contracts from the Afghan Reconstruction & Development Services (ADRS) with the funds originating from the USAID. The contracts in question were purported to be at the rate of (b)(4) USD per kilometer which (b)(6),(b)(7)(c) considered overly excessive.

The ADRS, as described by the Government of Afghanistan (GOA), is the component of the Ministry of Reconstruction that supervises the GOA Procurement Unit (PU). Funding is provided to the ADRS by various donor groups primarily identified as the World Bank, the European Union (EU), and the Asian Development Bank.

Information obtained from the ADRS does indicate that (b)(7)(A) Corporation and (b)(7)(A) were retained by ADRS in both 2006 and 2007 for several road contracts however the source of the funds is not identified.

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To: ID HQ

From: ID (b)(6),(b)(7)(c)

Date: September 7, 2010

Title: 100-AF-0101

To identify US funding sources, a request was made to the Kabul office of the USAID-OIG to identify any contracts associated with (b)(7)(A) Construction and (b)(7)(A) . USAID-OIG investigator (b)(6),(b)(7)(c) determined that (b)(7)(A) was a subcontractor for (b)(7)(A) in 2007 and was tasked with working on the (b)(6),(b)(7)(c) project. The (b)(7)(A) is one company working under the USAID Rehabilitation of Economic Facilities and Services (REFS) program which focuses, in part, on the construction of roads. The cost associated with road construction projects can vary depending on a host of factors to include; the type of road material such as gravel and/or asphalt, the amount of rock to clear, the requisite security, and the grade of the road. The complainant, (b)(6),(b)(7)(c), alleged that (b)(7)(A) Construction and/or (b)(7)(A) received what was purported to be a (b)(4) USD per kilometer contract which he considered excessive. However, as indicated earlier, the only identified contract sourced with US funds went to (b)(6),(b)(7)(c) Construction as a subcontractor for the (b)(7)(A) . No US sourced contracts were identified going to (b)(7)(A) . The USAID-OIG further indicated that the subcontract road project awarded to (b)(7)(A) was priced at approximately (b)(4) USD for 102 kilometers and was deemed by USAID engineers to be reasonable and not excessive. A contract of (b)(4) USD for 102 kilometers of road equates to approximately (b)(4) per kilometer.

On 9/2/2010, SIGAR (b)(6),(b)(7)(c), with the assistance of a (b)(6),(b)(7)(c) interpreter, made telephonic contact with the complainant, (b)(6),(b)(7)(c) who agreed to meet with (b)(6),(b)(7)(c) at the US Embassy in Kabul on Tuesday, September 7, 2010 at 10:00 AM.

After having traveled from (b)(6),(b)(7)(c) to Kabul, on the morning of 9/7/2010, (b)(6),(b)(7)(c) made several attempts to call (b)(6),(b)(7)(c) cell telephone (b)(6),(b)(7)(c) to confirm the 10:00 AM meeting. Every attempt was unsuccessful, as (b)(6),(b)(7)(c) cellular telephone appeared to have been turned off. Just prior to 10:00 AM, (b)(6),(b)(7)(c) with the assistance of ICCTF FBI (b)(6),(b)(7)(c) and SIGAR translator (b)(6),(b)(7)(c) traveled to the main US Embassy access point located at (b)(6),(b)(7)(c) to await

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To: ID HQ

From: ID (b)(6),(b)(7)(C)

Date: September 7, 2010

Title: 100-AF-0101

the arrival of (b)(6),(b)(7)(C). Repeated attempts to make telephonic contact were unsuccessful and he failed to meet as originally agreed. Later that morning, (b)(6),(b)(7)(C) again placed a call to (b)(6),(b)(7)(C) cellular telephone number. On that occasion, a male answered with the common Afghanistan greeting of "bale", however, upon hearing (b)(6),(b)(7)(C) voice the individual hung the phone up. (b)(6),(b)(7)(C) immediately called back only to find the phone once again turned off.

Based upon this preliminary inquiry, the allegations appear to be unfounded. At this time no further action will be taken. This matter will be re-assessed should additional information surface in the future indicative of fraud, waste, and abuse of reconstruction funding.

LEAD (s) :

Set Lead 1: (Info)

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To: ID HQ

From: ID (b)(6),(b)(7)(C)

Date: September 7, 2010

Title: 100-AF-0101

SIGAR ID HQ

AT ARLINGTON, VIRGINIA

For information.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE****Priority:** Routine**Date:** 05/21/2010**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6),(b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6),(b)(7)(c)**Approved By:** (b)(6),(b)(7)(c)**Created By:** (b)(6),(b)(7)(c)**Complaint #:** AR0047-10**Case Number:** 100-HQ-0076 (C)**Title:** UNSUB(S), aka, (b)(7)(A);
(b)(6), (b)(7)(c);
Possible Procurement& Contract Fraud**Synopsis:** The purpose of this communication is to request this investigation be placed in a closed status.**Details:** On 04/22/2010, SIGAR CID opened this investigation based on information provided on the SIGAR Hotline by (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c) reported allegations of faulty hiring and procurement practices, inappropriate relationships between the COR and a particular contractor, bid-rigging, and possible contract fraud.

(b)(6),(b)(7)(c) was subsequently interviewed at the International Contract Corruption Task Force (ICCTF) Joint Operations Center (JOC) office and provided the following information:

(b)(6),(b)(7)(c) advised (b)(7)(C) has been employed in (b)(7)(C) current position since May, 2007, and during the course of (b)(7)(C) duties has made approximately (b)(6),(b)(7)(c) trips to Afghanistan. (b)(7)(C) job responsibilities include (b)(6),(b)(7)(c),

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To: CID
Date: 05/21/2010

From: CID
Title: (b)(6),(b)(7)(c)

(b)(6),(b)(7)(c) . (b)(7)(C) stated (b)(7)(C) recently returned from a (b)(6),(b)(7)(c) trip to Afghanistan and contacted the SIGAR Hotline upon (b)(7)(C) return about some concerns. (b)(6),(b)(7)(c) stated (b)(6),(b)(7)(C) has awarded numerous contracts regarding the Counternarcotics Advisory Teams (CNAT) program providing for advisory teams in provinces throughout Afghanistan to work with provincial governors on their counternarcotics efforts. Each CNAT is comprised of eight Afghan employees of the Ministry of Counter Narcotics (MCN) and two international advisors (IAs) who support governor's CN efforts in (b)(6),(b)(7)(c) key provinces, including (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c), which cultivate of (b)(6),(b)(7)(c) in Afghanistan, as well as (b)(6),(b)(7)(c). Through these contracts, the companies hire IAs for each team and provide all security, O & M, IT and communications, and transportation needed to service CNAT personnel. During (b)(6),(b)(7)(c) tenure the contracts have been awarded to three companies; (b)(7)(A)

(b)(7)(A) He advised (b)(7)(A) was founded by former (b)(7)(A) employees, among others. (b)(6),(b)(7)(C) recently announced a new contract was open for bidding for (b)(6),(b)(7)(c) in Afghanistan, and the same three companies have submitted bids. Both (b)(7)(A) and (b)(7)(A) were advised their contracts would be administered as Cost Reimbursable, meaning they would have to submit receipts for everything; however (b)(7)(A) was going to remain a Firm Fixed Price (FFP) contract, which gives them a lot more flexibility.

(b)(6),(b)(7)(c) stated (b)(7)(C) was troubled by the way the (b)(7)(A) contract was awarded inasmuch as the (b)(6),(b)(7)(c)

(b)(6),(b)(7)(c) was a close friend of the (b)(6),(b)(7)(c) (b)(6),(b)(7)(c) also blocked an Action Memorandum drafted by the DoS to have certain (b)(7)(A) employees removed from Afghanistan due to harassment and performance issues in September, 2007. (b)(6),(b)(7)(c) provided a copy of that memorandum, dated September 19, 2007, naming the (b)(7)(A) employees as (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c). As a result of (b)(6),(b)(7)(c) blocking the removal of the employees, (b)(6),(b)(7)(c) remained on the job and was subsequently indicted in US District Court for soliciting kickbacks. On (b)(6),(b)(7)(c) (b)(7)(C) pled guilty to the charge. (b)(6),(b)(7)(c) stated that (b)(6),(b)(7)(c) had knowledge of the indictment of (b)(6),(b)(7)(c) and (b)(7)(A) employee (b)(6),(b)(7)(c); however (b)(7)(C) did not share that information with the DoS until they pled guilty. (b)(6),(b)(7)(c) provided copies of the following documents related to

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To: CID
Date: 05/21/2010

From: CID
Title: (b)(6),(b)(7)(c)

the (b)(7)(A) employee issues: A string of emails between (b)(6),(b)(7)(c) and other (b)(6),(b)(7)(c) and (b)(7)(A) employees, dated September 25-27, 2007, related to the (b)(7)(A) employee issue; A press release from the Department of Justice dated September 2, 2009 subject "Oklahoma (b)(7)(C) pleads guilty to conspiring to solicit kickbacks in connection with government contract in Afghanistan"; a letter from (b)(7)(A) to the DoS discussing the relationship between (b)(7)(A) and the convicted former employees; and a two page memorandum entitled "Indictment of Civilian Police International Former Employee and Arrest of (b)(7)(A) Employee" concerning the communication issues between (b)(7)(A) and (b)(6),(b)(7)(c) and DoS pertaining to the criminal activity. These documents are attachments on (b)(6),(b)(7)(c) Report of Interview.

(b)(6),(b)(7)(c) stated that (b)(6),(b)(7)(c) recently accepted bids for a (b)(4) dollar (b)(6),(b)(7)(c) contract, which all three companies submitted a bid. On the day (b)(6),(b)(7)(c) was going to announce the contract award, (b)(6),(b)(7)(c) said the award should not be announced because (b)(7)(A) was not getting the award due to their recent employee trouble and would file a protest. (b)(6),(b)(7)(c) continued to lobby on behave of (b)(7)(A) stating that if the DoS extended their current contracts in Iraq and Afghanistan, they would not file the protest.

(b)(6),(b)(7)(c) also voiced (b)(7)(C) concerns regarding the employees (b)(6),(b)(7)(c) has hired to fill oversight positions within (b)(6),(b)(7)(c). (b)(7)(C) stated (b)(6),(b)(7)(c) has hired former (b)(7)(A) employees with oversight responsibility over (b)(7)(A) contracts, and former (b)(7)(A) employees to oversee their contracts. In (b)(6),(b)(7)(c) opinion, (b)(6),(b)(7)(c) also fills important oversight positions with incompetent and unqualified people; an example cited was (b)(6),(b)(7)(c) recently hired former (b)(7)(A) employees without college degrees for these positions.

On 05/06/2010, the above information was provided to DoS Office of Inspector General (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) subsequently advised (b)(7)(C) contacted (b)(6),(b)(7)(c) and discussed (b)(7)(C) allegations with (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) advised that based on their review of the information provided by (b)(6),(b)(7)(c); there was insufficient detail to warrant her office opening an investigation. (b)(7)(C) stated his information would be forwarded to (b)(6),(b)(7)(c) management for whatever action they deemed appropriate.

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To: CID
Date: 05/21/2010

From: CID
Title: (b)(6),(b)(7)(c)

On 05/06/2010, a Request for Assistance (RFA) lead was made to the ICCTF JOC Intelligence Analysts, requesting a review of any available financial records (Suspicious Activity Reports/Currency Transaction Reports) pertaining to (b)(6),(b)(7)(c) and/or (b)(6),(b)(7)(c).

On 05/20/2010, the writer was provided a RFA report from the JOC prepared by FBI Intelligence Analyst (IA) (b)(6),(b)(7)(c), containing the available information regarding the above request. The RFA states the Analysis was conducted using the following databases: CATTS, ACS, IDW, Accurint, Lexis, Nexis, Dun & Bradstreet, Open Sources, TECS, NCIC, DEIDS, FedSpending.org, Central Contractor Registration, Federal Procurement Data System, Defense Link, FedVendor.com, BINCS, GovernmentContractsWon.com and USASpending.gov.

As per this report, there is no derogatory (other than a Misdemeanor for (b)(6),(b)(7)(c) on 04/13/2006) or suspicious financial information identifiable to either (b)(6),(b)(7)(c) or (b)(6),(b)(7)(c). A copy of the IA RFA report is attached hereto:

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To: CID
Date: 05/21/2010

From: CID
Title: (b)(6),(b)(7)(c)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Inasmuch as there is no specific information indicating a loss to the government, it is requested this matter be placed in a closed status.

It should be noted the information the complainant provided concerning the relationship between (b)(6),(b)(7)(c) and the (b)(6),(b)(7)(c) was provided to DoS OIG for dissemination as appropriate.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: 06 DECEMBER, 2010

To: Assistant Inspector General for Investigations

From: SIGAR Investigations Directorate

Approved By: Supervisory Special Agent [REDACTED]

Created By: (b)(6),(b)(7)(c)

Case Number: 100-AF-0103

CASE INITIATION: (b)(6),(b)(7)(c), CERP Project, (b)(6),(b)(7)(c)
Livestock Improvement Program, 2007 Goat
Purchase

Case Source: SIGAR

Case Lead: SIGAR

Funding Source: CERP

Violation/s: Undetermined

Synopsis: Investigation failed to document criminal violations or suspects. Investigation closed.

Details: This investigation was initiated after suspicions surfaced from a USAID (b)(6),(b)(7)(c) [REDACTED] regarding the 2007-2009 Commanders Emergency Response Program (CERP) expenditure of (b)(4) [REDACTED] for the purchase of livestock for families within (b)(6),(b)(7)(c) Province, Afghanistan. Specifically, (b)(6),(b)(7)(c) reported he had reviewed the CERP program files documenting the expenditures of (b)(4) [REDACTED] for the purchase of livestock (goats) in (b)(6),(b)(7)(c) Province. (b)(6),(b)(7)(c) suspicions of possible wrongdoing was based on his initial review of the (b)(6),(b)(7)(c) Livestock Improvement Program as documented in the Combined Information Data Network Exchange (CIDNE), a DOD computer data base. (b)(6),(b)(7)(c) had no specific information of wrongdoing but was concerned of possible mis-appropriation due to the lack of accountability and lack of information in the CERP files regarding these expenditures.

Initial inquiries by reporting agent resulted in locating the CERP contract files pertaining to the livestock purchase program. A review of the CIDNE files revealed limited information but did state the program goals, objectives and location of the program. Subsequent inquiries surfaced a

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To: SIGAR INV

From: SIGAR INV BAF

Date: 06 DEC, 2010

Title: KUNAR-ALLDIS LIVESTOCK
IMPROVEMENT PROGRAM

payment history document that confirmed eight payments totaling (b) (4) from 2007 through 2009. Additional CIDNE documents were located that closed out the CERP livestock program files. A review of these documents failed to disclose any unusual anomalies.

During JUN-NOV10, reporting agent made contact with (b)(6),(b)(7)(c). Inquiries were conducted to determine if any information or suspicions had surfaced regarding the (b)(6),(b)(7)(c) Livestock Program as it was determined payments had been made from (b)(6),(b)(7)(c) Finance Office. Inquiries were negative.

(b)(6),(b)(7)(c) was interviewed initially in MAY10 and subsequently in NOV10. (b)(6),(b)(7)(c) reported his initial CERP file reviews and comments about possible mis-appropriation was based on his review of CERP files and his determination the CERP files lacked accountability. (b)(6),(b)(7)(c) subsequent interview noted similar comments. (b)(6),(b)(7)(c) stated he had no specific information on criminal wrongdoing.

