

## Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Thursday, May 15, 2014

**Former Owner of Airline Fuel Supply Company Sentenced to Prison for Role in Scheme to Defraud Illinois-Based Ryan International Airlines***Executive Sentenced to Serve 50 Months in Prison*

A former owner and operator of a Florida-based airline fuel supply service company was sentenced today to serve 50 months in prison for participating in a scheme to defraud Illinois-based Ryan International Airlines, the Department of Justice announced.

Sean E. Wagner, the former owner and operator of Aviation Fuel International Inc. (AFI), was sentenced in the U.S. District Court for the Southern District of Florida in West Palm Beach to serve 50 months in prison and to pay \$202,856 in restitution. On Aug. 13, 2013, a grand jury returned an indictment against Wagner and AFI, charging them for their roles in a conspiracy to defraud Ryan. On March 6, 2014, Wagner pleaded guilty to one count of conspiracy to commit honest services wire fraud. According to court documents, from at least as early as December 2005 through at least August 2009, Wagner and others at AFI made kickback payments to Wayne Kepple, a former vice president of ground operations for Ryan, totaling more than \$200,000 in the form of checks, wire transfers, cash and gift cards in exchange for awarding business to AFI. The charges against AFI were dismissed on Feb. 21, 2014.

Ryan provided air passenger and cargo services for corporations, private individuals and the U.S. government – including the U.S. Department of Defense and the U.S. Department of Homeland Security.

“Awarding government contracts in exchange for payoffs is a crime the Antitrust Division takes seriously,” said Bill Baer, Assistant Attorney General in charge of the Department of Justice’s Antitrust Division. “Today’s sentence reaffirms the division’s commitment to vigorously prosecute individuals who engage in this behavior.”

“This sentencing highlights the continuing commitment of the DCIS to thoroughly investigate and bring to justice any companies or individuals who engage in fraudulent and corrupt practices that undermine the integrity of Department of Defense procurement programs,” said John F. Khin, Special Agent in Charge of the Defense Criminal Investigative Service Southeast Field Office.

As a result of the ongoing investigation, five individuals, including Wagner, have pleaded guilty and have been ordered to serve sentences ranging from 16 to 87 months in prison and to pay more than \$780,000 in restitution. An additional individual has pleaded guilty to obstructing the investigation and is currently awaiting sentencing.

The investigation is being conducted by the Antitrust Division’s Washington Criminal I office and the U.S. Department of Defense’s Office of Inspector General’s Defense Criminal Investigative Service, with assistance from the U.S. Attorney’s Office for the Southern District of Florida. Anyone with information concerning anticompetitive conduct in the airline charter services industry is urged to call the Antitrust Division’s Washington Criminal I office at 202-307-6694 or visit [www.justice.gov/atr/contact/newcase.htm](http://www.justice.gov/atr/contact/newcase.htm).