

1 Q. You didn't create it?

2 A. Right.

3 Q. You don't know who created it?

4 A. No, I don't know who --

5 Q. You don't know --

6 A. -- who created it.

7 Q. -- how it was created?

8 A. No.

9 Q. You don't know Mr. Jeffery?

10 A. Who's Mr. Jeffery?

11 MR. ZWERLING: Stand up, Mr. Jeffery.

12 THE WITNESS: No, I've never met him.

13 MR. ZWERLING: I have no further questions.

14 THE COURT: Thank you. You may step down and may be  
15 excused. (Witness stands down.)

16 MR. GENTIN: United States calls Lee DuBois.

17 LEE W. DUBOIS, GOVERNMENT'S WITNESS, SWORN

18 DIRECT EXAMINATION

19 BY MR. GENTIN:

20 Q. Good afternoon. Sir, would you please state your name and  
21 spell your name for the record.

22 A. My name is Lee William DuBois. L-E-E, W-I-L-L-I-A-M,  
23 capital D-U, capital B-O-I-S.

24 Q. Sir, did you plead guilty in this courthouse in October  
25 2008?

1 A. I did, sir.

2 Q. What did you plead guilty to?

3 A. One count of theft of U.S. property.

4 Q. Very briefly, can you just explain the facts behind that  
5 scheme, just in a sentence or two?

6 A. Basically, sir, we took contracts that were legitimate and  
7 added illegitimate memos to them, MFRs, Memorandums for Record,  
8 and continued to have a fuel theft scheme and stealing fuel from  
9 the VBC, or Victory Base Complex fuel yard, and selling it to a  
10 vendor that sold it on the black market.

11 Q. Did you sign a plea agreement in connection with your plea?

12 A. I did, sir.

13 Q. What are a few of the conditions you remember from your plea  
14 agreement?

15 A. There were several. The main two being return the money  
16 from the fuel theft and tell the truth.

17 Q. When you say returned, do you mean to the U.S. government?

18 A. Yes, sir. From the fuel theft and tell the truth during  
19 trial or any investigations or meetings with the U.S.  
20 government.

21 Q. What happens if you don't tell the truth?

22 A. Add to my eight to ten years with perjury for lying to the  
23 courts.

24 Q. Will your plea agreement basically be torn up?

25 A. It would, sir.

1 Q. Can you tell us your educational background?

2 A. I have a bachelor's of science from Central Missouri State  
3 University, which I received in May of 2000.

4 Q. What did you do upon graduating?

5 A. Approximately about a week later, after graduating, I  
6 proceeded to Fort Benning, Georgia, to enter infantry officer  
7 basic course with the U.S. Army.

8 Q. You entered the military?

9 A. I did, sir.

10 Q. Can you briefly take me through your military career over  
11 the next few years?

12 A. A short synopsis would be I served in Korea, Europe, Cuba,  
13 Iraq, and several other installations around the United States.  
14 I attended Ranger School, airborne, air assault, pathfinder  
15 schools.

16 Q. What was the highest rank you achieved?

17 A. Captain, sir.

18 Q. You said you served in Iraq. When was that?

19 A. Approximately between July -- the end of July and August,  
20 beginning of August of '05, 2005, to September 2006.

21 Q. During that time did you serve as a contracting officer  
22 representative for the military?

23 A. I did, sir.

24 Q. What does that mean?

25 A. A COR is basically a liaison between the military and

1 soldiers and contracting companies. The COR has a specific job  
2 whether it's getting housing for the military or vehicles.

3 The COR gets the information of what the military needs,  
4 writes a basic synopsis or brief to the contracting officer of  
5 what the military needs. The contracting -- or writes the  
6 contract and hands it to any of the vendors, which there could  
7 be anywhere from 100 to 200 vendors at any one time in Iraq, and  
8 solicits for goods from the military for the military. Once the  
9 bid is given, the COR is the person that goes between the vendor  
10 and the U.S. Army.

11 Q. When you say vendor, you mean a private contractor doing  
12 business with the U.S. Army?

13 A. Yes, sir.

14 Q. Am I right, as a result of this job, you're pretty familiar  
15 with the contracting -- military contracting process?