In as much as no suspects are noted, no evidence of violations of federal statutes are evident, this investigation is closed, Exhibits (1) and (2) pertain.

EXHIBITS:

- (1) IR: Review of CERP Contract File (b)(6),(b)(7)(c) Livestock Improvement Program/Dated 23MAY10
- (2) IR: Results of Interview of (b)(6),(b)(7)(c), (b)(6),(b)(7)(c) /13NOV10

LEAD(s) :

Set Lead 1: Close investigative file as unfounded.

For SIGAR Arlington, VA

Set Lead 2: (Info)

For SIGAR, Kabul

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Investigative Report

Date of Transcription:
13 NOV, 2010

TITLE: (b)(6),(b)(7)(c) LIVESTOCK IMPROVEMENT PROGRAM

CASE #: 100-AF-0103

ACTIVITY: RESULTS OF INTERVIEW OF (b)(6),(b)(7)(c) USAID
(b)(6),(b)(7)(c)

On 13NOV10, (b)(6),(b)(7)(c) assigned to the U.S. AID, (b)(6),(b)(7)(c) was interviewed. Prior to coming to Afghanistan, (b)(6),(b)(7)(c) was (b)(6),(b)(7)(c) with the USDA. The interview pertained to his knowledge of the (b)(6),(b)(7)(c) Livestock Program. The following information was provided.

(b)(6),(b)(7)(c) first arrived in Afghanistan 09JAN10. Subsequent to his arrival, (b)(6),(b)(7)(c) began to review the main data base program, Combined Data Network Information Exchange (CIDNE), that listed the current and previous agricultural related programs that had occurred within RC East. (b)(6),(b)(7)(c) indicated the (b)(6),(b)(7)(c) Livestock Program got (b)(6),(b)(7)(c) attention as the program noted it had spent (b)(4) largely for the purchase of goats within Afghanistan. (b)(6),(b)(7)(c) noted the CIDNE files failed to reflect any documentation as to how the monies were spent. Specifically, (b)(6),(b)(7)(c) indicated there was no accountability and or justification. (b)(6),(b)(7)(c) noted this (b)(6),(b)(7)(c) Livestock Program was an older program that occurred in 2007-2008.

According to (b)(6),(b)(7)(c) CIDNE records indicate the (b)(6),(b)(7)(c) Livestock Program began in (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) indicated the purpose of the Livestock Program was to give away livestock and to 'win the hearts and minds' of the local population by inviting and encouraging animal husbandry. According to (b)(6),(b)(7)(c) this

Date of Investigation: 13NOV10

By: (b)(6),(b)(7)(c)

File#: 100-AF-0103

Investigation at: (b)(6),(b)(7)(c) Afghanistan



Investigative Report

Date of Transcription:
13 NOV, 2010

philosophy has changed as it was in opposition to the use of Afghan veterinarians. (b)(6),(b)(7)(c) indicated his review of the program reflected the program had no direction and no statement of work.

Other than the lack of documentation regarding the Livestock Program; (b)(6),(b)(7)(c) was unable to document any wrongdoing or criminality as it pertains to the (b)(6),(b)(7)(c) Livestock Program. He did not have witnesses that reported any monies were taken or utilized illegally. (b)(6),(b)(7)(c) added that he discussed with the CERP (b)(6),(b)(7)(c) [REDACTED], (b)(6),(b)(7)(c) concerns about the lack of records pertaining to this program and that few records existed within CIDNE.

In summary, (b)(6),(b)(7)(c) had no evidence of criminal wrongdoing regarding the (b)(6),(b)(7)(c) Livestock Program. Additionally, (b)(6),(b)(7)(c) developed no witnesses that reported criminal wrongdoing, theft of CERP funds or other criminal offense. No additional information was available.

Date of Investigation: 13NOV10

By: (b)(6),(b)(7)(c)

File#: 100-AF-0103

Investigation at: (b)(6),(b)(7)(c) Afghanistan



Investigative Report

Date of Transcription:
23 MAY, 2010

TITLE: (b)(6),(b)(7)(c) LIVESTOCK IMPROVEMENT PROGRAM

CASE #: 100-AF-0103

ACTIVITY: REVIEW OF CERP CONTRACT FILE - (b)(6),(b)(7)(c) LIVESTOCK
IMPROVEMENT PROGRAM

During MAY10, the Commands Emergency Response Program (CERP), CERP Contract File titled: (b)(6),(b)(7)(c) was obtained and reviewed. The review was for the purpose of understanding the purpose and or the Statement of Work as it was alleged that this CERP contract may have criminal implications due to the lack of administrative oversight.

The CERP project description cited the following:

Description: The reason for the CERP project was due to the low economic income of the local population in (b)(6),(b)(7)(c) Province, the (b)(6),(b)(7)(c) along with the (b)(6),(b)(7)(c) wanted to purchase goats to distribute to various needy families.

Desired Effects: With the distribution of the 5 goats to the families, the goats will become a resource for the family. Through offspring and goat milk, these will benefit the families with extra income and food sources.

Project Goals: Measurable Effects: With the projection of goat milk and the birth of more offspring, these families will have resources to project cheese and butter along with increasing the yield of their herds. This will bring food to the families as well as extra income.

Estimated Cost: (b)(4)

Date of Investigation: 23MAY10

By: (b)(6),(b)(7)(c)

File#: 100-AF-0103

Investigation at: (b)(6),(b)(7)(c), Afghanistan



Investigative Report

Date of Transcription:
23 MAY, 2010

A review of the available CERP records revealed the project payments were divided in the eight phases. A payment schedule was found and reflected the following payments were made at the following times:

Initial Allotment: (b) (4) : 26JAN07
(b) (4) 23MAR07

Payment:	\$ (b) (4)	23MAY07
Payment:	(b) (4)	20JUL07
Payment:	(b) (4)	22AUG07
Payment:	(b) (4)	22OCT07
Payment:	(b) (4)	07JAN08
Payment:	(b) (4)	24JAN08
Payment:	(b) (4)	27MAR08
Payment:	(b) (4)	24MAR08

A Memorandum of Record, dated 18DEC09, was located indicating that all funds had been expended to date and zero funds remained unexpended for the above project; thus, the project was closed out. The document was signed by (b)(6),(b)(7)(c)

It was determined, while individual purchase and or accounting documents were unavailable for review purposes, and the CERP files reviewed lacked accountability; no was no evidence of criminal wrongdoing. No further inquiries were conducted.

Date of Investigation: 23MAY10

By: (b)(6),(b)(7)(c)

File#: 100-AF-0103

Investigation at: (b)(6),(b)(7) Afghanistan



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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: February 1, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6),(b)(7)(c) (b)(6),(b)(7)(c)

From: SIGAR Investigations Directorate, (b)(6),(b)(7)(c)

Contact: (b)(6),(b)(7)(c)

Approved By: [REDACTED] (b)(6),(b)(7)(c) RP

Created By: (b)(6),(b)(7)(c)

Case #: 100-AF-0082

Title: (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c)

Synopsis: Request closing of investigation.

Details:

The investigation was initiated by the FBI, ICCTF based upon the allegation that (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) were allegedly involved in receiving kickbacks from local Afghan Contractors who were being awarded U.S. Projects by the (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) is an (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) is currently employed by (b)(7)(A) Company and works as a contractor for (b)(7)(A) at (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) worked together as members of the (b)(6),(b)(7)(c) when (b)(6),(b)(7)(c) was a (b)(6),(b)(7)(c). In May of 2010, a confidential source approached members of the ICCTF and stated that (b)(6),(b)(7)(c) had entered into contracts agreements with (b)(7)(C) (the source) (b)(6),(b)(7)(c) and local Afghan Contractors. In these contracts, it was agreed that (b)(6),(b)(7)(c) and (b)(6),(b)(7)(c) would receive a percentage of the profits from each of these local Afghan Contractors for which they had signed the previously mentioned agreements. A preliminary investigation was opened to investigate allegations of violations of Title 41 USC 52, anti-kickback law. In May of 2010, an undercover operation was initiated by the FBI, ICCTF, (b)(6),(b)(7)(c).

A number of undercover meetings were held between the CHS and (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) and the CHS discussed a number of

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6),(b)(7)(c)

Date: February 1, 2011

Title: Req. to Close Inv.

agreements that had been signed by (b)(6),(b)(7)(c), the CHS and local Afghan Contractors. In these contracts it was stated that (b)(6),(b)(7)(c) would receive a percentage of all contracts awarded to the local Afghan Contractors. At the time, it was not known if any contracts had actually been awarded to these local Afghan Contractors and if (b)(6),(b)(7)(c) had been paid a percentage of the awarded contract amounts as per the aforementioned agreements that had been signed by (b)(6),(b)(7)(c), the CHS and the local Afghan Contractors. It was later learned that no contracts had been awarded and as such, (b)(6),(b)(7)(c) had received no fees.

As part of the FBI undercover operation, Special Agents of the FBI arranged for the CHS to meet with (b)(6),(b)(7)(c). At one of the meetings, as part of the undercover scenario, the CHS paid (b)(6),(b)(7)(c) the sum of (b)(7)(A) which the CHS told (b)(6),(b)(7)(c) was (b)(6),(b)(7)(c) percentage for a contractor who had recently been awarded a contract. This contract was allegedly awarded to one of the contractors who had signed agreements with (b)(6),(b)(7)(c). At the time, agents felt that (b)(6),(b)(7)(c) acceptance of the (b)(4) bribe was a violation of the anti-kickback act.

After the (b)(7)(A) payment was made, Special Agents met with the AUSA assigned to the investigation. Contrary to the prior belief, the AUSA stated that (b)(6),(b)(7)(c) (b)(5)

(b)(6),(b)(7)(c). Special Agents proceeded to interview (b)(6),(b)(7)(c) at (b)(6),(b)(7)(c). (b)(6),(b)(7)(c) made no admissions to any criminal activities. Special Agents of the ICCTF have also interviewed numerous witnesses regarding (b)(6),(b)(7)(c) alleged illegal activities. None of these interviews has provided any significant information which supported the initial allegation against (b)(6),(b)(7)(c).

Because of the failure to satisfy the necessary elements of the anti kickbak statute and the opinions of the AUSA assigned to this investigation, it does not appear that a prosecution of (b)(6),(b)(7)(c) or (b)(6),(b)(7)(c) will be forthcoming.

For that reason, it is proposed that this investigation be closed without any further actions.

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To: SIGAR INV-HQ

From: SIGAR INV- [REDACTED]

Date: February 1, 2011

Title: Req. to Close Inv.

LEAD(s) :

Set Lead 1: (Info) - Request Closing of Investigation

SIGAR

AT ARLINGTON, VA

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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SIGAR Investigative Synopsis

1. **Title of Case and Case Number:** (b)(6),(b)(7)(c) case # 0026-09.
2. **Date the case was Opened and assigned:** July 5, 2009.
3. **Predication and Investigative Agency Initiating Case:** Case predicated upon request by (b)(6),(b)(7)(c) that SIGAR review the complainants' allegations.
4. **Identity of the Case Agent(s), both SIGAR and other Agencies:** (b)(6),(b)(7)(c), SIGAR.
5. **Nature of the violation:** Contract bidding process improprieties.
6. **Complete synopsis of the investigation to date:** (b)(6),(b)(7)(c) met with the complainants, who alleged that (b)(6),(b)(7)(c) treated one of their companies, (b)(7)(A) unfairly in the bid process for a (b)(4) contract. After invited their company to negotiations in (b)(6),(b)(7)(c) "uninvited" the company, which according to the complainants is irregular and improper. The complainants alleged that (b)(6),(b)(7)(c) did not fairly evaluate their company's bid and that (b)(6),(b)(7)(c) gives preferential treatment to US companies with military leadership. After consulting a SIGAR auditor and a representative of DoD IG, (b)(6),(b)(7)(c) (without giving legal advice) informed the complainants that GAO has a bid protest procedure that their company could possibly pursue. The complainants never provided any evidence of criminal conduct. The matter was eventually referred to DoD IG because of the lack of a connection with US reconstruction funds.
7. **Anticipated Investigative Strategy:** None, case has been referred to DODIG for follow up work. This case can be closed
8. **Unique investigative techniques used:** None
9. **Other pertinent information:** None



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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: 2/4/2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6),(b)(7)(c)

From: SIGAR Investigations Directorate - Kabul

Approved By:

(b)(6),(b)(7)(c)

Created By:

(b)(6),(b)(7)(c)

Case #:

500-AF-0134

Title:

(b)(6),(b)(7)(c)

(b)(7)(A)

Embezzlement of disbursements totaling

(b)(4)

Synopsis:

CASE CLOSED - Title 10 Funds/Declined by DOJ.

Details:

The (b)(6),(b)(7)(c), employed in (b)(6),(b)(7)(c) Afghanistan, by (b)(6),(b)(7)(c) based (b)(7)(A) (b)(4), allegedly embezzled (b)(4) in funds forwarded to (b)(6),(b)(7)(c) thru (b)(4) intended for payment of subcontractors performing on (b)(7)(A) held U.S. Government contracts in Afghanistan. Contracts involved were for materials used in the construction of U.S. military installations at (b)(6),(b)(7)(c) in Kandahar province and (b)(6),(b)(7)(c) in (b)(6),(b)(7)(c) province. Contracts were U.S. military contracts funded through Title 10. International Contracting Corruption Task Force (ICCTF) at (b)(6),(b)(7)(c) reviewed the matter and determined there was no loss to the U.S. Government, and on November 5, 2011, presented the matter to U.S. Attorney (b)(6),(b)(7)(c), who declined prosecution. Matter was referred to the (b)(6),(b)(7)(c) for presentation to the (b)(6),(b)(7)(c) Contractor Management Group.

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To: SIGAR INV-HQ

From: SIGAR INV-Kabul (b)(6),(b)(7)(C)

Date: February 4, 2011

Title: 500-AF-0134

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close Case File.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: April 10, 2011

To: SIGAR Investigations Directorate HQ

From: SIGAR Investigations Directorate, Kabul

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 500-AF-0120

Title: Corruption/Theft by Prime contractor (b)(7)(A)
Contract Fraud; Violation of Afghan Law, Article 36, Non Payment to Afghan Subcontractors.

Synopsis: Recommendation to close this investigation.

Reference: AC dated 1/29/11 by (b)(6), (b)(7)(c).

Details: On 7/29/11, case was opened based upon a SIGAR hotline complaint, number AR0131-10.

(b)(6), (b)(7)(c), (b)(6), (b)(7)(c) of (b)(7)(A) Contracting Company, reported he was solicited by Afghan (b)(6), (b)(7)(c) of (b)(6), (b)(7)(c) Province, to pay bribes before he could start work on an Afghan National Border Police (ANBP) project under contract number (b)(4). (b)(6), (b)(7)(c) stated he refused to pay any bribes and work on the project was delayed for seven months.

The allegation by (b)(6), (b)(7)(c) to pay bribes to (b)(6), (b)(7)(c) reflects an Afghan on Afghan crime which does not fall within the jurisdiction of the United States legal system.

On 1/29/11 the case was reassigned to (b)(6), (b)(7)(c) who is a member of the Afghan-Shafafiyat Unit (ASIU) for the purpose of referral to ASIU.

