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THE UNITED STATES ATTORNEY'S OFFICE  
DISTRICT OF COLUMBIA

**Former Army Contracting Official Indicted on Federal Charges In Bribery and Kickback Scheme  
Defendant Accused of Taking Cash, Vacations, and Other Benefits, Including Part Ownership of Two Companies Awarded  
Government Contracts**

WASHINGTON – In Seon Lim, a former contracting official for the U.S. Department of the Army, was arrested today following his indictment on federal bribery and other charges in a scheme in which he allegedly accepted more than \$350,000 in cash, along with vacations and other benefits, from favored contractors.

The indictment was announced by Ronald C. Machen Jr., U.S. Attorney for the District of Columbia; Dana J. Boente, U.S. Attorney for the Eastern District of Virginia; Valerie Parlave, Assistant Director in Charge of the FBI's Washington Field Office; Thomas J. Kelly, Special Agent in Charge of the Washington Field Office of the Internal Revenue Service-Criminal Investigation (IRS-CI); Peggy E. Gustafson, Inspector General for the Small Business Administration (SBA); Robert E. Craig, Special Agent in Charge of the Mid-Atlantic Field Office of the Defense Criminal Investigative Service (DCIS); and Frank Robey, Director of the U.S. Army Criminal Investigation Command's Major Procurement Fraud Unit (MPFU).

Lim, 48, of Fairfax Station, Va., also known as InSeon Lim, was indicted on May 8, 2014 in the U.S. District Court for the Eastern District of Virginia. The 10-count indictment, which was unsealed following today's arrest, accuses Lim of one count of conspiracy, four counts of bribery, money laundering, a tax offense, and related charges. Lim made his initial court appearance today and was released pending a status hearing May 20, 2014

Lim is the latest person to be charged in an investigation into domestic bribery, bid-rigging, and federal contracting. A total of 17 individuals and one corporation, Nova Datacom, LLC, have pled guilty to federal charges, and a second company, Saena Tech Corp., entered into a deferred prosecution agreement with the government.

The indictment provides notice that, if convicted, the United States will seek forfeiture of all proceeds of the charged offenses, including Lim's house in Fairfax Station.

"A federal grand jury has charged this Army official with taking more than \$350,000 in cash, a Lexus, and a trip to the Bahamas in exchange for steering business to crooked contractors," said U.S. Attorney Machen. "Seventeen people and one corporation have already pled guilty as part of this sweeping investigation into bribery in federal contracting. The wide reach of these prosecutions should send a clear message to corrupt public officials and contractors who use secret payoffs to cheat the system."

"Accepting personal gifts in exchange for favorable action on government contracts steals from the American taxpayer and has no place in government contracting," said Assistant Director in Charge Parlave. "Working together to protect federal funds, the FBI and our law enforcement partners will continue to ensure that those who commit fraud and corruption are brought to justice."

“IRS Criminal Investigation is focused on cases in which greedy public officials, who for their own personal benefit, use their official position to accumulate ill-gotten wealth at a cost to the taxpayer,” said Special Agent in Charge Kelly. “The illegal activity detailed in the indictment regarding this bribery and kickback scheme was both extensive and significant. IRS Criminal Investigation, in conjunction with our law enforcement partners, is committed to investigating cases just like these.”

“Federal small business contracts are not pay-to-play,” said SBA Inspector General Gustafson. “Corruption, bribery, and deceitful actions will be rooted out of the system, and those responsible will be brought to justice. I want to thank our law enforcement partners and the U.S. Attorney’s Office for their cooperation and dedication to this investigation.”

“It’s a sad day when the public’s trust is shaken by the criminal acts of government officials who are entrusted to safeguard our taxpayer dollars, said DCIS Special Agent in Charge Craig. “However, today sends a strong message that DCIS, along with its investigative partners, will ensure prosecution of those individuals to the fullest extent of the law, no matter who they are or what position they hold.”

