

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

SEALED

UNITED STATES OF AMERICA

v.

CRIMINAL NO. _____

CR-08-306

UNITED STATES PROTECTION
AND INVESTIGATIONS, LLC,
DELMAR DWAYNE SPIER,
BARBARA EDENS SPIER,
WILLIAM FELIX DUPRE
and
BEHZAD MEHR,

18 U.S.C. § 371
18 U.S.C. § 1031
18 U.S.C. § 1343
18 U.S.C. § 2
18 U.S.C. § 981
28 U.S.C. § 2461

Defendants.

FILED IN OPEN COURT

OLLYER, J. RMC

INDICTMENT

SEP 30 2008

THE GRAND JURY CHARGES:

CLERK, U.S. DISTRICT COURT
DISTRICT OF COLUMBIA

B

INTRODUCTION

At all times relevant:

The Defendants

1. UNITED STATES PROTECTION AND INVESTIGATIONS, LLC ("USPI") was a security services company with offices in Houston, Texas and Kabul, Afghanistan. USPI was incorporated on or about May 17, 2002, in the State of Texas.
2. From June 2003 to July 2007, DELMAR DWAYNE SPIER was the Chief Executive Officer and Managing Director of USPI.
3. From June 2003 to July 2007, BARBARA EDENS SPIER was DELMAR DWAYNE SPIER's wife and was the President and sole owner of USPI. BARBARA

EDENS SPIER acted as the Finance Manager of USPI's operations in Afghanistan from June 2003 to January 2004.

4. DELMAR DWAYNE SPIER and BARBARA EDENS SPIER controlled all finance matters on behalf of USPI.

5. From October 2005 to July 2007, WILLIAM FELIX DUPRE was USPI's Country Operations Manager in Afghanistan.

6. From approximately June 2003 to July 2007, BEHZAD MEHR was the Executive Assistant to DELMAR DWAYNE SPIER.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

7. The United States Agency for International Development ("USAID") was an agency of the United States that provides economic, development, and humanitarian assistance around the world in support of the foreign policy goals of the United States.

8. The Rehabilitation of Economic Facilities Program ("REFS Program") was developed by USAID to provide assistance to Afghanistan in areas of transportation, potable water, electricity transmission, distribution systems, schools and health facilities, local government buildings, municipality solid waste, wastewater facilities, and irrigation systems.

THE LOUIS BERGER GROUP, INC.

9. In September 2002, USAID, under the REFS Program, awarded to the Louis Berger Group, Inc. ("LBGI") contract number 306-C-00-02-00500-00 ("REFS Contract").

10. One objective of the REFS Contract was to rehabilitate selected primary and secondary roads that were needed to move goods and services between major population centers in Afghanistan.

11. Under the REFS Contract, LBGI was contracted to build roads from Kabul to Kandahar ("K to K Project"), Kandahar to Herat ("K to H Project"), and Kabul to Gardez ("Provincial Roads Project").

12. LBGI was also contracted to build structures in Afghanistan intended to be used for schools and clinics ("Schools and Clinics Project") and structures for electricity and power ("Power and Energy Project").

13. The REFS Contract was a "cost-reimbursement contract." According to the contract terms, USAID agreed to reimburse LBGI for all of its incurred expenses arising from implementing the contract, plus a "fixed fee," which was a percentage of LBGI's incurred expenses. This "fixed fee" represented LBGI's profit under the REFS Contract. The REFS Contract was initially estimated to cost USAID approximately \$214 million but, due to amendments to the contract, the cost approximated \$710 million by 2007, when the REFS Contract was completed.

UNITED STATES PROTECTION AND INVESTIGATIONS, LLC

14. In June 2003, LBGI awarded USPI a non-competitive subcontract pursuant to the REFS Contract, subcontract number REFS 03-02-GG451-RD-0010. In September 2004, LBGI awarded another subcontract to USPI, subcontract number REFS 02-04-GG451AF-017 ("REFS Subcontracts"). The REFS Subcontracts initially were estimated to cost USAID approximately \$8.4 million but, due to amendments to the

subcontracts, the cost increased to approximately \$60 million by 2007, when the REFS Subcontracts were completed.