16 A. I am, sir.

17 Q. Did you meet a man named Elias Maalouf at some point?

18 A. I did, sir.

19 Q. When was that?

20 A. Approximately the end of January of -- I mean, the end of  
21 December of 2005 and the beginning of January 2006.

22 Q. In what context did you meet him?

23 A. I met him when I was coming in as a COR. I was assigned to  
24 work for the Ministry of Defense with the multi-national forces  
25 and the personal security guard for two-star General Gainey. I

1 volunteered for that.

2 General Gainey had assigned me to the nontactical vehicles  
3 because she wanted a captain to do more than just some of the  
4 stuff, the menial stuff that I was doing. She wanted me to  
5 get -- push my military education further, and I met Mr. Maalouf  
6 that way because I was filling in for a major that was on his  
7 way out.

8 Q. What was Mr. Maalouf's position at that time?

9 A. He was part owner of DLSS, Defensive Logistic Services and  
10 Support Company.

11 Q. Is that a private contractor?

12 A. It is, sir.

13 Q. Did you stay in touch with Mr. Maalouf over the ensuing  
14 months and years?

15 A. I did. After I left, I had probably three or four  
16 conversations with him through e-mail or phone. Then roughly  
17 the time that I was exiting the military, I started up e-mails  
18 and phone calls with him.

19 Q. When did you leave the military?

20 A. I left the military 22 July 2007.

21 Q. Did you leave the military on good terms?

22 A. I did, sir.

23 Q. What did you do after you left the military?

24 A. Approximately two or three months, I was debating on what I  
25 wanted to do and -- or if I was going to take the job with

1 Future Services, and I ended up taking the job in Kuwait with  
2 Future Services.

3 Q. Who was Future Services?

4 A. It's a vendor or contractor that works for the U.S.  
5 government based out of Kuwait.

6 Q. Do you remember when you were hired by them?

7 A. I arrived towards the end of September, sir, the 25th or --  
8 23rd through 25th sometime of 2007. I signed a contract with  
9 them.

10 Q. What were you hired by Future Services to do?

11 A. I was hired by Future Services to be a business development  
12 manager inside the Baghdad area and several other outlying areas  
13 to develop business so we could lease to the U.S. government  
14 anything from porta-potties or Porta-Johns to vehicles or heavy  
15 equipment.

16 Q. So you would try to get contracts for Future Services from  
17 the U.S. Army?

18 A. Yes, sir.

19 Q. Was one of your jobs also to get military ID cards for  
20 Future Services?

21 A. It was if there was any vendors or anyone that we had come  
22 in on a contract I was supposed to get the IDs for. We had  
23 several nationals that needed other ID cards that you had to get  
24 in the IZ. I used to facilitate any Future Services people  
25 with --

1 Q. Can you briefly explain how you went about getting these  
2 people CAC cards?

3 A. Normally, a contract allots how many people can work for it.  
4 You can add to contracts, you can add to the people that have  
5 IDs for a contract. Normally, you get a CLOA or a letter of  
6 authorization from the contractors and you take it to a place  
7 and basically get like a driver's license.

8 Q. Where is that place?

9 A. There are several around Iraq. Mainly, the Baghdad area,  
10 IZ, and Tallil, Iraq.

11 Q. Where is Tallil?

12 A. Tallil is in the center, the lower center of Iraq.

13 Q. Why did you use the processing center in Tallil?

14 A. Because Future Services had already had several bases  
15 covered as far as contracts are concerned, sir. Tallil we had  
16 our main contracts out of for heavy equipment. It was easier  
17 because we had the process down, we knew the whole process of  
18 getting IDs in Tallil.

19 Q. Can you just briefly explain, you would take the employee to  
20 Tallil and then what would happen?

21 A. We take the -- come in usually on a C-130 or helicopter, fly  
22 in, pick up the -- stay the night. The next morning go to like  
23 the mayor cell or the area or the building that dispatches the  
24 CAC cards or like driver's license to get in and around Baghdad  
25 or any base U.S. installation in Iraq. We would get the photo

1 done and then we would move out either back to wherever our  
2 contracts was at, sir.

3 Q. Right around this time, which is October, did you meet a man  
4 named Robert Young?

5 A. I did, sir.

6 Q. Who's he?

7 A. He is a gentleman that what was working for several  
8 contractors, KBR and other contractors, and was a friend of  
9 Mr. Eli Maalouf and somebody that I worked with on this fuel  
10 theft, sir.