JUSTIFICATION TO CLOSE INVESTIGATION

(b)(6), (b)(7)(c) made an unsubstantiated allegation that Afghan (b)(6), (b)(7)(c) had demanded a bribe before he would allow (b)(6), (b)(7)(c) to begin work on the ANBP project. Prior to

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To: ID HQ

From: ID KABUL

Date: April 10, 2011

Title: 500-AF-0120

presenting (b)(6), (b)(7)(c) complaint to ASIU, (b)(6), (b)(7)(c) attempted to meet with (b)(6), (b)(7)(c) to review his statement.

(b)(6), (b)(7)(c) requested SIGAR (b)(6), (b)(7)(c) to call (b)(6), (b)(7)(c) at telephone number (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) to schedule a meeting to review his complaint. (b)(6), (b)(7)(c) also requested (b)(6), (b)(7)(c) to email (b)(6), (b)(7)(c) at (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) to schedule a meeting. (b)(6), (b)(7)(c) advised (b)(6), (b)(7)(c) didn't respond to (b)(7)(c) telephone calls or to (b)(7)(c) emails.

(C)
On March 14, 2011 and on April 6, 2011, (b)(6), (b)(7)(c) requested (b)(6), (b)(7)(c) to send (b)(6), (b)(7)(c) an email advising that due to (b)(7)(c) lack of response (b)(7)(c) complaint would be closed. To date SIGAR has been unsuccessful in contacting (b)(6), (b)(7)(c) and therefore unable to present (b)(7)(c) complaint to ASIU.

There is no reasonable expectation that Afghan authorities will further investigate or promote this investigation and prosecution due to the above circumstances. In view of the above it is recommended that this matter be closed.

LEAD(s) :

Set Lead 1: (Action)

INVESTIGATIVE DIRECTORATE

AT CRYSTAL CITY, VIRGINIA

Close this case for reasons as explained above.

Set Lead 2: (Info)

SIGAR

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

(b)(6), (b)(7)(c)

Precedence: Routine

Date: 08/25/2010

To: Investigations Directorate (ID), HQ

From: Investigations Directorate (ID), Kabul

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 400-AF-0119

Title: (b) (7)(A) Company

Synopsis: Close new investigation to (b)(6), (b)(7)(c),
ICCTF (b)(6), (b)(7)(c).

Details:

This report relates to the alleged non-payment of contracted services and materials to (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) doing business as (b) (7)(A). (There are several variations of the formal name of this business in the SIGAR narrative initiated by (b)(6), (b)(7)(c) as well as in correspondence in the contract file and in e-mail with various Regional Contracting Centers (hereinafter RCC). For purposes of this report, the spelling and title of the company appearing on the original contract will be the name utilized throughout the remainder of this report.) Although this matter involved the non-payment of an invoice, suspicions were raised that there may exist a diversion of payment due to the fact that neither company representative was allowed access to a base (namely (b)(6), (b)(7)(c)) nor were they able to communicate their concerns with anyone within the RCC infrastructure. Based upon the documentation provided by the complainants, the contract in question, (b) (4) was found to have been "let" in March 2009 initially totaling (b) (4) but subsequently modified to (b) (4). The construction related to the improvements being made of an (b)(6), (b)(7)(c) Base commonly known as (b)(6), (b)(7)(c). (b)(6), (b)(7)(c)

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is located in the (b)(6), (b)(7)(c) of (b)(6), (b)(7)(c) Province. The construction was certified as being finalized by (b)(6), (b)(7)(c)

on March 23, 2010.

According to the complainant(s), (b)(7)(A)

submitted three consecutive interim billings based upon the percentage of the construction completed and acknowledged that they were compensated for those invoices.

During this time frame, the contract was processed through (b)(7)(A) Regional Contracting Center,

(b)(6), (b)(7)(c). However, subsequent to receiving the interim payments which they claimed totaled (b)(4), the complainants received notice that the contracting authority had been transferred to (b)(6), (b)(7)(c). With the transfer of the contract to (b)(6), (b)(7)(c), the complainants attempted to contact the RCC office there both in person and by e-mail. They were refused access to the base and their e-mails were allegedly unanswered.

Based upon the above information, an investigation was initiated to determine the reason for the lack of payment/attention or if in fact payments were made but a diversion of funds may have occurred.

On August 9, 2010, I made contact with (b)(6), (b)(7)(c). After presenting (b)(7)(C) with documentation, (b)(6), (b)(7)(c) informed me that the contract in question had been transferred to (b)(6), (b)(7)(c) and provided me with a point of contact, (b)(6), (b)(7)(c). On August 9, 2010, I contacted (b)(6), (b)(7)(c) and provided (b)(7)(C) with detailed information concerning this matter and requested the name and contact information of the contracting officer. On August 10, 2010, (b)(6), (b)(7)(c) informed me that the contract had been transferred to (b)(6), (b)(7)(c) but (b)(7)(C) did confirm that payments totaling (b)(4) had been made to (b)(7)(A).

(b)(6), (b)(7)(c) also informed me that the contracting officer assigned to the contract was (b)(6), (b)(7)(c) who was relocated to (b)(6), (b)(7)(c) as well. On August 14, 2010, I met with (b)(6), (b)(7)(c)

and (b)(6), (b)(7)(c). I had inquired of (b)(6), (b)(7)(c) and they informed me that he had returned to (b)(6), (b)(7)(c). I provided to them the (b)(7)(A) contract number and they informed me they would research the contract and provide me with a copy of

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it.

On August 22, 2010, I received an electronic copy of the aforementioned contract through (b)(6), (b)(7)(c) who had also requested contract information simultaneous with my request. After researching the contract file, I noticed that on April 6, 2010, Contracting Officer (b)(6), (b)(7)(c) had initiated a SF Form 30 "Amendment of Solicitation/Modification of Contract" changing the "payment will be made organization" from (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c).

On August 23, 2010, I contacted (b)(6), (b)(7)(c) and informed him of my research and requested the name of the successor contract officer and the contract status. On that same day I was contacted by (b)(6), (b)(7)(c), who stated that (b)(6), (b)(7)(c) was the successor contracting officer regarding this contract. In addition, (b)(6), (b)(7)(c) provided the following information.

1. He provided his contact information in (b)(6), (b)(7)(c). (b)(7)(C) telephone number is (b)(6), (b)(7)(c) and his e-mail address is (b)(6), (b)(7)(c).
2. (b)(7)(C) provided a copy of an e-mail dated June 22, 2010 forwarding a request for payment to (b)(6), (b)(7)(c) on the instant matter amounting to (b)(4). (This reconciles with the invoice evidencing the 90% completion of the project provided by the complainants.) (b)(6), (b)(7)(c) could not confirm that payment of the (b)(4) was actually made by (b)(6), (b)(7)(c) but that all paperwork had been submitted by (b)(6), (b)(7)(c) RCC.
3. (b)(7)(C) confirmed that (b)(6), (b)(7)(c) would be the point of contact for any additional invoices that require submission from this contractor.

Based upon the information and documentation uncovered in this investigation, I could find no indicia of wrongdoing but rather a breakdown in communication. I would recommend that (b)(6), (b)(7)(C) of our staff be advised of these results so that he may relay the information to the complainant and that this matter be closed to SIGAR Investigation files without further action.

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Lead(s):
Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close investigation.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

For Information

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

*Close
1-28-11*

Priority: Routine

Date: 26 January 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate, Kabul, Afghanistan

Approved By:

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case #:

300-HQ-0164

Title:

(b)(7)(A)
Bribery

Synopsis: To close preliminary investigation due to lack of evidence supporting the complaint

Reference Docs: AR0260-10 IR USACE Response.docx**Details:**

A preliminary investigation was initiated based on an anonymous complaint, AR0260-10, to the SIGAR Hotline. The complaint alleges (b)(7)(A) had been providing false documents to the United States Army Corps of Engineers (USACE).

Upon researching (b)(7)(A), it was found that the company has 1 contract with USACE, (b)(4), to construct (b)(6), (b)(7)(c) in the (b)(6), (b)(7)(c) Province. The amount of the (b)(7)(A) contract is (b)(4).

According to (b)(6), (b)(7)(c) the contract called for construction of (b)(6), (b)(7)(c) in the districts of (b)(6), (b)(7)(c).

(b)(6), (b)(7)(c) provided the following information related to the construction of the (b)(6), (b)(7)(c):

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To: SIGAR INV Headquarters
Date: 26 January 2011

From: SIGAR INV KABUL
Title: 300-HQ-0164

1. (b)(6), (b)(7)(c) is 98% complete, and the (b)(6), (b)(7)(c) took occupancy on 28 August 2010. The facility is awaiting the construction of a water tower.
2. (b)(6), (b)(7)(c) is 98% complete, and the ABP took occupancy on 14 August 2010. The facility is awaiting the construction of a water tower.
3. (b)(6), (b)(7)(c) is 98% complete, and the ABP took occupancy on 18 July 2010. The facility is awaiting the construction of a water tower.
4. (b)(6), (b)(7)(c) is 96% complete, and the ABP took occupancy sometime around the first of August, 2010. The facility is awaiting the construction of a water tower.
5. (b)(7)(A) passed a pre-final inspection, and will have final inspection when the water towers have been completed.
6. (b)(6), (b)(7)(c) stated she spoke with the Contracting Officer assigned to this contract. The contracting officer stated that (b)(7)(A) has been meeting all the standards of the contract, even while operating in an environment which has (b)(6), (b)(7)(c).

According to the USACE, (b)(7)(A) has been fulfilling their contracts to all specifications. The anonymous nature of the complaint does not allow for any rebuttal of USACE's claims. This matter shall be closed.

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To: SIGAR INV Headquarters
Date: 26 January 2011

From: SIGAR INV KABUL
Title: 300-HQ-0164

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close preliminary investigation

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

Approval to Close 300-HQ-0164 PI

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 16 September 2010**To:** Criminal Investigations Directorate (CID), HQ**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID), Kabul**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0072**Title:** NGO Director Alleges Corruption/Bribery for Sub-Contracts in (b)(6), (b)(7)(c) Province**Synopsis:** It is request that investigation 300-AF-0072 be closed.**Details:** (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c) have made several attempts to contact the complainant, (VICTIM/WITNESS: (b)(6), (b)(7)(c)). To date, no contact outside of the initial hotline complaint of 5 April 2010 has been made with the complainant.

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To: CID
Date: 16 September 2010

From: CID
Title: NGO Director Alleges
Corruption/Bribery for Sub-
Contracts in (b)(6), (b)(7)(c) Province

LEAD(s) :

Set Lead 1: (Info)

SIGAR

At Arlington, Va.
For Investigation Closure

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Priority
2010

Date: December 19,

To: Investigations Directorate HQ

From: Investigations Directorate

(b)(6), (b)(7)(c)

Contact:

(b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Approved By:

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case ID: 200-AF-0158

Title: UNKNOWN SUBJECT(S), (b)(7)(A)

(b)(6), (b)(7)(c) - SUBJECT;
POSSIBLE CONTRACTOR ABUSE IN A U.S.
CONTRACT AND/OR CONTRACT FRAUD AT
(b)(6), (b)(7)(c) PROVINCE, AF

Synopsis: Closing communication.

Reference: 1. SIGAR HCMS form AR-0316-10, dated 11/24/2010,
2. SIGAR Opening AC, dated 12/2/2010, and
3. JOC report, dated 12/10/2010.

Enclosures: One copy of an IR, dated 12/11-12/2010, reflecting the summary of a review of five (b)(6), (b)(7)(c) contracts relevant to this case, and one copy of a SIGAR CCW, dated 12/19/2010.

Administrative: 60-day Preliminary Inquiry Initiated 12/2/2010.

Details: Referenced AC summarizes the predication of this case. On 12/11-12/2010, (b)(6), (b)(7)(c) met with (b)(6), (b)(7)(c)

and reviewed (b)(6), (b)(7)(c) contract (details in enclosed IR). These contracts are related to the complaint documented in referenced HCMS form AR-0316-10.

A review of these contracts revealed that they involve Title 10 funds and do not involve reconstruction funds. During (b)(6), (b)(7)(c) visit to (b)(6), (b)(7)(c) on 12/11-12/2010, (b)(6), (b)(7)(c) personnel advised that (b)(7)(A) employees advised them that they have all received their back pay and there

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To: ID HQ
Date: December 19, 2010

From: ID [REDACTED]
Title: 200-AF-0158

were no further disputes.

Since these contracts do not involve reconstruction funds, no further SIGAR investigation will be conducted. Copies of all pertinent documents will be provided to the NCIS Agent on the ICCTF at [REDACTED] for further review and appropriate action. SIGAR assistance will be provided in helping NCIS to speak to the complainant.

It is recommended that this matter be closed.

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To: ID HQ
Date: December 19, 2010

From: ID [REDACTED]
Title: 200-AF-0158

LEAD(s) :

Set Lead 1: (Action)

Investigations Directorate

At Crystal City, Virginia

Will close this case for reasons as explained above.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Date: January 28, 2011

To: Investigations Directorate HQ
Attention: Steve Trent

From: Investigations Directorate
Afghanistan Field Office - (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By:

(b)(6), (b)(7)(c)

Created By:

(b)(6), (b)(7)(c)

Case ID: 200-AF-0154

Title:

Alleged misuse of Field Ordering Officer Funds (FOO), by unnamed military units located on (b)(6), (b)(7)(c), Afghanistan. Evasion of sole source contracts limits through the prohibited practice of splitting contracts.

Synopsis: Closing Communication

Reference: 902LI-AF-0018 (b)(6), (b)(7)(c).docx

Details:

This matter involved military funds and was initially discussed with the FBI Special Agent assigned to the ICCTF. Based upon a discussion with the FBI, unsuccessful attempts were made to contact and obtain more specific information from the source. On November 7, (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) met with (b)(6), (b)(7)(c). It was learned that the (b)(6), (b)(7)(c) also had allegations involving FOO funds as well as split purchase orders. The information previously received by SIGAR was discussed and ultimately referred to the (b)(6), (b)(7)(c) for appropriate action. FOO funds appear to be Title 10 and not Afghanistan Reconstruction Funds.

Case is referred to a liaison file, and no further investigative steps are needed. Case is closed

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To: Directorate HQ
Date: January 28, 2011

From: SIGAR (b)(6), (b)(7)
Title: 200-AF-0154

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Case to be closed

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** October 27, 2010**To:** Investigations Directorate HQ**From:** Investigations Directorate

(b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0130

Title: (b)(7)(A), failure
to pay sub-contractor (b)(7)(A) Company

Synopsis: Closing Communication

Administrative: Preliminary Inquiry initiated on October 11, 2010, information listed in complaint is insufficient to determine any criminal violations.