15. DELMAR DWAYNE SPIER and BARBARA EDENS SPIER signed the REFS Subcontracts and their amendments on behalf of USPI.

16. Pursuant to the REFS Subcontracts, USPI was obligated to provide security services to LBGi for all projects under the REFS Contract.

17. The REFS Subcontracts with USPI were cost-reimbursement contracts. According to the terms of the contracts, LBGi agreed to reimburse USPI for all of its incurred expenses arising from implementing the subcontracts, plus a fixed fee of five-percent of USPI's incurred expenses. The five-percent fixed fee represented USPI's profit under the REFS Subcontracts. USPI was not authorized to bill for expenses that were not actually incurred.

18. USPI hired Afghan employees to serve as security personnel at each REFS Program project site. These employees were obtained with assistance from the Afghan Ministry of Interior ("MOI soldiers") but were paid directly by USPI.

19. USPI security coordinators submitted requests to DELMAR DWAYNE SPIER, WILLIAM FELIX DUPRE, and BEHZAD MEHR for certain numbers of MOI soldiers to protect LBGi contractors and employees at REFS Program project sites.

20. USPI security coordinators used "Per Diem Sheets" to document the security personnel present at each REFS Program project site. These "Per Diem Sheets" identified each MOI soldier by name.

21. The REFS Contract required that LBGi maintain supporting documentation of all incurred expenses that were submitted to USAID for

reimbursement. Similarly, the REFS Subcontracts also required supporting documentation for all incurred expenses that were submitted by USPI for reimbursement by LBGI.

22. Pursuant to the terms of the REFS Subcontracts, USPI was required to submit to LBGI invoices reflecting the actual expenses incurred for vehicles, fuel, and MOI soldiers, and to certify the accuracy of those expenses in a voucher.

23. The USPI vouchers submitted to LBGI sought payment for USPI's purported actual expenses, and for the agreed upon fixed fee of five percent, which comprised its profit.

24. The REFS Contract required that USPI maintain supporting documentation of all incurred expenses that were ultimately submitted to USAID for reimbursement.

COUNT 1
18 U.S.C. § 371
(Conspiracy to Defraud the United States)

The Conspiracy

25. Paragraphs 1 through 24 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

26. Beginning in or about July 2003 and continuing through in or about July 2007, in the District of Columbia, and elsewhere, the defendants,

UNITED STATES PROTECTION AND INVESTIGATIONS, LLC
DELMAR DWAYNE SPIER,
BARBARA EDENS SPIER,
WILLIAM FELIX DUPRE
and
BEHZAD MEHR,

together, and with others known and unknown to the grand jury, did knowingly and intentionally, conspire, combine, confederate, and agree:

- a. To defraud the United States by impairing, impeding, obstructing, and defeating, through deceitful and dishonest means, the lawful government functions of the United States Agency for International Development, an agency of the United States, in its administration and oversight of the REFS Program;
- b. To commit certain offenses against the United States, namely:
 - i. To execute and attempt to execute a scheme and artifice with the intent to defraud the United States and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises in any procurement of property or services in which USPI was the subcontractor with the United States, with LBGI being the prime contractor, and the contract value for such property and services was

\$1,000,000 or more in violation of Title 18, United States Code, Section 1031; and,

ii. To execute and attempt to execute a scheme and artifice to defraud and to obtain money from the United States, namely USAID, by means of materially false and fraudulent pretenses, representations, and promises, and, in furtherance of the scheme and artifice to defraud, to transmit and cause to be transmitted, interstate and foreign wire communications in the form of wirings, signs, and signals, in violation of Title 18, United States Code, Section 1343.

Purpose of the Conspiracy

27. It was the purpose of the conspiracy for the defendants to unlawfully enrich themselves by fraudulently inflating USPI's incurred expenses and profits under the REFS Subcontracts.

