
THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT *of* NEW MEXICO

**Former Officer Of New Mexico-Based Defense Contractor Pleads Guilty To Conspiracy, Kickback And Tax Evasion Charges
Related To Rebuilding Efforts In Iraq**

FOR IMMEDIATE RELEASE

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ALBUQUERQUE – Bradley G. Christiansen, 47, of Albuquerque, N.M., pleaded guilty last week to criminal charges arising out of his role in a conspiracy to solicit and accept kickbacks in return for favorable treatment in awarding subcontracts relating to wartime rebuilding projects in Iraq and his efforts to evade federal taxes on the money and assets he received as kickbacks.

Christiansen's guilty plea was announced by U.S. Attorney Kenneth J. Gonzales, Janice M. Flores, Special Agent in Charge of the Southwest Field Office of the Defense Criminal Investigative Service (DCIS), Carol K.O. Lee, Special Agent in Charge of the Albuquerque Division of the FBI, Dawn Mertz, Special Agent in Charge of the Phoenix Field Office of IRS Criminal Investigation, and Stuart W. Bowen, Jr., Special Inspector General for Iraq Reconstruction (SIGIR).

Christiansen, together with Neal Kasper, 63, and Tiffany White, 46, of Cibolo, Tex., all former officers of a New Mexico-based defense contractor, and four foreign nationals, was charged with conspiracy to defraud the United States of more than \$5 million through wire fraud in a 91-count indictment filed in Feb. 2012. The indictment also charged the seven defendants with 74 substantive wire fraud offenses, and with offering and receiving illegal kickbacks. It also charged Christiansen, Kasper, White and Sara Christiansen, 48, with conspiracy to launder money and 11 substantive money laundering offenses, and Christiansen with three counts of tax evasion.

According to the indictment, during the Iraqi war and continuing through 2011, the United States funded numerous construction and rebuilding projects in Iraq and Jordan, including contracts administered by the United States Air Force Center for Engineering and the Environment (AFCEE). Laguna Construction Company, Inc. (LCC), a minority disadvantaged business wholly owned by the Pueblo of Laguna, successfully bid and was awarded multiple contracts, including AFCEE contracts, for wartime reconstruction and rebuilding projects in Iraq and Jordan. From 2003 through 2009, LCC administered more than \$350 million of Iraqi and Jordanian reconstruction contracts.

LCC was required to award subcontracts to foreign companies by generating requests for proposals and soliciting independent subcontract bids from qualified foreign companies. All subcontract bids were required to be independently prepared by the subcontractors without collusion from LCC, and LCC was required objectively to evaluate the bids and to award the subcontracts to the lowest qualified bidders. LCC and its personnel were prohibited from accepting anything of value, whether gifts, bribes or kickbacks, from the bidders. According to the indictment, from Jan. 2004 through Feb. 2009, Kasper, Christiansen and White, who were officers and employees of LCC but not members of the Pueblo of Laguna, conspired with the four foreign nationals to defraud the United States of more than \$5 million. They also allegedly conspired to launder the illegal kickbacks they received from the foreign nationals to conceal the unlawful nature of the proceeds.

During his plea hearing on July 2, 2013, Christiansen entered a guilty plea to a felony information charging him with conspiracy to provide, solicit and accept kickbacks. He also pleaded guilty to Counts 76 and 91 of the indictment, charging him with solicitation and receipt of kickbacks and tax evasion, respectively.

In his plea agreement, Christiansen acknowledged that AFCEE awarded two prime contracts to LCC relating to United States' reconstruction efforts in Iraq, which required LCC to serve as a prime contractor and provide construction

management services in response to task orders from AFCEE. From 2003 through 2009, LCC received and administered approximately \$397 million through the two contracts which contemplated that LCC would award work to subcontractors to complete reconstruction projects. Christiansen was hired as a LCC division manager in 2002 by Kasper, who was then president of LCC, and becoming LCC's operations manager and vice president of operations in 2005. In that capacity, he oversaw all LCC Iraq reconstruction projects under the supervision of Kasper, who was in charge of all of LCC's construction operations, including those involving wartime reconstruction efforts in Iraq and Jordan.

According to the plea agreement, beginning in Dec. 2004, Christiansen, Kasper, White and others sought and obtained payments for task orders under the prime contracts under false pretenses by repeatedly certified that all subcontracts were awarded pursuant to competitive bidding procedures when in fact they were accepting kickbacks from subcontractors in return for awarding subcontracts to them. Specifically, Christiansen admitted that, from Dec. 2004 through Feb. 2009, Kasper, White, he and others conspired with the four foreign nationals to defraud the United States by soliciting and accepting kickbacks from the foreign nationals in return for awarding them subcontracts. Christiansen admitted accepting numerous kickbacks from the foreign nationals, and asserted that he had personal knowledge of Kasper accepting numerous kickbacks from the foreign nationals and directing them to send money to White.