Details:**JUSTIFICATION TO CLOSE INVESTIGATION**

1. On October 18,, 2010, (b)(6), (b)(7)(c) [redacted], Special Inspector General for Afghanistan Reconstruction (SIGAR) met with (b)(6), (b)(7)(c) [redacted] regarding 200-AF-0130 to determine the adjudication (criminal or civil) process of said complainant, (b)(6), (b)(7)(c) [redacted].
2. (b)(6), (b)(7)(c) [redacted] noted that (b)(6), (b)(7)(c) [redacted] was an employee of the (b)(6), (b)(7)(c) [redacted] Company who was a sub-contractor for (b)(7)(A) [redacted]. (b)(6), (b)(7)(c) [redacted] said by (b)(7)(A) [redacted] issuing a debt certification to (b)(6), (b)(7)(c) [redacted] allowed him a valid claim on the onset of the bankruptcy filing and that (b)(6), (b)(7)(c) [redacted] only recourse was to go after (b)(7)(A) [redacted] in bankruptcy court.
3. On October 21, 2010, (b)(6), (b)(7)(c) [redacted] and (b)(6), (b)(7)(c) [redacted], SIGAR interviewed (b)(6), (b)(7)(c) [redacted], (b)(7)(A) [redacted]

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To: Directorate HQ
Date: October 27, 2010

From: SIGAR (b)(6), (b)(7)
Title: 200-AF-0130

(b)(7)(A) regarding his complaint that (b)(7)(A) and (b)(7)(A) failed to pay him \$30,000 for his efforts on a 2008-2009, project involving the installation of (b)(6), (b)(7)(c). [Note: The monies owed to (b)(6), (b)(7) were determined to be Title 10 monies vice reconstruction funds.]

4. Results of (b)(6), (b)(7) interview noted since December 2009, (b)(6), (b)(7) has been unsuccessful in his efforts to collect the monies owed to him by (b)(7)(A) and (b)(7)(A) for non-payment and on August 8, 2010, sent a complaint letter to SIGAR requesting SIGAR's assistance in resolving the matter. (b)(7)(A) closed their activities in Afghanistan in December 2009, but are still registered in the United States.
5. On October 25, 2010, Reporting Agent contacted (b)(6), (b)(7)(c) via e-mail asking (b)(6), (b)(7)(c) to review the information regarding non-payment by (b)(7)(A) and (b)(7)(A) to (b)(6), (b)(7).
6. (b)(6), (b)(7)(c) responded that he had reviewed the allegations made by (b)(6), (b)(7) contained in the e-mail and that the facts contained therein did not support a suspension/debarment but suggested that the matter be referred to the (b)(6), (b)(7)(c) Regional Contracting Command (KRCC) for inclusion in the contractors past performance record annotating allegations of subcontractor nonpayment.
7. On October 26, 2010, (b)(6), (b)(7)(c) advised Reporting Agent that he had contacted (b)(6), (b)(7)(c) and asked them to add the information concerning non-payment to the (b)(7)(A) past performance record.
8. All investigative leads have been completed. No further investigation is warranted in this matter and is considered closed by (b)(6), (b)(7)(c).

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To: Directorate HQ
Date: October 27, 2010

From: SIGAR [REDACTED]
Title: 200-AF-0130

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

1. Recommend case be closed.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE

Handwritten signature and date: 11-28-11

Precedence: Routine

Date: 01/25/2011

To: Investigations Directorate (ID), Headquarters

From: Investigations Directorate, (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c) (b)(6), (b)(7)(c)

Approved By: [REDACTED]

Created By: (b)(6), (b)(7)(c) [REDACTED]

Case Number: 300-AF-0128

Title: (b)(6), (b)(7)(c)
EXTORTION; CONFLICT OF INTEREST

Synopsis: Requests closing of a preliminary inquiry (PI) in captioned matter due to an absence of investigative jurisdiction.

Details: On 09/28/2010, captioned matter was opened based on information reported to members of the International Contract Corruption Task Force (ICCTF), (b)(6), (b)(7)(c) who advised that subject (b)(6), (b)(7)(c) may have demanded and/or received cash or property in exchange for granting sales spaces (stalls) to Afghans seeking to sell their wares at a new bazaar which was under construction by the (b)(6), (b)(7)(c). Because of subject (b)(6), (b)(7)(c) affiliation with the U.S. Army, the U.S. Army Criminal Investigation Detachment Command (CID) was the lead (primary) agency on the investigation and the Defense Criminal Investigation Service (DCIS) was the secondary agency. The Special Inspector General for Afghanistan Reconstruction (SIGAR) opened a PI in order to assist the other members of the ICCTF in investigating the matter and determining whether reconstruction funds were involved.

ICCTF investigators developed a substantial number of leads indicating that some, if not all, of the vendors at the new (b)(6), (b)(7)(c) bazaar had paid bribes to persons unknown in order to be put on the list of approved vendors who were granted a stall at the bazaar. Subject (b)(6), (b)(7)(c) was implicated by (b)(6), (b)(7)(c) who reported that (b)(6), (b)(7)(c) had received a (b)(6), (b)(7)(c) from an individual who is related to a successful candidate for a stall at the bazaar. On 10/03/2010, CID and

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To: ID

From: ID

Date: 01/25/2011

Title: (b)(6), (b)(7)(c)

DCIS investigators arrested (b)(6), (b)(7)(c) at his residence on base at (b)(6), (b)(7)(c) on charges of extortion and other offenses and also conducted an authorized search of the residence. In the process, (b)(6), (b)(7)(c) was identified and seized from the residence. (b)(6), (b)(7)(c) advised that the (b)(6), (b)(7)(c) which had been given to (b)(6), (b)(7)(c) had been taken by (b)(6), (b)(7)(c) to a (b)(6), (b)(7)(c) to have a new (b)(6), (b)(7)(c) for it in preparation for the shipment of the (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c) residence in the (b)(6), (b)(7)(c). CID and DCIS then conducted a second search, authorized in advance by a military magistrate, of the (b)(6), (b)(7)(c), which was located on (b)(6), (b)(7)(c) near the (b)(6), (b)(7)(c). CID located the (b)(6), (b)(7)(c) brought to the (b)(6), (b)(7)(c) by (b)(6), (b)(7)(c) and seized it as evidence. CID and DCIS attempted to interview (b)(6), (b)(7)(c) on the day of his arrest but (b)(6), (b)(7)(c) invoked (b)(6), (b)(7)(c) right to counsel and declined to speak with the investigators.

During the investigation, a number of interviews were conducted in an effort to substantiate the allegations that only those Afghans who paid bribes were allocated a stall at the new (b)(6), (b)(7)(c) bazaar. (b)(6), (b)(7)(c) was at the center of the allegations because (b)(6), (b)(7)(c) alone was given the authority to select the vendors who were granted stalls. Investigators received multiple unattributed reports that (b)(6), (b)(7)(c) (not identified by name), as well as (b)(6), (b)(7)(c) working with the U.S. military, solicited and received bribes, at amounts up to (b)(6), (b)(7)(c) from vendors who were candidates to receive sales stalls. Reports also were received that certain (b)(6), (b)(7)(c) officials, some of whom were identified by name, demanded and received bribes from vendors seeking to be put on a list of vendor candidates. The names of the persons on the list were submitted by (b)(6), (b)(7)(c) officials to (b)(6), (b)(7)(c) to assist him in making the selection of vendors. The list of vendor candidates submitted by (b)(6), (b)(7)(c) officials was supposed to favor local vendors from the (b)(6), (b)(7)(c), yet ultimately a number of the successful vendors selected for the stalls were from the city of (b)(6), (b)(7)(c) and more distant provinces.

Subject (b)(6), (b)(7)(c) was charged by CID under the (b)(6), (b)(7)(c) and a determination of findings in the case was referred to (b)(6), (b)(7)(c) commander in the (b)(6), (b)(7)(c). On 01/02/2011, (b)(6), (b)(7)(c), CID, advised that both (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) rotated back to the (b)(6), (b)(7)(c) in early December 2010. (b)(6), (b)(7)(c) further stated

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To: ID

From: ID

Date: 01/25/2011

Title: (b)(6), (b)(7)(c)

that, based on the (b)(6), (b)(7)(c) unquestioning support of (b)(6), (b)(7)(c) throughout the investigation, (b)(6), (b)(7)(c) did not believe it likely that (b)(6), (b)(7)(c) commander will impose any form of discipline on (b)(6), (b)(7)(c) under the (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) advised that CID will close its case upon the (b)(6), (b)(7)(c) determination of a disposition in the (b)(6), (b)(7)(c) case.

Inasmuch as investigation did not substantiate the solicitation or receipt of bribery payments by U.S. persons other than subject (b)(6), (b)(7)(c) or the involvement of any U.S. reconstruction funds and, based upon the fact that other ICCTF agencies have concluded their investigations in the (b)(6), (b)(7)(c) matter, the writer recommends that captioned matter be closed by SIGAR.

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To: ID
Date: 01/25/2011

From: ID
Title: (b)(6), (b)(7)(c)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT: Arlington, Virginia

Read and clear.

Set Lead 2: (Action)

SIGAR

AT: Kabul, Afghanistan

SIGAR, Kabul, is requested to close the captioned matter.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** 02/14/2010**To:** Criminal Investigations Directorate, DC. **Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate, Kabul, Afghanistan**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID #:** 300-AF-0041 (PI)

Title: (b)(6), (b)(7)(c);
Bribery, Mail Fraud

Synopsis: The purpose of this communication is to provide the reader with sufficient data to administratively close out the cited preliminary inquiry.

Details: On 30 Sep 09, (b)(6), (b)(7)(c) Special IG for Afghanistan Reconstruction (SIGAR) received notification from (b)(6), (b)(7)(c), Defense Criminal Investigation Service (DCIS), (b)(6), (b)(7)(c), Afghanistan, who reported that on 12 Sep 09, while conducting a Fraud Awareness Briefing at (b)(6), (b)(7)(c) employee was identified as having accepted gifts from contractors.

During the course of a two day inquiry, documented under DCIS case # (b)(6), (b)(7)(c) Sep 2009-60AF-A2, (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) US Army Criminal Investigation Command (USACIDC), (b)(6), (b)(7)(c) Afghanistan, conducted an interview of (b)(6), (b)(7)(c), who admitted that after he returned to his home in the US (sometime after Oct 08), (b)(6), (b)(7)(c), the owner and operator of (b)(6), (b)(7)(c) construction company mailed him a (b)(6), (b)(7)(c) as a gift for his (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) related the firm had been selected to complete a (b)(4) (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) involvement with that project was to review the preliminary designs - the actual selection was done by (b)(6), (b)(7)(c), the Provincial Reconstruction Team.

(b)(6), (b)(7)(c) returned to work at (b)(6), (b)(7)(c) in mid Apr 09, and he advised he has not accepted any other gifts from (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) admitted that around 7 Sep 09, (b)(6), (b)(7)(c), (associated with the (b)(6), (b)(7)(c) Construction Company) came to the entrance with (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) related the contractor had provided (b)(6), (b)(7)(c)

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To: CID, SIGAR, Wash DC From: CID, SIGAR, Kabul, Afghanistan
Date: 01-04-2010 Title: (b)(6), (b)(7)(c) [REDACTED], Bribery,
Mail Fraud

earlier, but (b)(7)(C) asked (b)(7)(C) to put a couple of stones in them, and gave the contractor \$100 in cash to pay for the stones; however this payment was not witnessed.

After obtaining authorization from the military commander, (b)(6), (b)(7)(C) and (b)(6), (b)(7)(C) searched (b)(6), (b)(7)(C) living area which resulted in seizing a (b)(6), (b)(7)(C) [REDACTED]

(b)(6), (b)(7)(C) and (b)(6), (b)(7)(C) conducted interviews of individuals who were present when (b)(6), (b)(7)(C) received some of these items.

In late Sep 09, (b)(6), (b)(7)(C) was briefed and opined that based on the deminimus value of the items he would not entertain a criminal prosecution.

(b)(6), (b)(7)(C) reported (b)(6), (b)(7)(C) was given a Letter of Reprimand, terminated from his position, and returned to the (b)(6), (b)(7)(C).

On 4 Jan 10, (b)(6), (b)(7)(C) [REDACTED] Special IG for Afghanistan Reconstruction (SIGAR) received a Set Lead to "coordinate and conduct appropriate investigation with DCIS" pertaining to the above cited case. In light of the information in the proceeding paragraphs of this report, recommend this preliminary inquiry be closed in the files of this office. No further investigative activity is warranted.

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To: CID, SIGAR, Wash DC From: CID, SIGAR, Kabul, Afghanistan
Date: 01-04-2010 Title: (b)(6), (b)(7)(c) [REDACTED], Bribery,
Mail Fraud

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close investigation.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

Priority: Priority

Date: January 31, 2011

To: SIGAR Investigations Directorate, Headquarters

Attn: (b)(6), (b)(7)(c)

From: SIGAR Investigations Directorate - (b)(6), (b)(7)(c)

Approved By: [REDACTED] (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c) [REDACTED]

Case #: 200-AF-0157

Title: UNKNOWN SUBJECT(S), DBA
 (b)(7)(A)
 (b)(6), (b)(7)(c)
 AFGHANISTAN - SUBJECT
 POSSIBLE CONTRACTOR ABUSE IN A U.S.
 CONTRACT AND/OR CONTRACT FRAUD

Synopsis: Recommendation to close case.

Reference: Opening AC, dated 11/28/2010.

Enclosures: One copy of the following documents:

- 1.) ISAF email to (b)(6), (b)(7)(c), dated 11/27/2010
- 2.) (b)(6), (b)(7)(c) Contracting Ctr contract # (b)(4)
- 3.) (b)(6), (b)(7)(c) Contracting Ctr contract # (b)(4)

Administrative: Case originated from SIGAR HCMS complaint
 AR-0314-10, dated 11/24/2010.

Details: Referenced AC reported (b)(6), (b)(7)(c) (complainant)
 contacted the SIGAR Hotline to report that (b)(7)(A)
 Company, (b)(6), (b)(7)(c), has hired (b)(6), (b)(7)(c)
 (b)(6), (b)(7)(c) to work on (b)(6), (b)(7)(c), but is not paying them. It is
 believed (b)(7) is referencing a company on (b)(6), (b)(7)(c) named (b)(7)(A)
 (b)(6), (b)(7)(c) did not clarify
 whether U.S. Government contracts were involved.

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(c)

Date: January 31, 2011

Title: 200-AF-0157

Contact with (b)(6), (b)(7)(c) badging office

On 11/27/2010, (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) advised (b)(7)(A) arrived onto (b)(6), (b)(7)(c) in January 2009, under contract number (b)(4). They later were awarded contract number (b)(4).

Review of contract number (b)(4)

Issued by: (b)(6), (b)(7)(c)
Contracting Office ID: (b)(4)
Contracting Office Agency: Department of the Army
For: (b)(6), (b)(7)(c)
Source of funds: Title 10/OMA
Issued to: (b)(7)(A)

Review of contract number (b)(4)

Issued by: (b)(6), (b)(7)(c)
Contracting Office ID: (b)(4)
Contracting Office Agency: Department of the Army
For: (b)(6), (b)(7)(c)
Source of funds: Title 10/OMA
Issued to: (b)(7)(A)

Justification to close case

Since the contracts involved with (b)(7)(A) are not reconstruction funds, it is recommended this case be closed as it is outside of SIGAR's investigative jurisdiction. ICCTF (b)(6), (b)(7)(c) members are not interested in this case.

Upon traveling to Kabul on or about February 7, 2011, (b)(6), (b)(7)(c) will notify the complainant of this SIGAR action, with the assistance of a SIGAR (b)(6), (b)(7)(c). Complainant will be told (b)(7)(c) should make a complaint with the contracting officer who issued the above contracts.