Manner and Means of the Conspiracy

It was part of the conspiracy that:

28. USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER and BEHZAD MEHR would create and cause to be created false and fictitious documents to substantiate the amount of USPI's incurred expenses for rental vehicles, fuel, and MOI soldiers.

29. USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER and BEHZAD MEHR would cause the creation of false and fictitious contracts purporting to demonstrate agreements between USPI and several rental vehicle companies, when there were no such agreements.

30. USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER and BEHZAD MEHR would cause the creation of false and fictitious invoices purportedly received from several rental vehicle and fuel companies, when no such invoices were actually received.

31. USPI, DELMAR DWAYNE SPIER, WILLIAM FELIX DUPRE and BEHZAD MEHR would cause false and fictitious names to be added to "Per Diem Sheets," purportedly certifying the presence of employees in order to inflate the number of MOI soldiers employed by USPI.

32. USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER, WILLIAM FELIX DUPRE and BEHZAD MEHR would cause the false and fictitious documentation and fraudulent vouchers to be submitted to LBGI in support of its requests for reimbursement for its expenses for rental vehicles, fuel, and MOI soldiers, and USPI's fixed fee.

33. USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER, WILLIAM FELIX DUPRE and BEHZAD MEHR would cause LBGI in Afghanistan to include USPI's inflated expenses for rental vehicles, fuel, and MOI soldiers in the vouchers LBGI forwarded for approval and reimbursement, via Federal Express and wire, to the REFS Contract Manager at LBGI in Washington, DC, and to USAID.

34. USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER, WILLIAM FELIX DUPRE and BEHZAD MEHR would cause USAID to pay LBGI, and ultimately USPI, for fraudulently inflated expenses for rental vehicles, fuel, MOI soldiers, and USPI's fixed fee under the REFS Subcontracts.

Overt Acts

In furtherance of the conspiracy and to effect its objects, the defendants committed and caused to be committed, the following overt acts, among others, in the District of Columbia and elsewhere:

35. In or about January 2004, BEHZAD MEHR created false and fictitious invoices for rental vehicle and fuel expenses purportedly incurred from "Afghan Car Rental Company" ("Afghan Car Rental").

36. In or about January 2004, BABARA EDENS SPIER certified, and submitted to LBGI, USPI Voucher # 16 for the K to K road project seeking reimbursement for fraudulently inflated expenses for rental vehicles and USPI's fixed fee. BARBARA EDENS SPIER provided false and fictitious invoices from "Afghan Car Rental" in support of this voucher.

37. In or about June 2004, BEHZAD MEHR created false and fictitious invoices for rental vehicle and fuel expenses purportedly incurred from "Raza-i-Private Vehicle Provider Company" ("Raza-i").

38. On or about March 29, 2005, BEHZAD MEHR emailed DELMAR DWAYNE SPIER requesting his permission to insert telephone numbers and addresses on the false and fictitious invoices purportedly from "Afghan Car Rental" and "Raza-i," and to provide the telephone numbers and addresses to LBGI.

39. On or about March 29, 2005, DELMAR DWAYNE SPIER emailed BEHZAD MEHR and instructed him to insert the telephone numbers on the false and fictitious invoices associated with "Afghan Car Rental" and "Raza-i," and to obtain office space in the event that LBGI requested to see the companies' offices.

40. In or about November 2005, WILLIAM DUPRE certified, and submitted to LBGI, USPI Voucher # 38 for the Schools and Clinic project and USPI Voucher # 40 for the K to H road project requesting reimbursement for fraudulently inflated expenses for rental vehicles, fuel, MOI soldiers, and USPI's fixed fee. WILLIAM FELIX DUPRE provided false and fictitious invoices from "Afghan Car Rental" as part of these vouchers.

41. In or about February 2006, WILLIAM FELIX DUPRE certified, and submitted to LBGI, USPI Voucher #43 for the Power and Energy project requesting reimbursement for fraudulently inflated expenses for rental vehicles, fuel, MOI soldiers, and USPI's fixed fee. WILLIAM FELIX DUPRE provided false and fictitious invoices from "Afghan Car Rental" as part of this voucher.