Christiansen admitted receiving his first kickback in Dec. 2004, through Kasper, who had received a \$20,000 kickback and shared half with Christiansen. According to Christiansen, from Jan. 2005 through Feb. 2009, Kasper and he received numerous kickbacks from the foreign nationals, which they split 50/50. In addition to approximately \$360,000 in monetary kickbacks, Christiansen also admitting to receiving a 2006 Porsche Cayman valued at \$65,163, a Ford GT350 Shelby valued at \$290,000, several watches valued at an aggregate of \$103,800 as kickbacks from the foreign nationals.

Christiansen also admitted that he willfully failed to declare the kickback payments and assets he received from the foreign nationals as personal income when filing his federal income tax returns in 2006, 2007 and 2008. As a result, Christiansen evaded approximately \$389,413 in federal taxes.

At sentencing, Christiansen faces a maximum penalty of ten years in prison. The plea agreement also requires Christiansen to pay full restitution to the victims of his criminal conduct, including \$389,413 in restitution to the IRS. The plea agreement also requires that Christiansen agree to the imposition of a money judgment against him in the amount of \$1,687,310.84 and that he forfeit all assets derived from his criminal conduct, including his residence which was substantially remodeled with kickbacks from the foreign nationals. As required by the plea agreement, the United States has filed a motion to dismiss all charges against Sara Christiansen.

"While our brave men and women in uniform viewed the Iraq War as an opportunity to serve their country and make sacrifices for it, Bradley Christiansen saw it as an opportunity to enrich himself at the expense of the American taxpayers," said U.S. Attorney Kenneth J. Gonzales. "However, the Pueblo of Laguna and its people also were harmed by Mr. Christiansen's crimes and the crimes allegedly committed by his codefendants. As a result of their criminal activities, the Laguna Construction Company, a company that was once one of the largest U.S. contractors in Iraq and Jordan, has been dissolved and has ceased doing business. While this prosecution cannot restore what the Pueblo of Laguna has lost, I hope the community can take comfort in knowing that there is a dedicated team of agents, investigators and prosecutors who will make sure that those responsible are prosecuted to the fullest extent of the law. I also want to thank Governor Richard Luarkie and the Pueblo of Laguna for their cooperation during the investigation of this case."

"The guilty plea in this matter demonstrates the Federal Government's continuing resolve to ensure those who violate the law are brought to justice and held accountable for their actions and is an excellent example of cooperation amongst numerous law enforcement agencies, to include the Defense Criminal Investigative Service, the Federal Bureau of Investigation, the Internal Revenue Service-Criminal Investigation, and the Special Inspector General for Iraq Reconstruction (SIGIR)," said Janice M. Flores, Special Agent in Charge of the DCIS Southwest Field Office.

"Companies and individuals who do business with the federal government are held to high standards of responsibility and accountability. When they choose to enrich themselves at the public's expense, these entities can expect the FBI will come knocking on their door," said Carol K.O. Lee, Special Agent in Charge of the Albuquerque Division of the FBI. "I would like to thank the FBI Special Agents, Professional Support Staff, U.S. Attorney's Office and our law enforcement partners whose

hard work made today's plea and plea agreement possible. The FBI will continue to work closely with our partners to protect taxpayers by vigorously investigating companies and individuals who commit fraud both domestically and overseas."

"Mr. Christiansen has taken responsibility for his role in this complex fraud scheme involving kickbacks and other illegal activity," said Dawn Mertz, Special Agent in Charge of the Phoenix Field Office of IRS Criminal Investigation. "He defrauded the taxpayers of the United States by diverting government funds for his own benefit and also failed to report this income on his own tax returns."

Special Inspector General for Iraq Reconstruction Stuart W. Bowen Jr. said, "Bradley G. Christiansen's defrauding of the American taxpayer through contract kickbacks and other illegal practices is made even more egregious by his use of a disadvantaged minority business to gain Iraq reconstruction contracts." IG Bowen praised the team effort put forth not only by SIGIR, but also, the FBI, the DCIS and IRS Criminal Investigation.

Kasper and White have entered not guilty pleas to the indictment and are currently scheduled for trial on Oct. 7, 2013. The four foreign nationals, Ramzi Snobar and Yacoub Snobar, citizens of Jordan, Mustapha Ahmad, a dual citizen of Lebanon and Great Britain, and Ali Al Aridhi, a citizen of Iraq, have not been arrested and are considered fugitives. The charges in the indictment against these six defendants are merely allegations and the defendants are presumed innocent unless proven guilty beyond a reasonable doubt in a court of law.

This case is being prosecuted by Assistant U.S. Attorneys Mary L. Higgins, George C. Kraehe and Shana B. Long, and was investigated by the DCIS, the Albuquerque Division of the FBI, IRS Criminal Investigation, SIGIR and the Defense Contract Audit Agency. Assistant U.S. Attorney Stephen R. Kotz is handling the related forfeiture proceedings.