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### **Wife of Former Army Major Sentenced to 72 Months in Prison for Role in Bribery and Money Laundering Scheme Related to Dod Contracts**

*To Date, 17 Individuals Have Pleaded Guilty or Been Convicted at Trial in Ongoing Corruption Investigation*

WASHINGTON – Eurica Pressley, 39, was sentenced today in Birmingham, Ala., to 72 months in prison for her participation in a bribery and money laundering scheme related to bribes paid for contracts awarded in support of the Iraq war, announced Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division.

U.S. District Court Judge Virginia Emerson Hopkins for the Northern District of Alabama also ordered Pressley to serve three years of supervised release following the prison term and to forfeit \$21 million as well as real estate and several automobiles, jointly with her husband, Eddie Pressley. On Jan. 5, 2012, Eddie Pressley, was sentenced to 144 months in prison. He also was ordered to serve three years of supervised release.

"Eurica Pressley helped her husband and others facilitate a wide-ranging bribery and money laundering scheme by hiding ill-gotten gains and creating phony paperwork to help conceal the conspirators' crimes," said Assistant Attorney General Breuer. "Through the determined efforts of our agents and prosecutors, 17 individuals have now been brought to justice for their role in this multi-million dollar bribery scheme."

"While our military was working to set up government contracts to support U.S. efforts in Iraq, Eurica Pressley and her husband set up shell companies to hide illegal proceeds of a scheme that defrauded the U.S. government," said James McJunkin, Assistant Director of the FBI's Washington Field Office. "Today's sentencing demonstrates that those who commit fraud, no matter where it occurs, will be held accountable for their actions."

"The American public places special trust and confidence in our service members and those who provide them with vital supplies to carry out their mission," said Special Agent in Charge Robert E. Craig for the Defense Criminal Investigative Service (DCIS), Mid-Atlantic Field Office. "It is an affront to our hard working military members, civilians and contractors when a member of this department and his associates allow personal gain to criminally subvert the best interests of our troops. DCIS, working with our law enforcement partners, will continue to aggressively seek out such criminal behavior and bring those responsible to justice."

"This sentencing demonstrates our firm commitment to hold accountable those who commit fraud against our government," said Major General David E. Quantock, Commanding General of the U.S. Army Criminal Investigation Command (CID). "Special agents from our Major Procurement Fraud Unit, along with those from other federal law enforcement agencies, are unwavering in their commitment to seek out and hold responsible all those who attempt to defraud the U.S. Army and the American taxpayer. During the last 10 years alone, Army CID special agents have been instrumental in recovering and returning \$2.1 billion to the U.S. Treasury."

"Eurica Pressley's sentencing underscores once again that those who engage in bribery and money laundering involving Iraq reconstruction funds will face severe consequences," said Stuart W. Bowen Jr., Special Inspector General for Iraq Reconstruction (SIGIR). "SIGIR and its investigative partners continue to pursue about 90 open cases involving allegations similar to those adjudicated in this case."

The Pressleys were found guilty on March 1, 2011, of one count of bribery, one count of conspiracy to commit bribery, eight counts of honest services fraud, one count of money laundering conspiracy and 11 counts of engaging in monetary transactions with criminal proceeds.

The case against the Pressleys arose from a corruption probe focusing on Camp Arifjan, a U.S. military base in Kuwait. As a result of this investigation, 17 individuals, including the Pressleys, have pleaded guilty or have been found guilty at trial for their roles in the scheme.

Evidence presented at trial demonstrated that Eddie Pressley took various contracting actions to benefit certain contractors who paid him bribes, including Terry Hall. Pressley served as a U.S. Army contracting official at Camp Arifjan between 2004 and 2005. From spring 2004 through fall 2007, Hall operated and had an interest in several companies, including Freedom Consulting and Catering Co. and Total Government Allegiance. In February 2005, Eddie Pressley arranged for Hall to obtain a blanket purchase agreement (BPA) – a contract that allows the U.S. Department of Defense (DoD) to order supplies on an as-needed basis at a pre-negotiated price – to deliver goods and services to DoD and its components in Kuwait and elsewhere.