According to the indictment, Lim was a public official until April 2012. The charges involve his activities as an assistant project manager and product director with the Program Executive Office Enterprise Information Systems, a part of the Army that provides infrastructure and informational management systems.

The indictment covers activities from May 2007 through October 2011.

Until June 2010, Lim resided and worked in Seoul, South Korea. While in South Korea, his primary duties were to oversee and implement communications systems upgrades for the U.S. forces there, which included approximately 10 communications centers and various other special projects at military sites throughout the country. Among other things, Lim coordinated work on a major contract, which, in turn, had numerous sub-contracts.

From June 2010 until his resignation in April 2012, Lim worked as a product director at Fort Belvoir, Va.

The indictment alleges that Lim secretly used his official position to enrich himself by soliciting and accepting gifts, payments and other things of value from government contractors in return for favorable official action. Among other things, the indictment alleges, Lim received payments personally and to accounts that he controlled; payments for travel, vacation, vehicles, cellphones and cellular service for himself and family members; payments for female escorts; ownership interests in two companies, and assistance in obtaining home financing.

The government contractors, meanwhile, enriched themselves by secretly obtaining favorable official action, the indictment alleges. At Lim’s direction, some of the contractors allegedly submitted fraudulent invoices for purported work that was not actually performed. Also at Lim’s direction, the indictment alleges, these contractors then paid him a portion of the proceeds generated by the fraudulent invoices.

The indictment provides details about numerous contracts and payments. For example:

-Nova Datacom: According to the indictment, two former employees of the company - Alex N. Cho, also known as Young N. Cho, and Nick Park - separately paid Lim a total of \$50,000 in cash in 2007. In addition, Park paid for Lim’s travel, lodging, meals and entertainment during a trip to the Philippines in 2007, and Cho paid for lodging and a \$1,000 casino chip during a trip later that year to Las Vegas, the indictment alleges.

-Avenciatech: According to the indictment, two former officials of Avenciatech, Inc., a government contractor based in Annandale, Va., provided Lim with cash and an ownership interest in the company in exchange for official action. For example, the indictment alleges, one of the former officials - Oh Song Kwon, also known as Thomas Kwon - provided Lim with cash payments; payments for hotel stays for Lim and family members, including a trip to the Atlantis resort in the Bahamas; payments to finance the purchase of a 2010 Lexus automobile, and payments for other things of value. Kwon also assisted Lim in obtaining financing for the purchase of a home in Fairfax Station, Va., where Lim resided following his reassignment in 2010 to a position at Fort Belvoir.

-UEI: Nick Park left Nova Datacom in 2007 and co-founded another government contractor, Unisource Enterprise Inc. (UEI), based in Annandale, Va. According to the indictment, in exchange for favorable treatment, Park provided Lim with a secret ownership in UEI. Among other things, Lim allegedly provided Park with sensitive procurement information.

-Saena Tech: According to the indictment, a former official with Saena Tech, which was based in South Korea, provided Lim with \$70,000 in cash; payments for meals, entertainment, and an automobile, and \$175,000 of the proceeds generated by a fraudulent invoice.

Cho, Park, and Kwon are among those who earlier pled guilty to charges in the case.

An indictment is merely a formal charge that a defendant has committed a violation of criminal laws and every defendant is presumed innocent until, and unless, proven guilty.

This investigation is being conducted by the FBI's Washington Field Office; the Washington Field Office of the Internal Revenue Service-Criminal Investigation, the Office of the Inspector General for the Small Business Administration; the Department of Defense's Defense Criminal Investigative Service; the Defense Contract Audit Agency, and the Army Criminal Investigation Command. It is being prosecuted by Assistant U.S. Attorneys Michael K. Atkinson and Bryan Seeley of the Fraud and Public Corruption Section and Assistant U.S. Attorney Anthony Saler of the Asset Forfeiture and Money Laundering Section, all of the U.S. Attorney's Office for the District of Columbia, and Assistant U.S. Attorney Jack Hanly, of the U.S. Attorney's Office for the Eastern District of Virginia.