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## **Virginia Businessman Pleads Guilty to Federal Charge in Bribery Scheme Involving Government Contracts**

*Admits Paying \$287,000 to Benefit Manager for U.S. Army Corps of Engineers;  
Eleven People Have Now Pled Guilty in the Case*

WASHINGTON - Larry G. Corbett, 41, a Northern Virginia businessman, pled guilty today to a federal bribery charge for his role in a scheme involving bribery, kickbacks and millions of dollars in government contracts that were awarded through the U.S. Army Corps of Engineers.

Corbett pled guilty before the Honorable Magistrate Judge Deborah A. Robinson in the U.S. District Court for the District of Columbia. No sentencing date was set. He faces a maximum of 15 years in prison, along with potential fines. In addition, as part of his plea agreement, Corbett has agreed to the forfeiture of a money judgment for \$290,000.

The plea was announced by U.S. Attorney Ronald C. Machen Jr.; James W. McJunkin, Assistant Director in Charge of the FBI's Washington Field Office; Rick A. Raven, 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).

Eleven people have now pled guilty to federal charges for their roles in one of the most brazen corruption schemes in the history of federal contracting, including two former program managers from the Army Corps of Engineers. One program manager, Kerry F. Khan, 54, dealt extensively with Corbett. Khan pled guilty in May 2012 to charges of bribery and conspiracy to commit money laundering. According to the government's evidence, Kerry Khan received or was promised more than \$26 million in payments from various contractors, including Corbett.

According to a statement of offense, signed by the government as well as the defendant, Corbett owned and controlled Core Technology LLC and Enterprise Technical Solutions, Inc., two Virginia businesses. Both firms were construction companies specializing in power and communication lines and related structures.

In or about 2008, according to the statement of offense, Khan and Corbett had discussions in which Corbett understood that there was a "pay-to-play" system in place in order for him to obtain and retain business with the Army Corps of Engineers. Khan told Corbett that he needed money to prepare for retirement and to develop property in West Virginia. He also instructed Corbett to pay money to Ananke, LLC, a shell company that was controlled by Khan.

Core Technology was a sub-contractor to Eyak Technology LLC (EyakTek), which was a major contractor used by the Army Corps of Engineers. In November 2008 and January 2009, EyakTek paid Core Technology a total of \$832,701 for materials and equipment to be used by the Army Corps of Engineers. On or about

Jan. 26, 2009, as directed by Khan, Corbett caused Core Technology to issue a \$65,000 check to Ananke for Khan's intended benefit. This was in exchange for Khan's official assistance in directing orders to Core Technology.

Enterprise Technical Solutions, Inc., was a subcontractor to Nova Datacom, LLC, another major contractor used by the Army Corps of Engineers. From in or about May 2009 through in or about May 2011, Enterprise Technical Solutions received payments from Nova Datacom totaling about \$3.8 million for work performed on Army Corps of Engineers projects.

On or about Aug. 8, 2009, as directed by Khan, Corbett caused Enterprise Technical Solutions to issue a \$22,000 check to Ananke for Khan's intended benefit. In addition, on or about Dec. 22, 2010, also directed by Khan, Corbett caused Enterprise Technical Solutions to issue a \$200,000 check to Ananke for Khan's intended benefit. Both payments were in exchange for Khan's official assistance in directing orders to Enterprise Technical Solutions.

Finally, beginning in or about 2010, Corbett provided home improvements to Khan's residence in Virginia, totaling about \$3,000. Among other things, Corbett paid to install and maintain a sprinkler system, install cabling, and provide landscaping. Corbett intended these payments to benefit Khan and to assist him in obtaining and retaining business with the Army Corps of Engineers.

In addition to Kerry Khan, others who have pled guilty to charges include Lee Khan, Kerry Khan's son; Nazim Khan, Kerry Khan's brother; Michael A. Alexander, a former program manager with the Army Corps of Engineers; Harold F. Babb, the former director of contracts at Eyak Technology LLC (EyakTek), an Alaska Native-owned small business; Alex Cho, the former chief technology officer of Nova Datacom, LLC; Theodoros Hallas, who also worked for Nova Datacom; Robert L. McKinney, the president of Alpha Technology Group, Inc.; James Edward Miller, the owner of Big Surf Construction Management LLC, and Nick Park, a former employee of Nova Datacom who later opened his own business, Unisource Enterprise Inc. (UEI).

In announcing the plea, U.S. Attorney Machen, Assistant Director in Charge McJunkin, Inspector General Gustafson, Special Agent in Charge Craig, Special Agent in Charge Raven, and Director Robey thanked those who investigated the case from the FBI's Washington Field Office; 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; the Washington Field Office of the Internal Revenue Service-Criminal Investigation, and the Army Criminal Investigation Command. They also expressed thanks to the U.S. Marshals Service for its assistance on the forfeiture matter.

They also praised the efforts of those who worked on the case from the U.S. Attorney's Office, including 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. Finally, they expressed thanks for assistance provided by former Special Assistant U.S. Attorney Christopher Dana; Forensic Accountant Maria Boodoo; Paralegal Specialists Tasha Harris, Lenisse Edloe, Shanna Hays, Taryn McLaughlin, Sarah Reis, Christopher Samson, and Nicole Wattelet, and Legal Assistants Krishawn Graham and Jessica McCormick.