

JUSTICE NEWS

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Former Military Contractor Sentenced to 54 Months in Prison for Paying Bribe to Army Officer During Iraq War

A former military contractor who ran two Kuwaiti companies during the Iraq War was sentenced today to 54 months in prison for paying a \$15,000 bribe to a lieutenant in the Army National Guard in exchange for the award of a contract. Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division and U.S. Attorney Zane David Memeger of the Eastern District of Pennsylvania made the announcement.

George H. Lee, 71, of Philadelphia, was sentenced by U.S. District Judge Joel H. Slomsky of the Eastern District of Pennsylvania.

In connection with his guilty plea, Lee admitted that, as the president and chief executive officer of American Logistics Services (ALS), a Kuwaiti company providing supplies to the U.S. military in Iraq, he paid a \$15,000 bribe to former Lieutenant Markus E. McClain in exchange for favorable official action in the awarding of an extension of a lucrative bus contract to ALS. Specifically, Lee admitted that, in August 2004, several of his employees met with former Lieutenant McClain at Camp Arifjan, Kuwait, and offered McClain \$15,000 and a Rolex watch in exchange for former Lieutenant McClain's assistance in getting the contract extension to ALS. Former Lieutenant McClain ultimately accepted the bribe payment.

During the sentencing hearing, the court also made specific findings that Lee directed the payment of over \$1 million in bribes to other Army personnel.

Former Lieutenant McClain previously pleaded guilty to one count of accepting a gratuity, and will be sentenced on Oct. 23, 2015. In addition, Lee's son, Justin Lee, previously pleaded guilty to one count of conspiracy to commit bribery and four counts of bribery for his role in the scheme, and is scheduled to be sentenced on Oct. 29, 2015.

The case is being investigated by the U.S. Army Criminal Investigation Command, the Defense Criminal Investigative Service and the U.S. Department of Homeland Security Immigration and Customs Enforcement, and previously was investigated by the Office of the Special Inspector General for Iraq Reconstruction. The case is being prosecuted by Trial Attorneys John Keller and Richard Evans of the Criminal Division's Public Integrity Section and the U.S. Attorney's Office of the Eastern District of Pennsylvania.