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**Tenth Defendant Pleads Guilty to Federal Charges
in Bribery and Kickback Scheme Involving Government Contracts
-Defendant's Brother and Nephew Earlier Pled Guilty to Charges -**

WASHINGTON - Nazim S. Khan, 49, the brother of a former manager with the U.S. Army Corps of Engineers, pled guilty today for his role in a case involving bribery, kickbacks and federal government contracts, becoming the tenth defendant to plead guilty to charges.

Khan, of Accokeek, Md., pled guilty before the Honorable Magistrate Judge John M. Facciola in the U.S. District Court for the District of Columbia to a charge of conspiracy to commit interstate transportation of stolen property. No sentencing date was set. Khan faces up to five years in prison, along with a potential fine and order of restitution. He also has agreed to an order of forfeiture in the amount of \$83,403.

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).

The developments come a month after the guilty plea of Nazim Khan's brother, Kerry F. Khan, a former program manager for the Army Corps of Engineers. Kerry Khan, 54, pled guilty on May 17, 2012, to charges of bribery and conspiracy to commit money laundering in a scheme in which he received or was promised more than \$26 million in payments from various contractors who submitted fraudulently inflated invoices to the government. The contracts were awarded through the U.S. Army Corps of Engineers and the Department of the Army.

A third family member, Lee A. Khan, 31, also pled guilty on May 17, 2012. Lee Khan, the son of Kerry Khan and nephew of Nazim Khan, pled guilty to a charge of conspiracy to commit money laundering.

According to a statement of offense signed by Nazim Khan as well as the government, Nazim Khan used KC Builders Custom Homes LLC, a company that he controlled, as a way to channel money to Kerry Khan, from another government contractor that was involved in the bribery and kickback scheme. Between May 2007 and March 2008, this contractor,

Alpha Technology Group, Inc., made about \$611,904 in payments intended for Kerry Khan to KC Builders. Of this amount, KC Builders retained \$83,403 and paid the rest to Kerry Khan.

In addition to the three Khan family members, others who have pled guilty include 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.