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To: SIGAR INV-HQ

From: SIGAR INV- (b)(6), (b)(7)(C)

Date: January 31, 2011

Title: 200-AF-0157

LEAD(s) :

Set Lead 1: (Action)

SIGAR

AT ARLINGTON, VIRGINIA

It is requested this case be closed for reasons as explained above.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For general awareness and record.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 11/21/2010**To:** Investigations Directorate (ID), Headquarters**From:** Investigations Directorate, (b)(6), (b)(7)(c)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case Number:** 200-AF-0121**Complaint Number:** AR0178-10**Title:** Contract Violations by (b)(7)(A)

Synopsis: Requests closing of a preliminary inquiry in captioned matter due to inability to identify, locate, or interview complainant regarding allegations.

Details: On 09/08/2010, captioned matter was opened in response to a written complaint which was originally mailed to the office of the Secretary of Defense and then was forwarded to the offices of the Special Inspector General for Afghanistan Reconstruction (SIGAR). In the letter of complaint, the complainant, (b)(6), (b)(7)(c), indicated that he/she is an employee of (b)(7)(A) at (b)(6), (b)(7)(c), Afghanistan.

(b)(6), (b)(7)(c) asserted five major issues involving (b)(7)(A)

- 1) (b)(7)(A) discriminates against foreign workers by requiring them to share hotel rooms while they are traveling through (b)(6), (b)(7)(c) while direct hires are allowed to stay in single hotel rooms while traveling through (b)(6), (b)(7)(c).
- 2) (b)(7)(A) allegedly has failed to pay millions of dollars owed to a number of subcontractors.
- 3) (b)(7)(A) employees and their subcontractors are hiring persons who do not meet the medical requirements imposed by government policies and procedures.

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To: ID
Date: 11/21/2010

From: ID
Title: Contract Violations by

(b) (7)(A)

- 4) (b) (7)(A) subcontractors are not in compliance with government procedures because they are hiring persons who are not qualified for their prospective positions or the subcontractors have not adequately certified or documented that these persons possess the labor skills required for their prospective positions.
- 5) (b) (7)(A) is allowing its employees and subcontractors to engage in time and attendance fraud by permitting these individuals, while on duty, to loiter, visit the (b)(6), (b)(7)(c) pick up their laundry, smoke, and surf the Internet.

On 10/15/2010, the writer met with (b)(6), (b)(7)(c) at his office, the (b)(6), (b)(7)(c) to request his assistance in locating complainant (b)(6), (b)(7)(c) and having (b)(6), (b)(7)(c) summoned to the (b)(6), (b)(7)(c) to be interviewed by SIGAR. (b)(6), (b)(7)(c) advised he would search his databases to locate (b)(6), (b)(7)(c) and then advise the writer when the interview was scheduled. On 10/17/2010, (b)(6), (b)(7)(c) stated that he had been unable to find any record of (b)(6), (b)(7)(c) being on base at (b)(6), (b)(7)(c), and he stated that he would contact appropriate personnel with (b) (7)(A) for further information regarding (b)(6), (b)(7)(c). He advised it may not be possible to locate (b)(6), (b)(7)(c) because (b)(6), (b)(7)(c) may be one of several hundred (b)(6), (b)(7)(c), primarily (b)(6), (b)(7)(c), whose direct flights into (b)(6), (b)(7)(c) landed at (b)(6), (b)(7)(c) prior to the introduction of strict security procedures to monitor and record the arrival of passengers. He said that the strict security procedures, which included the issuance of a badge to each arriving passenger, were not initiated until September 2010. (The writer noted that (b)(6), (b)(7)(c) letter of complaint was postmarked at (b)(6), (b)(7)(c) in August 2010, suggesting that (b)(6), (b)(7)(c) arrived on base prior to the introduction of the stricter security procedures.) (b)(6), (b)(7)(c) stated that there are hundreds of these "ghost workers" whose names do not appear on housing records at (b)(6), (b)(7)(c) and who have no badges permitting them access to dining facilities or even to walk freely on the base without fear of being detected by military police.

On 11/15/2010, the writer contacted (b)(6), (b)(7)(c) one final time via email to determine whether he had obtained any further information regarding (b)(6), (b)(7)(c). He responded that he had no new information to provide regarding (b)(6), (b)(7)(c).

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To: ID
Date: 11/21/2010

From: ID
Title: Contract Violations by

(b) (7)(A)

Inasmuch as (b)(6), (b)(7)(c) provides a variety of services at (b)(6), (b)(7)(c), including food services, vehicle maintenance, laundry services, and maintenance of buildings and grounds, and (b)(7)(c) provided no information describing the service area in which he/she is employed, the writer believes any further efforts to locate and interview (b)(6), (b)(7)(c) at (b)(6), (b)(7)(c) are likely to be futile. Therefore, the writer requests authorization to discontinue efforts to interview (b)(6), (b)(7)(c) and close captioned matter. The writer will provide a copy of (b)(6), (b)(7)(c) complaint to the United States Army Audit Agency, located (b)(6), (b)(7)(c) office at (b)(6), (b)(7)(c), which is conducting an ongoing audit of (b)(7)(A) activities and should be able to incorporate the allegations contained in (b)(6), (b)(7)(c) letter of complaint into its audit process.

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To: ID
Date: 11/21/2010

From: ID
Title: Contract Violations by

(b) (7)(A)

LEAD (s) :

Set Lead 1: (Action)

SIGAR

AT: Arlington, Virginia

SIGAR Headquarters is requested to authorize the closing of the preliminary inquiry in captioned matter.

Set Lead 2: (Info)

SIGAR

AT: Kabul, Afghanistan

Read and clear.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Precedence: Routine

Date: January 30, 2011

To: Investigations Directorate (ID), HQ

Attn: (b)(6), (b)(7)(c)

From: Investigations Directorate (ID), (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0061

Title: SESA

Synopsis: The following AC is a request for the closing of this investigation.

Details:

This investigation was initiated based on information received from members of the Provincial Reconstruction Team (PRT) (b)(6), (b)(7)(c) wherein (b)(7)(A) were falsely billing the U.S. Government for work which had not been completed.

On 12 Aug 08, (b)(7)(A) was awarded Commanders Emergency Response Program (CERP) contract (b)(4) to build a (b)(7)(c) in or near the (b)(6), (b)(7)(c) Province, Afghanistan at a value of (b)(4). (b)(7)(A) was paid approximately 70% (b)(4) of the contract's value after the first month after the contract was awarded, even though very little work had been completed. On 21 Jan 09, (b)(7)(A) received another payment of (b)(4), even though little work had been completed on the project.

Investigation revealed the offense of False Claims did not occur as initially alleged. Initial payments made to (b)(7)(A) were for the purchase of equipment related to the contract. Delays with the progress of the contract were primarily due to the import of the required equipment with the specific technology outlined in the contract being held at the Afghanistan Customs. At the time of this report, the construction was completed. The Provisional Reconstruction Team (PRT) (b)(6), (b)(7)(c) are currently training Afghanistan Local Nationals to operate the system. PRT (b)(6), (b)(7)(c) has begun negotiating the final payment of the contract. The (b)(6), (b)(7)(c) has adjusted the cost difference between the (b)(7)(c), which was an original part of the contract, and the (b)(7)(c). No loss to the US Government has been identified.

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To: ID
Date: January 30, 2011

From: ID
Title: (b) (7)(A) Closing AC

On 13 Jan 11, (b)(6), (b)(7)(c) [REDACTED], was briefed on the merits of this investigation, and opined probable cause did not exist to believe (b)(7)(A) committed the offense of false claims as originally alleged.

On 18 Jan 11, (b)(6), (b)(7)(c) [REDACTED] was briefed on the merits of this investigation and declined prosecution.

LEAD (s) :

Set Lead 1: (Info) - Close Investigation

SIGAR

AT Arlington, Va.

Set Lead 2: (Info)

SIGAR

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To: ID

From: ID

Date: January 30, 2011

Title: (b) (7)(A) Closing AC

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine**Date:** 03/05/2010**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** CID**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0010 (C)**Title:** (b)(7)(A)

Bribery; Bid Rigging

Synopsis: To provide details of case and recommend case be closed.

Details: The case was predicated on information of (b)(6), (b)(7)(c), and on (b)(6), (b)(7)(c) Hotline complaint. (b)(7)(A) alleged criminal conduct by (b)(6), (b)(7)(c), and by (b)(7)(A). (b)(7)(A) claims that (b)(7)(A) engaged in a bid rigging scheme to win a contract to work on the project. (b)(7)(A) suggests that (b)(6), (b)(7)(c) colluded with (b)(7)(A) and took a bribe to coerce (b)(7)(A) into giving work to (b)(7)(A).

In a related matter, (b)(6), (b)(7)(c) received allegations from (b)(7)(A) that (b)(7)(A) was improperly awarded the security contract for the (b)(7)(A). Those allegations were also made to a USAID investigator, who opened a case.

These matters are being investigated by SIGAR DC CID agents under a separate case number. Thus, it is recommended that this file be closed.

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Close - 3/9/10
ADM - [signature]

200 AF 0010 - 2

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To: CID
Date: 03/05/2010

From: CID
Title: (b) (7)(A)



Lead (s)

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close this investigation.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For information only.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
INVESTIGATIONS DIRECTORATE**

To: Investigations Directorate HQ

Date: January 27, 2011

From: Investigations Directorate

Afghanistan Field Office - (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 100-AF-0115 (Closing Case Update Form)

Title: (b)(6), (b)(7)(c), (b)(7)(A), ET AL

Synopsis: Case Closing

Administrative: A Preliminary Inquiry was initiated by SIGAR (b)(6), (b)(7)(c) from a SIGAR Hotline Complaint received on September 12, 2010. Numerous subsequent attempts to re-contact the Complainant were negative. The follow up inquiry determined the information provided by the complainant was unfounded and no evidence of any criminal violations was discovered.

Details:

JUSTIFICATION TO CLOSE INVESTIGATION

1. On September 12, 2010, the Complainant, (b)(6), (b)(7)(c), made a telephonic complaint via the SIGAR Hotline, wherein (b)(7)(c) alleged during June/July 2010, two (b)(7)(A) employees (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c), were involved in falsifying contract documents pertaining to USAID contracts (b)(4) and (b)(4) and awarding the contracts to a Non Government Organization (NGO).
2. Numerous efforts to re-contact (b)(6), (b)(7)(c) met with negative results.
3. On November 17, 2010, the reporting agent contacted the (b)(6), (b)(7)(c).

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To: Directorate HQ
Date: January 27, 2011

From: SIGAR (b)(6), (b)(7)(C)
Title: 100-AF-0115

advised (b)(6), (b)(7)(c), resigned from (b)(6), (b)(7)(c) in February 2010. Prior to the creation of the (b)(6), (b)(7)(c) in April 2010, (b)(6), (b)(7)(c) spoke to (b)(7)(A) and provided information regarding alleged corruption of the (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) group. (b)(6), (b)(7)(c) noted (b)(7)(A) did not have any information regarding kickbacks involving (b)(6), (b)(7)(c).

4. (b)(6), (b)(7)(c) provided the reporting agent with copies of (b)(7)(A) internal documents showing the following: Contract (b)(4) (b)(6), (b)(7)(c) was never completed and was cancelled by (b)(7)(A); Contract (b)(4) (b)(6), (b)(7)(c) province) was submitted by the (b)(7)(A) and was completed on February 17, 2010, for (b)(4), well after the originally proposed completion date of June 5, 2009.
5. (b)(6), (b)(7)(c) identified two subjects named (b)(6), (b)(7)(c): one (b)(6), (b)(7)(c) was a (b)(6), (b)(7)(c) and the other (b)(6), (b)(7)(c) was a (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) not an employee of (b)(7)(A).
6. In the original Hotline complaint (b)(6), (b)(7)(c) identifies (b)(6), (b)(7)(c) as the (b)(6), (b)(7)(c).
7. On January 18, 2010, the reporting agent met with USAID/OIG Investigators (b)(6), (b)(7)(c), and (b)(6), (b)(7)(c) regarding this investigation. [NOTE: USAID/OIG was the lead investigative agency in this case as it involved USAID programs.]
8. USAID/OIG advised the reporting agent they found no evidence of contract fraud regarding (b)(7)(A) employees on USAID contracts (b)(4) and (b)(4). Because the Complainant could not be located and interviewed USAID/OIG closed their investigation.
9. All investigative leads in this matter were exhausted and

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To: Directorate HQ
Date: January 27, 2011

From: SIGAR (b)(6), (b)(7)
Title: 100-AF-0115

no further investigation is warranted. This case is closed.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine

Date: August 30, 2010

To: Criminal Investigations Directorate (CID) HQ

Attn: (b)(6), (b)(7)(c)

From: CID (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 100-AF-0077

Title: UNKNOWN SUBJECT, A PERSON
INVOLVED IN THE AWARDING OF
CONTRACTS AT (b)(6), (b)(7)(c)
PROVINCE, AFGHANISTAN;
PROCUREMENT FRAUD

Synopsis: Closing Communication.

Administrative: SIGAR Hotline Complaint received on 2/16/2010 and assigned number AR0016-10. 60-Day Preliminary Inquiry Investigation opened 4/22/2010. Matter was converted to a full investigation and reassigned to (b)(6), (b)(7)(c) on 6/22/2010.

Details: Upon the investigation being reassigned to (b)(6), (b)(7)(c) in June 2010, the case file was reviewed and it was noted that the contract information obtained by the previous case agent, (b)(6), (b)(7)(c), showed that (b)(6), (b)(7)(c) did not submit the low bid on any of the gravel contracts at (b)(6), (b)(7)(c).

During June 2010, telephonic contact was made with (b)(6), (b)(7)(c) to discuss the facts and circumstances of the investigation uncovered during his tenure as case agent.

A visit was made to (b)(6), (b)(7)(c) and the (b)(6), (b)(7)(c) to explore the facts and circumstances of (b)(6), (b)(7)(c) allegation. The (b)(6), (b)(7)(c) was interviewed but had little specific information. He indicated that (b)(6), (b)(7)(c) had rotated back to the (b)(6), (b)(7)(c) and was unaware of any unfair contracting practices at (b)(6), (b)(7)(c).

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To: CID HQ
Date: 08/30/2010

From: CID (b)(6), (b)(7)(c)
Title: 100-AF-0077

An attempt was made by the SIGAR case agent to contact (b)(6), (b)(7)(c) in person, during June 2010, however, it was telephonically determined that (b)(6), (b)(7)(c) was away from (b)(6), (b)(7)(c) Province on a business trip to (b)(6), (b)(7)(c) and in person contact could not be made.

A detailed lead was set forth for NCIS, (b)(6), (b)(7)(c), to conduct an in person interview (b)(6), (b)(7)(c) on July 4, 2010.

On August 26, 2010, an NCIS e-mail was received providing a report of investigation and an interview report (attached). NCIS, after dealing with high profile homicide cases and the difficulty of getting (b)(6), (b)(7)(c) through security at (b)(6), (b)(7)(c), interviewed (b)(6), (b)(7)(c) on August 19, 2010, and determined that he had no factual knowledge of a relationship between (b)(6), (b)(7)(c) and any contractors at (b)(6), (b)(7)(c). It was also determined that he had no factual knowledge that his company, (b)(6), (b)(7)(c), submitted the low bid on any of the gravel contracts but rather that he had surmised that he had submitted the low bid based on gravel pricing information available to him. No misconduct was found on the part of (b)(6), (b)(7)(c) or the (b)(6), (b)(7)(c) contracting office at (b)(6), (b)(7)(c).

Justification to close investigation

Complainant's initial complaint that he was "the lowest bidder" on (b)(6), (b)(7)(c) gravel contracts is not supported by the facts.