According to Hall's testimony and other evidence presented at trial, Pressley demanded a \$50,000 bribe before he would issue bottled water orders or "calls" to Hall. Hall testified that in April 2005, he and his associates arranged for Pressley to receive the money in a bank account established in the name of a shell company, EGP Business Solutions Inc.

Hall's testimony and other evidence at trial showed that soon after the \$50,000 bribe was paid, Pressley and John Cockerham, another U.S. Army contracting official, increased the bribe demand to \$1.6 million, which consisted of \$800,000 for Pressley and \$800,000 for Cockerham. After Hall and others agreed to pay the money, Pressley and Cockerham took various official acts to benefit Hall, including, among other things, issuing calls for bottled water and fencing, arranging for Hall to receive a fence contract and modifying Hall's BPA to remove the upper limit of the money Hall could receive from the DoD under the bottled water BPA.

Evidence at trial also showed that Eddie Pressley enlisted the help of his wife, Eurica, to receive the bribes. On March 9, 2005, he sent his wife an e-mail in which he told her, among other things, "You will be getting some paperwork with your maiden name on it"; "I need you to sign it and mail to whatever (sic) address on it"; "I am doing some consulting"; and "Of course I am not going to turn down any money, but I can't have anyone paying me in my name because I am in the military so I had them put everything in your maiden name."

According to evidence presented at trial, Eurica Pressley traveled to Dubai in May 2005 and to the Cayman Islands in June 2005 to open bank accounts to receive the bribe money. She also took control of the U.S.-based account in the name of EGP Business Solutions Inc. A law enforcement agent testified at the trial about various false and misleading statements Eurica Pressley made to him during a voluntary interview at her home, including her denial that she had any foreign bank accounts. In addition, the evidence presented at trial demonstrated that Eddie and Eurica Pressley, Hall and others attempted to conceal the true nature of their corrupt scheme by having Eurica Pressley execute bogus "consulting agreements." They also prepared false invoices that were designed to justify the bribe payments as payment for non-existent "consulting services."

Bank statements and wire transfer reports demonstrated that, in total, the Pressleys received approximately \$2.9 million in bribe payments, approximately \$1.6 million of which consisted of payments from other contractors that Hall facilitated for Eddie Pressley. Bank statements, wire transfer reports and other records presented at trial showed that the Pressleys used the money to purchase real estate, expensive automobiles and home decorating services, among other things.

Former U.S. Army Major James Momon also testified at trial that Pressley and Cockerham recruited him to join the bribe scheme and that he took various official acts to receive bribes from some of the same contractors who paid Pressley and Cockerham, including Hall. Additionally, he testified that Pressley told him that if they got caught they would spend "six years in jail" and that Cockerham and Pressley warned him to be careful.

Hall is scheduled to be sentenced on March 20, 2012.

On Aug. 13, 2009, Momon pleaded guilty to receiving approximately \$1.6 million in bribes and agreed to pay \$5.7 million in restitution. On Jan. 8, 2009, Murray pleaded guilty to charges of bribery and making a false statement. He was sentenced on Dec. 17, 2009, to 57 months in prison and ordered to pay \$245,000 in restitution. Momon's sentencing has not yet been scheduled.

On Jan. 31, 2008, Cockerham pleaded guilty to participating in a bribery and money laundering scheme at Camp Arifjan. He was sentenced on Dec. 2, 2009, to 210 months in prison and ordered to pay \$9.6 million in restitution.

The case is being prosecuted by Trial Attorneys Peter C. Sprung and Edward J. Loya Jr. of the Criminal Division's Public Integrity Section. Assistance was also provided by the Criminal Division's Office of International Affairs. The cases are being investigated by the Army CID, DCIS, U.S. Immigration and Customs Enforcement, FBI, Internal Revenue Service - Criminal Investigation, SIGIR and the International Contract Corruption Task Force (ICCTF). The ICCTF is a joint law enforcement agency task force that seeks to detect, investigate and dismantle corruption and contract fraud resulting from U.S. Overseas Contingency Operations worldwide, including in Kuwait, Afghanistan and Iraq.