42. In or about December 2006, DELMAR DWAYNE SPIER certified, and submitted to LBGI, UPSI Voucher #65 for the K to H road project requesting reimbursement for fraudulently inflated expenses for rental vehicles, fuel, MOI soldiers, and USPI's fixed fee. DELMAR DWAYNE SPIER provided false and fictitious invoices from "Afghan Car Rental" and "Raza-i" as part of this voucher.

43. In or about February 2007, DELMAR DWAYNE SPIER and BEHZAD MEHR caused documents to be submitted to LBGI seeking reimbursement for fraudulently inflated expenses incurred for MOI soldiers and USPI's fixed fee.

44. On or about the dates listed below, USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER, WILLIAM FELIX DUPRE and BEHZAD MEHR caused the following vouchers that included fraudulently inflated expenses for rental vehicles, fuel, MOI soldiers, and USPI's fixed fee to be submitted to the United States via interstate and international wire transmission:

OVERT ACT	DATE	ITEM	FROM	TO
A.	11/30/05	LBI Voucher # 152 and wire transfer request to USAID, including reimbursement for USPI Voucher #40 for the K to H Project (\$1,170,922) and Voucher #38 for the Schools and Clinic Project (\$124,344).	LBI in Washington, DC	USAID in Kabul, Afghanistan
B.	5/10/06	LBI Voucher # 174 and wire transfer request to USAID, including reimbursement for USPI Voucher #51 for the K to H Project (\$844,237).	LBI in Washington, DC	USAID in Kabul, Afghanistan
C.	2/5/07	LBI Voucher# 206 and wire transfer request to USAID, including reimbursement for USPI Voucher #65 for the K to H Project (\$1,271,950).	LBI in Washington, DC	USAID in Kabul, Afghanistan

In violation of Title 18, United States Code, Section 371.

COUNTS 2 - 4
18 U.S.C. §§ 1031 and 2
(Major Fraud Against the United States)

45. Beginning in or about June 2003 and continuing through in or about July 2007, in a procurement of property and services as subcontractors and suppliers on contracts in which there was a prime contract with USAID, an agency of the United States, the value of each prime contract being in excess of \$1,000,000, the defendants,

**UNITED STATES PROTECTION AND INVESTIGATIONS,
DELMAR DWAYNE SPIER,
BARBARA EDENS SPIER,
WILLIAM FELIX DUPRE,
and
BEHZAD MEHR,**

knowingly executed and attempted to execute a scheme and artifice with the intent to defraud the United States, namely, USAID, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises in violation of Title 18, United States Code, Sections 1031 and 2.

Scheme and Artifice

46. Paragraphs 1 through 24 and 28 through 34 of this Indictment are realleged and incorporated by reference as constituting and describing the defendants' scheme and artifice to defraud.

Execution of the Scheme and Artifice

47. On or about the dates listed below, in the District of Columbia and elsewhere, the defendants, aided and abetted by each other, executed and attempted to execute the aforesaid scheme and artifice to defraud, by causing LBGI, a prime contractor to the United States, to submit the following vouchers from LBGI in Washington, DC, to USAID in Kabul, Afghanistan:

COUNT	APPROXIMATE DATE OF PROCUREMENT VOUCHER TO USAID	PROCUREMENT INVOICE REQUESTING PAYMENT
2	11/30/05	LBGI Voucher # 152 and wire transfer request to USAID, including reimbursement for USPI Voucher #40 for the K to H Project.
3	5/10/03	LBGI Voucher # 174 and wire transfer request to USAID, including reimbursement for USPI Voucher #51 for the K to H Project.
4	2/5/07	LBGI Voucher # 206 and wire transfer request to USAID, including reimbursement for USPI Voucher #65 for the K to H Project.

All in violation of Title 18, United States Code, Sections 1031 and 2.