Review of relevant contracting documents at (b)(6), (b)(7)(c) disclosed that complainant, (b)(6), (b)(7)(c), did not have the lowest bid on any of the gravel contracts awarded by (b)(6), (b)(7)(c). Additionally, (b)(6), (b)(7)(c), when interviewed by NCIS, stated that he had no factual information that either (b)(6), (b)(7)(c) or the (b)(6), (b)(7)(c) was involved in improper relationships with (b)(6), (b)(7)(c) contractors.

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To: CID HQ
Date: 08/30/2010

From: CID (b)(6), (b)(7)
Title: 100-AF-0077

LEAD(s) :

Set Lead 1: (Action)

CID HQ

AT ARLINGTON, VIRGINIA

Will close this case for reasons as explained above.

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**SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE**

Priority: Routine

Date: June 30, 2010

To: Criminal Investigations Directorate (CID) HQ

Attn: (b)(6), (b)(7)(c)

From: CID (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0058 (C)

Title: UNKNOWN SUBJECT #1,
AKA (b)(6), (b)(7)(c)
(b)(7)(A) CONSTRUCTION COMPANY,
UNKNOWN CITY, UNKNOWN STATE;
UNKNOWN SUBJECT #2,
A CONTRACTING OFFICER AT (b)(6), (b)(7)(c)
AFGHANISTAN
CONTRACT FRAUD

Synopsis: Closing communication.

Administrative: 60-day Preliminary Inquiry initiated 2/19/2010,
converted to Full Investigation on 4/12/2010.

Details: By CID HQ AC dated 2/19/2010, a 60 day Preliminary Inquiry was opened to address allegations received on the SIGAR hotline (AR0094-09), that (b)(7)(A) Construction Company is receiving preferential treatment by a contracting officer at (b)(6), (b)(7)(c) Province, Afghanistan because they have a "relationship" with a contracting officer there. The name and contact information of the complainant was not recorded.

(b)(6), (b)(7)(c) is the (b)(6), (b)(7)(c) in Afghanistan situated (b)(6), (b)(7)(c), the capital of (b)(6), (b)(7)(c) Province. It is adjacent to (b)(6), (b)(7)(c).

Joint Operations Center (JOC) Name Checks

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To: CID HQ
Date: June 30, 2010

From: CID (b)(6), (b)(7)(C)
Title: 200-AF-0058

By a JOC report dated 4/20/2010, JOC advised CID (b)(6), (b)(7)(C) that queries of the Central Contractor Registration, Fed Spending, Fed Vendor, Federal Procurement Database System, Business Identification Cross-Reference System, Dun and Bradstreet, Accurint, FBI data systems and various other open source search mechanisms provided no information in reference to (b)(7)(A) Construction Company

Justification in closing case

One June 21st and June 30th, CID (b)(6), (b)(7)(C) and (b)(6), (b)(7)(C) traveled to (b)(6), (b)(7)(C), to meet with NCIS Agents on (b)(6), (b)(7)(C) (next to (b)(6), (b)(7)(C)), on an unrelated fraud case. NCIS Agents advised that (b)(6), (b)(7)(C) has no officers who work fraud cases per se; however, they do have an intelligence unit called "(b)(6), (b)(7)(C)"

Since this contract involves no "U.S. reconstruction fund," no further investigation is warranted in this matter. CID (b)(6), (b)(7)(C) will summarize this case and forward it to the (b)(6), (b)(7)(C) at (b)(6), (b)(7)(C), through CID (b)(6), (b)(7)(C) contact there at NCIS.

CID (b)(6), (b)(7)(C) will remain alert for any signs that (b)(7)(A) Construction Company has contracts with the U.S., and if so, will consider examining them for any signs of fraud.

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To: CID HQ
Date: June 30, 2010

From: CID (b)(6), (b)(7)
Title: 200-AF-0058

LEAD(s) :

Set Lead 1: (Action)

CID HQ

AT ARLINGTON, VIRGINIA

Will close this case, for reasons as explained above.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 22 Feb 10**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c) [REDACTED]**From:** CID, Kabul, Afghanistan**Contact:** (b)(6), (b)(7)(c) [REDACTED]

(b)(6), (b)(7)(c) [REDACTED]

Approved By: (b)(6), (b)(7)(c) [REDACTED]**Created By:** (b)(6), (b)(7)(c) [REDACTED]**Case ID #:** 600-AF-0021 (C)**Title:**

(b)(6), (b)(7)(c) [REDACTED]

Synopsis: The purpose of this communication is request the investigation be closed.

Details: Coordination with USACIDC, (b)(6), (b)(7)(c), Kabul, Afghanistan their active criminal investigation is completed. A copy of the USACIDC report has been provided to SIGAR

On 22 Feb 10, the case agent received guidance from (b)(6), (b)(7)(c) [REDACTED] to close the investigation.

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600-AF-0021 - 3

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To: CID
Date: 22 Feb 10

From: CID
Title: (b)(6), (b)(7)(c)

LEAD(s) :
SIGAR

At Arlington, VA

- Incorporate the USACIDC final Report of Investigation to the file.
- Close the investigation

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

UNCLASSIFIED

UNCLASSIFIED

To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 02/14/2010

To: Criminal Investigations Directorate (CID)

Attn: (b)(6), (b)(7)(c)

From: CID

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 600-AF-0013 (C)

Title: (b)(6), (b)(7)(c)

Conflict of Interest

*Close - No
Prosecution
4/6/10*

Synopsis: To provide details of case and recommend case be closed.

Details: The case was predicated on information received from an (b)(6), (b)(7)(c) in the (b)(6), (b)(7)(c) office. According to the (b)(6), (b)(7)(c), (b)(6), (b)(7)(c), formerly a (b)(6), (b)(7)(c) in the (b)(6), (b)(7)(c) took a (b)(6), (b)(7)(c) position with (b)(6), (b)(7)(c) at (b)(6), (b)(7)(c) upon (b)(6), (b)(7)(c) leaving (b)(6), (b)(7)(c) position, creating a conflict of interest. (b)(6), (b)(7)(c) has major contracts, including ones relating to mentoring (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) made some preliminary inquiries at the (b)(6), (b)(7)(c) office and was able to confirm that (b)(6), (b)(7)(c) is employed by (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) also made inquiries at the (b)(6), (b)(7)(c) office, which has no record of (b)(6), (b)(7)(c) having requested or received a (b)(6), (b)(7)(c) opinion on whether he could ethically accept the (b)(6), (b)(7)(c) position. DCIS, Army CID, and FBI declined to pursue this investigation. The case is considered closed.

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To: CID
Date: 02/14/2010

From: CID
Title: (b)(6), (b)(7)(c)

Descriptive information for (b)(6), (b)(7)(c) is provided below.

Name: (b)(6), (b)(7)(c)
DOB: Unknown
POB: Unknown
SSAN: Unknown
Address: (b)(6), (b)(7)(c)

Lead (s)

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Recommend closing this investigation.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: July 2, 2010

To: Criminal Investigations Directorate (CID) HQ

Attn: (b)(6), (b)(7)(c)

From: CID (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 500-AF-0079 (C)

Title: UNKNOWN SUBJECT(S), (b)(6), (b)(7)(c)
PROVINCE,
AFGHANISTAN;
CONSPIRACY TO STEAL FARM TRACTORS
PURCHASED WITH USAID FUNDS, IN
VIOLATION OF TITLE 18, SECTION 641

Synopsis: Closing communication.

Administrative: Preliminary Inquiry initiated 5/2/2010. No investigation conducted between 5/19 - 6/8/2010 due to Case Agent on R&R (no 2nd Agent at (b)(6), (b)(7) during that time period).

Details: The (b)(7)(A),
(b)(6), (b)(7)(c), is a Non Governmental Organization whose mission is to reduce the suffering of the world's most vulnerable groups. They accomplish this mission by running cost-effective development programs. In 2007, USAID awarded (b)(7)(A) a (b)(4) cooperative agreement to implement a three-year program to increase stability and security in Afghanistan. In 2008, USAID developed the Afghanistan Vouchers for Increased Productive Agriculture (AVIPA) program. In 2010, AVIPA Plus program was created (\$360 million) aimed at increasing rural family farm production. On 5/1/2010, CID (b)(6), (b)(7) received a tip that new tractors purchased with AVIPA Plus funds may be stolen in (b)(6), (b)(7)(c) Province.

Monitoring of the AVIPA Plus program/tractors

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To: CID HQ
Date: July 2, 2010

From: CID (b)(6), (b)(7)
Title: 500-AF-0079

On 5/20/2010, (b)(6), (b)(7)(c), the (b)(6), (b)(7)(c) on the AVIPA Plus program in (b)(6), (b)(7)(c) Province, advised USAID OIG that she had not received any reports of missing tractors that were purchased with AVIPA Plus program funds. She advised that the tractors are part of a cooperative and they belong to the community members, not to one person. These tractors will be rotated between farmers each month. The cooperatives are not allowed to sell the tractors because they belong to the Ministry and they are responsible for making sure the tractors are not sold. (b)(6), (b)(7)(c) has plans to randomly conduct site visits for three months after the tractors are delivered.

On 7/1/2010, (b)(6), (b)(7)(c) advised (b)(6), (b)(7)(c) that (b)(7)(c) recently was posted in Kabul, and was replaced by (b)(6), (b)(7)(c). (b)(7)(c) is not aware of any theft of the aforementioned tractors in (b)(6), (b)(7)(c) Province. The cooperatives, who are made up of farmers, have registered with the (b)(6), (b)(7)(c), which requires a bank account to show that they are a legitimate cooperative and can afford the operations and maintenance of the tractors. USAID felt that by distributing the tractors to a group significantly lessens the chance of these tractors disappearing.

Justification to close investigation

Since neither the initial complainant or a USAID person have shown indications/evidence that any of these tractors have been stolen, it is recommended that this investigation be closed. CID (b)(6), (b)(7) will continue to meet the USAID AVIPA Plus (b)(6), (b)(7)(c) on a regular basis, and review their quarterly report(s) on the success of this particular program. If during those CID (b)(6), (b)(7) reviews significant theft, fraud or waste is detected, this case will be reopened.

No further investigation is warranted in this matter and it is considered closed by CID (b)(6), (b)(7).

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To: CID HQ
Date: July 2, 2010

From: CID (b)(6), (b)(7)
Title: 500-AF-0079

LEAD(s) :

Set Lead 1: (Action)

CID HQ

AT ARLINGTON, VIRGINIA

Will close this case for reasons as explained above.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 01/11/2010**To:** Criminal Investigations Directorate, DC. **Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate, Kabul, Afghanistan**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID #:** 500-AF-0002 (P)**Title:** None - Weapons Accountability

Synopsis: The purpose of this communication is to provide background case details and to recommend the inquiry be administratively closed due to the lack of criminal activity.

Background:

This inquiry was initiated in Mar 09, based on information received from (b)(6), (b)(7)(c), thru (b)(6), (b)(7)(c), who both reported they had read recent news reports indicating that during 2002-2006, US and Coalition forces had issued small arms and munitions to the Afghan Army and Police without a proper accountability processes. Additionally, after issuing the weapons, the US and Coalition members did not require the Afghan National Army or Police to maintain any type of accountability over the weapons they had received.

During the course of this inquiry, it was determined this issue had been the subject of a (b)(6), (b)(7)(c) and a (b)(6), (b)(7)(c) which was ongoing. SIGAR auditors joined the DODIG effort and confirmed the (b)(6), (b)(7)(c) had issued around (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c) without the proper accountability processes. They reported the weapons came to them in conex sized shipments, without a "by serial number" inventory. Because of the lack of (b)(6), (b)(7)(c) manpower to actually inventory the weapons coupled with the need to quickly issue to the weapon, they were issued without the normal safeguards or accountability processes. The current issuance procedure is done by serial number.

Efforts to determine what process was used by other coalition forces were unsuccessful. Inquires with the (b)(6), (b)(7)(c) representatives in (b)(6), (b)(7)(c) were not answered.

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To: CID, SIGAR, Wash DC From: CID, SIGAR, Kabul, Afghanistan
Date: 01-11-2010 Title: None; Weapons Accountability

Details: In light of the information in the proceeding paragraphs, recommend this inquiry be closed in the files of this office. No criminal conduct was discovered and further investigative activity is warranted.

LEAD(s) :

♦♦

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UNCLASSIFIED
SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 01/15/2010**To:** Criminal Investigations Directorate**Attn:** (b)(6), (b)(7)(c) [REDACTED]**From:** Criminal Investigations Directorate**Contact:** (b)(6), (b)(7)(c) [REDACTED] (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0040 (C)**Title:** (changed)

UNSUBS;

(b)(7)(A)

Bribery; Bid-Rigging

UNSUBS;

(b)(7)(A)

Bribery; Bid-Rigging

*Close ADW
2/24/10
Merged w/
200-HQ-0031*

Synopsis: To change the title of this investigation and request it be place in a closed status.

Details: Title marked changed to reflect the substance of the allegations.

This case was predicated upon receipt of a complaint from the SIGAR Hotline (AR0042-09; July 31, 2009). The complainant alleged that (b)(7)(A) [REDACTED] was involved in bid-rigging and price-fixing.

A review of this Hotline complaint reveals this case was referred to SIGAR from SIGIR and involves (b)(7)(A) [REDACTED] contract with (b)(7)(A). (b)(7)(A) makes the allegations based on (b)(7)(A) failing to award them electrification projects in Afghanistan. The Hotline complaint stated that according to SIGAR Audits (b)(6), (b)(7)(c), (b)(7)(A) is not required to follow the FARS in awarding sub-contracts and is permitted to block any sub-contractor.

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To: CID
Date: 1/15/2010

From: CID
Title: (b) (7)(A)

The relationship and charges/counter charges between (b) (7)(A) and (b) (7)(A) are currently being investigated under the case entitled UNSUBS; (b) (7)(A); False Claims Act; Mail Fraud; Wire Fraud; Case ID: 400-HQ-0031. The evidence developed therein is currently being reviewed by DOJ both civilly and criminally, and recommendations are being made to USAID regarding further awards of contracts to (b) (7)(A).

Based on the above, it is requested this case be placed in a closed (administratively) status.

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For information and administrative action.

♦♦

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UNCLASSIFIED

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 04/06/10

To: Criminal Investigations

+

Attn: (b)(6), (b)(7)(c)

From: CID-Afghanistan

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 300-AF-0036 (C)

Title: (b)(6), (b)(7)(c),
Afghanistan; (b)(7)(A)
Constr. Co.;
Bribery; Bid-Rigging

*Close
Adm. S. Kennedy
Dum 4/6/10*

+

Synopsis:

It is requested that this PI be closed. Complainant describes bidding process as problematic. Suggests a direct bidding process would be better.

Details:

Review of this matter suggests it is more about USAID bidding process than about Fraud. Complainant suggests cost of construction was greater than actual cost by subs. No evidence of fraud found. Complainant states he is between contracts and looking for employment.

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To: From: Criminal Investigations Directorate
Date: Title:

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

It is requested that this matter be closed for lack of evidence of a crime.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 02/26/2010**To:** Criminal Investigations Directorate**Attn:** (b)(6), (b)(7)(c) [REDACTED]**From:** Criminal Investigations Directorate**Contact:** (b)(6), (b)(7)(c) [REDACTED]**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0030 (C)**Title:** UNSUBS;

(b) (7)(A)

(b)(6), (b)(7)(c);

(b) (7)(A)

BRIBERY

Close Adam
2/26/10
[Signature]

Synopsis: To request this investigation be placed in a closed status.

