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**FORMER MARINE CORPS CONTRACTING OFFICER SENTENCED TO 37 MONTHS
FOR CONSPIRACY**

NEW BERN - The United States Attorney's Office announced that today in Federal court, United States District Judge Louise W. Flanagan sentenced **DAVID G. LIU**, 41, of Monterey, California to 37 months imprisonment, followed by 3 years of supervised release.

LIU was named in a Criminal Information filed on November 30, 2015, charging him with Conspiracy to Violate the Procurement Integrity Act. On January 13, 2016, **LIU** pled guilty to the charge.

John F. Khin, Special Agent in Charge, Southeast Field Office, Defense Criminal Investigative Service (DCIS), stated, "Mr. Liu abandoned his obligations in a position of trust with the U.S. Marine Corps and undermined the integrity of the Federal procurement process. DCIS, in concert with our law enforcement partners, will use all available law enforcement resources to bring violators to justice to combat fraud and corruption affecting Defense programs."

"David Liu put personal profit ahead of his responsibilities to Department of the Navy and the country.

NCIS will continue to assertively investigate fraud, to ensure our warfighters have every resource rightfully entitled to them and to hold accountable those who perpetrate economic crime." said Acting Special Agent in Charge Todd Battaglia, NCIS Carolinas Field Office.

Acting U.S. Attorney John Stuart Bruce remarked, "It's disappointing that Captain David Liu abused the trust placed in him and put personal profit ahead of his duty to his country. This prosecution was the product of great work by the NCIS, DCIS, and FBI."

During the offense period, **LIU** was a captain in the Marine Corps posted to the Combined Joint Task Force-Horn of Africa (CJTF-HOA) in Djibouti, Africa. As a contracting officer, LIU was entrusted to evaluate bid proposals from potential suppliers and to award government contracts that were the most appropriate and advantageous for the needs of CJTF-HOA.

A Federal investigation into **LIU's** activities revealed that from September 2012 until January 2013, **LIU** and two government contractors conspired to exchange and use protected procurement information of competitors for the purpose of mounting successful bids for a \$495,000 Blanket Purchase Agreement (BPA). The BPA was established by the United States Navy for the procurement of multimedia services in Somalia.

The investigation revealed that **LIU** was closely associated with the contractors and sought to abuse his position of trust as a Marine Corps contracting officer for his and their personal

gain. In furtherance of the conspiracy, **LIU** unlawfully provided the contractors with protected bid information submitted by competing firms that were actively seeking BPA awards. The contractors, in turn, used the stolen bid information to craft their own proposals and undercut the competitors' pricing and other terms. After all the bids were submitted to CJTF-HOA and were pending **LIU's** evaluation, **LIU** solicited his co-conspirators to assist him in paying down a debt he owed to a supplier on an unrelated and unauthorized "side deal" for two government vehicles. The scheme included **LIU's** creation of a sham government contract for the vehicles worth \$28,000, the awarding of the contract to the Ugandan contractor, and the diversion of the resulting government funds back to **LIU** through a complex series of pre-ordained international wires and withdrawals.

The government contractors with whom **LIU** conspired were based in Jacksonville, North Carolina, and Kampala, Uganda, respectively. Contractor Monroe Allen Stueber, Jr. pled guilty to one count of unlawfully obtaining procurement information on October 15, 2015 and was sentenced to 3 years of probation on February 23, 2016.

Investigation of this case was conducted by the Naval Criminal Investigative Service (NCIS) and Defense Criminal Investigative Service (DCIS), with the assistance of the Federal Bureau of Investigation. Assistant United States Attorney Adam F. Hulbig prosecuted the case for the government.

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