COUNTS 5-7
18 U.S.C. §§ 1343 and 2
(Wire Fraud)

48. Beginning in or about June 2003 and continuing through in or about July 2007, in the District of Columbia and elsewhere, the defendants,

UNITED STATES PROTECTION AND INVESTIGATIONS, LLC,
DELMAR DWAYNE SPIER,
BARBARA EDENS SPIER,
WILLIAM FELIX DUPRE,
and
BEHZAD MEHR,

aided and abetted by each other and others, knowingly and intentionally devised, executed, and attempted to execute a scheme and artifice to defraud and to obtain money from USAID, an agency of the United States, by means of materially false pretenses, representations, and promises, and, in furtherance of the scheme and artifice to defraud, transmitted and caused to be transmitted by means of certain wire communications in the form of writings, signs, and signals, in interstate and foreign commerce in violation of Title 18, United States Code, Sections 1343 and 2.

Scheme and Artifice

49. Paragraphs 1 through and 24 and 28 through 34 of this Indictment are realleged and incorporated by reference as constituting and describing the defendants' scheme and artifice to defraud.

Execution of the Scheme and Artifice

50. On or about the dates listed below, in the District of Columbia and elsewhere, for the purpose of executing the aforesaid scheme and artifice to defraud, the defendants, aided and abetted by each other and others, caused the following wire transmissions to and from the locations as set forth below:

COUNT	DATE	ITEM	FROM	TO
5	11/30/05	LBGI Voucher # 152 and wire transfer request to USAID, including reimbursement for USPI Voucher #40 for the K to H Project.	Washington, DC	Kabul, Afghanistan
6	5/10/06	LBGI Voucher # 174 and wire transfer request to USAID, including reimbursement for USPI Voucher #40 for the K to H Project.	Washington, DC	Kabul, Afghanistan
7	2/5/07	LBGI Voucher # 206 and wire transfer request to USAID, including reimbursement for USPI Voucher #65 for the K to H Project.	Washington, DC	Kabul, Afghanistan

All in violation of Title 18, United States Code, Sections 1343 and 2.

FORFEITURE
18 U.S.C. § 981(a)(1)(C)
28 U.S.C. § 2461(c)

Upon conviction of one or more of the felony offenses alleged in this Indictment, punishable by imprisonment for more than one year, the defendants,

**UNITED STATES PROTECTION AND INVESTIGATIONS, LLC,
DELMAR DWAYNE SPIER,
BARBARA EDENS SPIER,
WILLIAM FELIX DUPRE,
and
BEHZAD MEHR,**

shall forfeit to the United States all property which constitutes and is derived from proceeds obtained directly or indirectly traceable to the aforesaid violations of 18 U.S.C. §§ 371 and 1343, including, but not limited to, a money judgment in the amount of \$3,000,000, which sum represents the proceeds of the fraud. If more than one defendant is convicted of any of these offenses, the defendants so convicted are jointly and severally liable for the amount involved in such offense.

If any of the property listed above as being subject to forfeiture by the United States, as a result of any act or omission of USPI, DELMAR DWAYNE SPIER, BARBARA EDENS SPIER, WILLIAM FELIX DUPRE, and BEHZAD MEHR,

1. Cannot be located upon the exercise of due diligence;
2. Has been transferred or sold to, or deposited with, a third party;
3. Has been placed beyond the jurisdiction of the Court;
4. Has been substantially diminished in value; or
5. Has been commingled with other property which cannot be divided without difficulty;


it is the intent of the United States to seek the forfeiture of any other property in which the above defendants have an interest up to the value of the money judgment, as described above.

Pursuant to Title 18, United States Code, Section 981 and Title 28 United States Code, Section 2461.

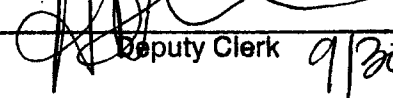
A TRUE BILL

FOREPERSON

STEVEN A. TYRRELL
Chief, Fraud Section
U.S. Department of Justice

By: 
Jennifer R. Taylor
Trial Attorney, U.S. Department of Justice

United States District Court
For the District of Columbia
A TRUE COPY
NANCY MAYER WHITTINGTON, Clerk

By: 
Deputy Clerk 9/30/08