Details: This case was predicated upon receipt of a complaint from the SIGAR Hotline (AR0030-09; August 12, 2009). The complainant alleged that [REDACTED], a (b)(6), (b)(7)(c) security company and subcontractor for the (b) (7)(A), was paying local Taliban representatives as an incentive to prevent Taliban assaults on security contractors in (b)(6), (b)(7)(c) Province. SIGAR initially referred the matter to DCIS; however they declined to investigate after determining that the sub-contract was in connection with a USAID project.

SIGAR Investigation section made initial inquiries; including canvassing for information at (b)(6), (b)(7)(c), but at the time the investigation was put on hold due to an ongoing review by SIGAR Audit of the general issue of protection payments by security company subcontractors to alleged Taliban members.

Beginning in April, 2009, (b)(6), (b)(7)(c) [REDACTED] exchanged a number of email communications with (b)(6), (b)(7)(c) [REDACTED], who was the

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To: CID From: CID
Date: 02/26/2010 Title: International Specialized Services

author of the referenced Hotline complaint. (b)(6), (b)(7)(c) advised that during the course of several months, he relayed his allegations of bribery and fraud involving several security companies to "different agencies and talked to several people by phone, and even had some face to face conversations with people from investigative agencies as well as the Department of Defense with nothing being done." This included allegations that security contractor (b)(6), (b)(7)(c), formerly of (b) (7)(A) [REDACTED], who had been working for (b) (7)(A) [REDACTED], had been killed by the Taliban at the direction of (b)(6), (b)(7)(c), (b)(6), (b)(7)(c), over a contract dispute among other things.

On January 7, 2010, the International Contract Corruption Task Force (ICCTF) provided a report concerning (b)(6), (b)(7)(c) and his allegations at the request of the SIGAR ICCTF Joint Operations Center (JOC) representative (report attached). They also provided a classified report that was reviewed by the writer. After reviewing this classified document, it was determined that the (b)(6), (b)(7)(c) allegations are part of a larger (b)(6), (b)(7)(c) the nature of which further SIGAR inquiry could potentially compromise. Based on that review, further examination of this matter by SIGAR is not warranted. This classified report can be reviewed through arrangements with the ICCTF by individuals with appropriate security clearance and agency approval.

Based on the above, it is requested this case be placed in a closed (administratively) status.

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For information and administrative action.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 02/14/2010

To: Criminal Investigations Directorate (CID)

Attn: (b)(6), (b)(7)(c)

From: CID

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 300-AF-0017 (C)

Title: (b)(7)(A)

; UNSUBS

Various corruption and waste allegations

Closey 2/14/10

Synopsis: To provide details of case and recommend case be closed.

Details: The case was predicated on information of (b)(6), (b)(7)(c) who were born in, and are working in, Afghanistan. (b)(6), (b)(7)(c) met with them initially at (b)(6), (b)(7)(c). Later (b)(6), (b)(7)(c), and (b)(6), (b)(7)(c) met with each of them. They have made various allegations of corruption, but lack evidence to support the allegations.

The complainants have been opened by (b)(6), (b)(7)(c) as a human source. The case, which should not have been opened, should be closed.

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To: CID
Date: 02/14/2010

From: CID
Title: (b) (7)(A)

UNSUBS

Lead (s)

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For filing information only.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

For information only.

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SIGAR CRIMINAL INVESTIGATION RECORD					10. SIGAR CASE NUMBER 0014-09	
1. DATE 5/19/09		2. TIME RECEIVED		3. PERSON RECEIVING INFORMATION (b)(6), (b)(7)(c)		11. EXTERNAL AGENCY CASE NUMBER 0019-2009-CID
4. SOURCE (b)(6), (b)(7)(c)				12. ASSIGNED TO (b)(6), (b)(7)(c)		
6. OFFENSE OR ACTION Bribery of US contracting officer					13. ACTION REQUIRED Continued coordination with FBI, CID	
7. SUBJECT: (b)(6), (b)(7)(c)					14. REPORTS	
8. VICTIM USG					TYPE a	SUSPENSE B
9. SYNOPSIS: Suspects offered (b)(6), (b)(7)(c) contracting officer large sum of money for award of CERP road contract in (b)(6), (b)(7)(c) Province. This is extensive joint investigation by CID, FBI, and SIGAR.					8/7/09 Close	
					Defendants plea	
					guilty in USDC	
15. OTHER ACTIONS			16. SIGAR FUNDS			
ACTION	RQRD a	COMPL b	DATE c	AMOUNT d		
EVIDENCE VOUCHERS						



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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: July 7, 2010

To: Criminal Investigations Directorate (CID) HQ

Attn: (b)(6), (b)(7)(c)

From: CID (b)(6), (b)(7)(c)

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 300-AF-0007 (C)

Title: (b)(6), (b)(7)(c);
VIOLATION OF 18 US CODE
SOLICITING/ACCEPTING BRIBES

Synopsis: Closing communication.

Administrative: Full Investigation authorized 4/5/2010.

Details: This case was opened and assigned on 5/7/2009 based on allegations that between September 2008 to March 2009, (b)(6), (b)(7)(c) while assigned to (b)(6), (b)(7)(c), directed about 17 lease contracts (Blanket Purchasing Agreements) for the use of heavy lift equipment to the (b)(7)(A) Corporation. Allegations exist that (b)(6), (b)(7)(c) received bribes or kickbacks from these transactions.

(b)(6), (b)(7)(c) **interviewed:** On 6/9/2009, (b)(6), (b)(7)(c) was interviewed at (b)(6), (b)(7)(c) by SIGAR and US Army CID, about (b) relationship with (b)(6), (b)(7)(c) contractors and why in April 2008, (b)(6), (b)(7)(c) deposited (b)(4) into (b)(6), (b)(7)(c) bank account. Although SIGAR and US Army CID accused (b)(7)(C) of accepting bribes and gratuities, (b)(6), (b)(7)(c) only stated that (b)(7)(C) and (b)(6), (b)(7)(c) saved that money ((b)(7)(C) then requested access to an attorney). (b)(6), (b)(7)(c) refused to assist in the investigation of corrupt contractors at (b)(6), (b)(7)(c).

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To: CID HQ
Date: 07/07/2010

From: CID (b)(6), (b)(7)(C)
Title: 300-AF-0007

Case almost closed in October 2009: Although CID (b)(6), (b)(7)(C) file is incomplete in regards to investigative reports in 2009, a SIGAR email dated 10/22/2009 does exist, from CID (b)(6), (b)(7)(C) to a US Army CID Agent, informing (b)(7)(C) that SIGAR was in the process of closing down their investigation. However; by AC dated 2/23/2010, this case was reassigned to (b)(6), (b)(7)(C) CID (b)(6), (b)(7)(C) due to (b)(6), (b)(7)(C) departure from SIGAR.

Investigation in April 2010

By IR dated 4/5/2010, CID (b)(6), (b)(7)(C) provided an update on ICCTF's recent contact with NATO Maintenance and Support Agency (NAMSA), (b)(6), (b)(7)(C). NAMSA is NATO's principal logistics support agency, providing services to the Alliance and to the Armed Forces of the NATO nations. NAMSA has a contract with TOIFOR Corporation on (b)(6), (b)(7)(C), to manage truck shipments in Afghanistan. TOIFOR maintains a "Jingle Truck Coordination Office," from which all Transportation Movement Requests (TMRs) are received from the respective NATO nations and from the actual truck companies that move the cargo. On 4/28/2010, US Army CID, FBI, and SIGAR met with TOIFOR representatives on (b)(6), (b)(7)(C), regarding the documents they are compiling for the ICCTF.

Justification to close this case

On 6/17/2010, US Army CID Case Agent (b)(6), (b)(7)(C) advised his office (b)(6), (b)(7)(C) was closing their bribery investigation on (b)(6), (b)(7)(C) and sending it back to (b)(6), (b)(7)(C), to see if any type of charge could be filed on (b)(6), (b)(7)(C) (the US DOJ declined to prosecute in Afghanistan).

Due to the mid July transfer of (b)(6), (b)(7)(C) back to the U.S., their (b)(6), (b)(7)(C) office will be examining any remains aspects of "bid rigging" in this case through their raw data file (a control file).

Evidence collected at CID (b)(6), (b)(7)(C) to be forwarded to CID HQ

The following evidence will be forwarded to CID HQ by CID (b)(6), (b)(7)(C) by U.S. Postal Service "Priority Mail" or FedEx:

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To: CID HQ
Date: 07/07/2010

From: CID (b)(6), (b)(7)
Title: 300-AF-0007

Envelope 1: CID (b)(6), (b)(7) work folder

Envelope 2: Financial record checks on (b)(6), (b)(7)(c)

Envelope 3: DCIS reports - various dates in 2009

Envelope 4: 2009 NAMASA printouts, related to (b)(7)(C)

Envelope 5: 2009 SIGAR and DCIS reports

Envelope 6: One CD containing copies of the following:

Folder "DCIS write ups"	(21 documents)
Folder "Evidence and docs"	(30 documents)
Folder "FinCen report"	(03 documents)
Folder "(b)(7)(C) and Trucks"	(06 documents)
Folder "SIGAR 2009"	(19 documents)
Folder "SIGAR 2010"	(16 documents)

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To: CID HQ
Date: 07/07/2010

From: CID [b](6), [b](7)
Title: 300-AF-0007

LEAD(s) :

Set Lead 1: (Action)

CID HQ

AT ARLINGTON, VIRGINIA

Will close this case, for reasons as explained above.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 01/11/2010**To:** Criminal Investigations Directorate, DC. **Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate, Kabul, Afghanistan**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID #:** 200-AF-0037 (PI)**Title:** UNSUBS; (b)(7)(A) Construction Company; Contract Fraud

Synopsis: The purpose of this communication is to provide background details and to request this preliminary inquiry be closed.

Background: On 30 Aug 09, (b)(6), (b)(7)(c) arrived at the SIGAR Office, (b)(6), (b)(7)(c) Kabul, Afghanistan and met with (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) SIGAR. (b)(6), (b)(7)(c) related he was a (b)(6), (b)(7)(c) with 30 years experience and over the past two years had been involved in US Government Reconstruction projects.

(b)(6), (b)(7)(c) had no direct knowledge or suspicions of bribes, corruption, construction short cuts or shoddy workmanship. (b)(6), (b)(7)(c) was simply reporting that the US is wasting their money. (b)(7)(c) is concerned that the US is paying too much to build facilities - we are giving too much money to the contractors, who are making huge profits and investing the money in homes and condominiums in Dubai.

(b)(6), (b)(7)(c) explained the contract award process to (b)(6), (b)(7)(c); how the US determined a "government estimate" and uses that estimate as the basis for the award. (b)(7)(c) responded the US did not know the true construction costs in Afghanistan and the US Government was making their estimates too high.

(b)(6), (b)(7)(c) said that (b)(7)(c) was only interested in insuring the US Government was not wasting money. (b)(7)(c) said (b)(7)(c) wanted the US Government to assist the Afghan people; (b)(7)(c) was concerned that the US Government was spending money unwisely and could get more value for the tax dollars.

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Adm
 Close
 1/12/2010
 [Signature]

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To: CID, SIGAR, Wash DC From: CID, SIGAR, Kabul, Afghanistan
Date: 01-14-2010 Title: UNSUBS; (b) (7)(A) CONSTRUCTION
COMPANY; Contract Fraud

(b)(6), (b)(7) said he knew (b)(6), (b)(7),
SIGAR, personally and would be willing to provide whatever
assistance the US Government needed to determine the true value
of construction costs and equipment.

(b)(6), (b)(7) provided the following contact information:
(b)(6), (b)(7)(c) or (b)(6), (b)(7)(c)

On 30 Aug 09, (b)(6), (b)(7)(c) discussed this information with (b)(6), (b)(7)
(b)(6), (b)(7)(c) SIGAR who related (b)(7)(c) might use
(b)(6), (b)(7)(c) expertise in future inspection activities.

Details: On 17 Dec 10, (b)(6), (b)(7)(c) [REDACTED]
[REDACTED] Special IG for Afghanistan Reconstruction (SIGAR)
received a Set Lead to "conduct appropriate investigation"
pertaining to the above cited case.

In light of the information in this report, recommend this
preliminary inquiry be closed in the files of this office. No
criminal activity was reported, no further investigative activity
is warranted.

LEAD(s) :

♦ ♦

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 04/05/2010

To: Criminal Investigations

+

Attn: (b)(6), (b)(7)(c)

From: CID-Afghanistan

Contact: (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0035 (PI)

Title: UNSUBS;

(b)(6), (b)(7)(c)

False Claims

+

Synopsis:

Recommend that this matter be closed. Investigation to date reveals matter dates back to 2005. Further, allegation involves confrontation between complainant and subject, (b)(6), (b)(7)(c) No +

Details:

Investigation predicated upon receipt of complaint from (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) that fraud existed on construction project of school. (b)(6), (b)(7)(c) accused (b)(6), (b)(7)(c), of extending cost over budget and exceeding time period for construction. Matter was referred by (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c) and is under investigation. Additionally, (b)(6), (b)(7)(c) referred matter to (b)(6), (b)(7)(c). Recommend close.

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To: From: Criminal Investigations Directorate
Date: Title:

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Close.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 13 September 2010**To:** Criminal Investigations Directorate (CID), HQ**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID), Kabul**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0034**Title:** (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)
(b)(6), (b)(7)(c)

ET AL;

dba (b)(7)(A);
Fraud; False Billing; Theft; Conversion

Synopsis: It is request that investigation 200-AF-0034 be closed.

Details: This case was opened based on a Hotline complaint alleging fraud and corruption related to the (b)(6), (b)(7)(c) program. This was a USAID project contracted to (b)(7)(A) for implementation. The investigation was originally assigned to (b)(6), (b)(7)(c). (b)(6), (b)(7)(c), FBI Special Agents, and USAID OIG Special Agents conducted several interviews in an effort to uncover the alleged fraud and corruption. The investigation did not identify fraud related to the distribution of the seeds or any other significant fraud or corruption.

It is recommended this case be closed.

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To: CID
Date: 13 September 2010

From: CID
Title: (b) (7)(A)

LEAD(s) :

Set Lead 1: (Info)

SIGAR

At Arlington, Va.
Close Investigation

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 04/07/2110**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c) [REDACTED]**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c) [REDACTED]**Approved By:** (b)(6), (b)(7)(c) [REDACTED]**Created By:** (b)(6), (b)(7)(c) [REDACTED]**Case ID:** 200-AF-0020 (PI) - C**Title:** (b)(6), (b)(7)(c),
Attempted Larceny, False Claims, False Statements

*Close -
Unfounded -
4/7/10 JAC*

Synopsis: Close captioned matter.

Details: Case was initiated in June 2009, based on information the subject submitted a fabricated Recon contract in an effort to be paid (b)(4) [REDACTED] for work not performed. No funds were expended for this false claim and therefore no loss was incurred. (b)(6), (b)(7)(c) [REDACTED] conducted an extensive investigation confirming with his Army CID contacts that no loss was incurred. After many months of analyzing what course of action to take (b)(6), (b)(7)(c) [REDACTED] opted for none.

After careful consideration, it is therefore recommended this case be closed since no loss occurred.

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To: CID
Date: April 07, 2010

From: CID
Title: Kumar Cena

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Will close captioned case.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine

Date: 04/06/10

To: Criminal Investigative

+

Attn: (b)(6), (b)(7)(c)

From: CID- Afghanistan

Contact: (b)(6), (b)(7)(c)

Approved By: (b)(6), (b)(7)(c)

Created By: (b)(6), (b)(7)(c)

Case ID: 200-AF-0009

Title: (b)(6), (b)(7)(c)
(b)(6), (b)(7)(c) province CERP
Funds;
Bribery;
oo: AF

+

Synopsis:

Recommend close investigation for lack of evidence. Case predicated upon report of several meetings with (b)(6), (b)(7)(c) concerning road project in (b)(6), (b)(7)(c) province. (b)(6), (b)(7)(c)

+

Details:

Review of this matter reveals several reports and interviews concerning (b)(6), (b)(7)(c) involvement in selection of contractor for road project. Subsequent acquiescence by (b)(6), (b)(7)(c) fueled suspicion of bribe paid to (b)(6), (b)(7)(c) for (b)(7)(c) approval. No evidence ever uncovered and matter should be closed for such lack of evidence.

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To: From: Criminal Investigations Directorate
Date: Title:

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Request this matter be closed for lack of evidence.

Set Lead 2: (Info)

SIGAR

AT KABUL, AFGHANISTAN

UNCLASSIFIED



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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 13 April 10**To:** Criminal Investigations Directorate (CID), HQ**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID), Kabul**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 200-AF-0008 (C)

Title: (b)(6), (b)(7)(c) et al; Violation of Anti-Corruption Law, Soliciting and Accepting Bribes

Synopsis: The purpose of this communication is to request that the Primary Investigation be closed.

Details: This investigation involved allegations of bribery and corruption involving (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c) Province. (b)(6), (b)(7)(c) was assigned this investigation on 23 Feb. 2010. In March of 2010, (b)(6), (b)(7)(c) met with (b)(6), (b)(7)(c) of the (b)(6), (b)(7)(c) at the (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) indicated that this investigation was being conducted out of the (b)(6), (b)(7)(c) in conjunction with the Major Crimes Task Force (MCTF) at (b)(6), (b)(7)(c) and was led by FBI agents assigned to the MCTF. (b)(6), (b)(7)(c) advised that the investigation was in its final stages and was winding down. (b)(6), (b)(7)(c) stated that there were no expected U.S. prosecutions in the case. (b)(6), (b)(7)(c) also stated that there were many allegations of corruption involving the (b)(6), (b)(7)(c) as well as other (b)(6), (b)(7)(c). However, (b)(6), (b)(7)(c) stated that there was not sufficient evidence at this point to charge the governor with any crimes related to this corruption. (b)(6), (b)(7)(c) also stated that there was limited, useful evidence which could be used to substantiate criminal charges, either U.S. or local Afghan charges, with respect to these allegations against the (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) in (b)(6), (b)(7)(c). The investigation currently had not uncovered direct evidence or witnesses who could be utilized to help prove allegations of corruption and fraud against the (b)(6), (b)(7)(c). There had been some indications and allegations of corruption by the (b)(6), (b)(7)(c) and (b)(6), (b)(7)(c) associates with respect to U.S. funding of projects in the province. However, these allegations were very

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To: CID
Date: February 19, 2010

From: CID
Title: (b)(6), (b)(7)(c)

general and would not prove very useful in criminal prosecutions in the U.S. or Afghanistan. For this reason, it is recommended that this Primary Investigation be closed.

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, Va.

Close Primary Investigation.

Set Lead 2: (Info)

SIGAR

At BAF, Afghanistan

Close Primary Investigation.

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UNCLASSIFIED

To: CID
Date: February 19, 2010

From: CID
Title: (b)(6), (b)(7)(c)

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

Details: After a careful review of the above listed cases, it has been determined that no further investigation will be conducted reference the allegations. Therefore, they are being administratively closed.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 05/18/2010**To:** Criminal Investigations Directorate**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 100-HQ-0078 (C)

Title: UNSUB(S), aka, Falsely
Representing (b)(7)(A)
On Contracts/Bids;
Contract Fraud; Bribery

Synopsis: The purpose of this communication is to request this investigation be placed in a closed status.

Details: On 04/30/2010, SIGAR CID opened a Preliminary Inquiry based on information provided on the SIGAR Hotline by (b)(6), (b)(7)(c)

(b)(6), (b)(7)(c) was subsequently interviewed telephonically on 05/06/2010 at (b)(6) and (b)(7)(c) request. According to the complainant, (b)(6) and (b)(7)(c) is the (b)(6), (b)(7)(c) telephone (801) (b)(6), (b)(7)(c), email (b)(6), (b)(7)(c), and the (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c), the owners of (b)(7)(A), a (b)(4) company that provides (b)(6), (b)(7)(c) in Afghanistan under a number of subcontracts. (b)(6), (b)(7)(c) advised (b)(7)(A) took over those subcontracts from a company formerly called (b)(7)(A), owned by (b)(6), (b)(7)(c). The (b)(6), (b)(7)(c) became the subject of a federal prosecution, in which they were indicted and pled guilty to a variety of criminal charges. They are scheduled to be sentenced in July, 2010. The (b)(7)(A) plea agreements require them to forfeit (b)(4) in proceeds that can be traced to the fraud, and relinquish any control over the security contracts they were awarded.

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To: CID

From: CID

Date: 05-18-2010

Title: UNSUB(S), aka, Contract Fraud

(b)(6), (b)(7)(c) stated his client, (b)(6), (b)(7)(c) purchased the company from the (b)(6), (b)(7)(c) and renamed it (b)(7)(A), assuming all (b)(7)(A) assets and security contracts. (b)(6) and (b)(7)(c) client operated the company from July 2009 to February 2010, at which time he realized (b)(6) and (b)(7)(c) was losing money. (b)(7)(A) was incurring approximately (b)(4) in monthly expenses, while the income was only approximately (b)(4). (b)(6), (b)(7)(c) stated that (b)(6) and (b)(7)(c) client subsequently learned that the (b)(6), (b)(7)(c) have continued to maintain contact with the subcontractors, and are attempting to regain control of the business in violation of their plea agreement; however (b)(6) and (b)(7)(c) was unable to provide details. (b)(6) and (b)(7)(c) stated that he learned the (b)(6), (b)(7)(c) at some point bribed a former Russian General with an armored vehicle, further details were unknown. (b)(6), (b)(7)(c) stated (b)(6) and (b)(7)(c) has provided all this information to the Department of Justice attorneys who prosecuted the (b)(6), (b)(7)(c); however they have said they are not interested.

(b)(6), (b)(7)(c) was asked if (b)(6) and (b)(7)(c) or (b)(6) and (b)(7)(c) clients had any information concerning the former owners of (b)(7)(A) (b)(6), (b)(7)(c) pertaining to any current attempts by them to bid on any contracts, either as a Prime or Sub, utilizing the former name of the company, present name of the company, or a new company. In an email dated 05/17/2010, (b)(6), (b)(7)(c) replied "we do not know".

In an email dated May 11, 2010, (b)(6), (b)(7)(c) did provide the following information concerning a former (b)(7)(A), now (b)(7)(A) employee (b)(6) and (b)(7)(c) deemed as suspicious, as well as additional information regarding (b)(7)(A) armored vehicles.

(b)(6), (b)(7)(c) resides and works out of the (b)(6), (b)(7)(c) residence, located at (b)(6), (b)(7)(c) Afghanistan, and makes night runs to the (b)(6), (b)(7)(c) office, located at (b)(6), (b)(7)(c) Afghanistan. (b)(6) and (b)(7)(c) cell is (b)(6), (b)(7)(c). (b)(6) and (b)(7)(c) is the (b)(6), (b)(7)(c) and a (b)(6), (b)(7)(c) and very connected in (b)(6), (b)(7)(c) has been in Afghanistan since 2002; (b)(6), (b)(7)(c) a construction company called (b)(7)(A) with an

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To: CID
Date: 05-18-2010

From: CID
Title: UNSUB(S), aka, Contract Fraud

(b)(6), (b)(7)(c) business (b)(6) and (b)(7)(c) named (b)(6), (b)(7)(c). (b)(6), (b)(7)(c) is married to the (b)(6), (b)(7)(c) named (b)(6), (b)(7)(c). (b)(7)(A) is currently working construction projects in (b)(6), (b)(7)(c) Afghanistan. (b)(6), (b)(7)(c) has (b)(6), (b)(7)(c), visits the (b)(6), (b)(7)(c) camp in (b)(6), (b)(7)(c) routinely, and all of the (b)(6), (b)(7)(c) weekly. (b)(6) and (b)(7)(c) is very close to (b)(6), (b)(7)(c) and all the (b)(6), (b)(7)(c) dine with (b)(6), (b)(7)(c) on a weekly basis at the (b)(6), (b)(7)(c). They frequently have daytime meetings with (b)(6), (b)(7)(c) at the (b)(7)(A) house.

(b)(6), (b)(7)(c) does all of (b)(6) and (b)(7)(c) communications via telephone or in person. (b)(6) and (b)(7)(c) never uses a computer. (b)(6), (b)(7)(c) has been leaving the house in (b)(6), (b)(7)(c), at least a couple of times a week over the past 4 months, to go to the (b)(6), (b)(7)(c) office in the middle of the night to meet with unknown suspicious clients. When approached about the meetings, (b)(6) and (b)(7)(c) denies they occur. (b)(6), (b)(7)(c) may become the diplomatic attaché for (b)(6), (b)(7)(c) in Afghanistan.

(b)(6), (b)(7)(c) currently controls the (b)(6), (b)(7)(c) in Afghanistan and (b)(6), (b)(7)(c) may have had (b)(6), (b)(7)(c) to their detriment. (b)(6), (b)(7)(c), acting in concert with others, on or about September 2009 leased or allowed to be leased two of (b)(6), (b)(7)(c) to (b)(6), (b)(7)(c), without the consent or knowledge of (b)(6), (b)(7)(c). It is also possible that, for influence peddling, the vehicles were given to another to use personally or for profit.

(b)(6), (b)(7)(c) characterized the above information in (b)(6) and (b)(7)(c) email as "unsubstantiated". It was provided in a lead to SIGAR CID Afghanistan on 05/14/2010, for dissemination as appropriate.

On 05/12/2010, an email was sent to (b)(6), (b)(7)(c) who prosecuted the (b)(6), (b)(7)(c) (b)(6), (b)(7)(c) were informed of the allegations presented by (b)(6), (b)(7)(c) that the (b)(6), (b)(7)(c) might be in violation of their plea agreement by continuing to being involved in contracting in Afghanistan. To date there has been no response to the information provided.

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To: CID
Date: 05-18-2010

From: CID
Title: UNSUB(S), aka, Contract Fraud

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

Inasmuch as the complainant had no information he could provide that indicated a loss to the government in the dispute between his client and the (b)(6), (b)(7)(c), it is requested this matter be placed in a closed status.

It should be noted the information the complainant provided concerning allegations the (b)(6), (b)(7)(c) may be in violation of their plea agreement, as well as the suspicious activity by current (b)(7)(A) employees, was disseminated as appropriate.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** 01/15/2010**To:** Criminal Investigations Directorate**Attn:** (b)(6), (b)(7)(c) [REDACTED]**From:** Criminal Investigations Directorate**Contact:** (b)(6), (b)(7)(c) [REDACTED] (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID:** 300-AF-0040 (C)**Title:** (changed)

UNSUBS;

(b)(7)(A)

Bribery; Bid-Rigging

UNSUBS;

(b)(7)(A)

Bribery; Bid-Rigging

*Close ADW
2/24/10
Merged w/
200-HQ-0031*

Synopsis: To change the title of this investigation and request it be place in a closed status.

Details: Title marked changed to reflect the substance of the allegations.

This case was predicated upon receipt of a complaint from the SIGAR Hotline (AR0042-09; July 31, 2009). The complainant alleged that (b)(7)(A) [REDACTED] (b)(6), (b)(7)(c) was involved in bid-rigging and price-fixing.

A review of this Hotline complaint reveals this case was referred to SIGAR from SIGIR and involves (b)(7)(A) [REDACTED] contract with (b)(7)(A). (b)(7)(A) makes the allegations based on (b)(7)(A) failing to award them electrification projects in Afghanistan. The Hotline complaint stated that according to SIGAR Audits (b)(6), (b)(7)(c), (b)(7)(A) is not required to follow the FARS in awarding sub-contracts and is permitted to block any sub-contractor.

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To: CID
Date: 1/15/2010

From: CID
Title: (b) (7)(A)

The relationship and charges/counter charges between (b) (7)(A) and (b) (7)(A) are currently being investigated under the case entitled UNSUBS; (b) (7)(A); False Claims Act; Mail Fraud; Wire Fraud; Case ID: 400-HQ-0031. The evidence developed therein is currently being reviewed by DOJ both civilly and criminally, and recommendations are being made to USAID regarding further awards of contracts to (b) (7)(A).

Based on the above, it is requested this case be placed in a closed (administratively) status.

LEAD(s):

Set Lead 1: (Info)

SIGAR

AT ARLINGTON, VA

For information and administrative action.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Priority: Routine**Date:** December 1, 2009**To:** Criminal Investigations Directorate (CID)**Attn:** (b)(6), (b)(7)(c)**From:** Criminal Investigations Directorate (CID)**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c); mm

Case ID: 100-AF-0001 (C)
300-AF-0004 (C) ✓
200-AF-0005 (C)
200-AF-0006 (C)
600-AF-0011 (C)
300-AF-0012 (C)
100-AF-0015 (C)
600-AF-0018 (C)
200-AF-0019 (C)

Close 12/1/09

Title: UNSUB(S), aka,
Trucking Industry;
Bribery

Synopsis: Request the above listed investigations be placed in closed status.

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To: CID
Date: December 1, 2009

From: CID
Title: Trucking Industry

LEAD(s) :

Set Lead 1: (Info)

SIGAR

AT Arlington, Va.

Will administratively close each case listed.

Set Lead 2: (Info)

SIGAR

At Kabul, Afghanistan

For Information only.

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SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION
CRIMINAL INVESTIGATIONS DIRECTORATE

Precedence: Routine**Date:** 22 Feb 10**To:** DAIG, Criminal Investigations Directorate (CID)
SIGAR, Attn: (b)(6), (b)(7)(c)**From:** CID, Kabul, Afghanistan**Contact:** (b)(6), (b)(7)(c)**Approved By:** (b)(6), (b)(7)(c)**Created By:** (b)(6), (b)(7)(c)**Case ID #:** 100-AF-0003 (P)**Title:** Staff Sergeant (b)(6), (b)(7)(c), US Army**Synopsis:** The purpose of this communication is request the investigation be closed.**Details:** Coordination with USACIDC, (b)(6), (b)(7)(c) Kabul, Afghanistan disclosed they are still attempting to locate and interview (b)(6), (b)(7)(c), who has been transferred to (b)(6), (b)(7)(c). USACIDC does not expect to require any investigative assistance from SIGAR. On 22 Feb 10, the case agent received guidance from (b)(6), (b)(7)(c) (b)(6), (b)(7)(c), to close the investigation.**LEAD(s):****At HQ, SIGAR, Arlington, VA**

- Incorporate the USACIDC initial report to the file.
- Close the investigation

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