11 Q. What was the context of your participation with Mr. Young in  
12 those first few months?

13 A. The first few months --

14 Q. Let's say October through early December.

15 A. I first met Mr. Young roughly around the end of September of  
16 that year right after I signed my contract with Future Services.  
17 We continued to go to Lebanon where he met us. It was the first  
18 real dealings that I had met with Mr. Robert Young, sir.

19 Q. Did you eventually start escorting trucks with Mr. Young?

20 A. I did.

21 Q. Can you tell me about that?

22 A. Sometime around either late November or December, there were  
23 several times that I had ran -- did the escorts to the ECPs with  
24 Mr. Young for him showing me how to physically go through a  
25 step-by-step process of how to escort.



1 Q. What were you escorting?

2 A. Fuel trucks, sir, and also other heavy equipment and stuff  
3 for other vendors and ourselves, sir.

4 Q. Where were you escorting them to and from?

5 A. At that time, sir, we were going from Satco hotel, which is  
6 located in what we call the amber zone inside the VBC complex,  
7 but that area is controlled by the Iraqis and Global Security  
8 and not the U.S. military. They considered it the amber zone,  
9 but it's a hotel that we stayed at and we would go from the  
10 hotel to the fuel yard and back to the hotel, sir.

11 Q. Around this time in early December, did Mr. Maalouf indicate  
12 he had a new contract?

13 A. He did, sir. During the December time frame, I was  
14 escorting -- helping bring the fuel trucks in and cranes and  
15 other equipment that we had, and it wasn't out the ordinary.  
16 Sometime around the 1st of December through the 15th, I don't  
17 know the exact date, it was mentioned that we would have a new  
18 contract for fuel under the Future Services name.

19 Q. What was your role in terms of that contract?

20 A. I was going to be the lead escort on that contract, sir.

21 Q. Can you briefly explain the role of escorts? What's the  
22 difference between an escort and a driver?

23 A. Sir, an escort is somebody, usually an American or coalition  
24 member, that has the ID that goes through the ECPs, usually  
25 prior military or ex-pats, ex-patriots, that are familiar with

1 the system or anybody that has the proper credentials to get  
2 through the entry control points. They basically take any  
3 third-class -- or third-country nationals or any other person  
4 that's not -- has the proper IDs through ECPs.

5 Q. Was the name of the fuel yard the Victory Bulk Fuel Point?

6 A. It was, sir.

7 Q. What did you need to get into the fuel farm?

8 A. Basically, the first time I ever went in, sir, you needed  
9 the MFR, the Memorandum for Record, I needed my ID, and a copies  
10 of the passports of the drivers or their badge -- their escort  
11 badges.

12 Q. Did Mr. Maalouf give you a copy of this new MFR with regard  
13 to the new Future Services contract?

14 A. He did, sir.

15 MR. GENTIN: With the court security officer's  
16 assistance, if we could turn to Exhibit 4, please, which has  
17 already been admitted.

18 BY MR. GENTIN:

19 Q. Sir, what is the date on this document?

20 A. The date is 27 December 2007.

21 Q. Paragraph 1, does it say it's for Future Services?

22 A. It does, sir.

23 Q. Paragraph 3, does it say that the following names are  
24 authorized to receive up to 30,000 gallons of JP-8 per day?

25 A. Yes.

1 Q. Does it list Mr. Robert Jeffery as one of the escorts?

2 A. It does, sir.

3 Q. Is this the form you used to get into the fuel farm for this  
4 contract you've been talking about?

5 A. This is one of several forms needed, sir.

6 Q. Now, you say you started this in late December. Did you  
7 continue escorting fuel trucks based on this contract through  
8 mid-January?

9 A. I did, sir.

10 Q. About how many times would you say you escorted the trucks?

11 A. Probably every day, sir. 15 days at least, sir.

12 Q. Did someone replace you in mid-January?

13 A. They did.

14 Q. Who was that?

15 A. Mr. Robert Jeffery.

16 Q. Do you see that man in court today?

17 A. I do, sir.

18 Q. Could you briefly identify him?

19 A. He's the one in the tan suit, sir.

20 MR. GENTIN: If the record can reflect that Mr. DuBois  
21 has identified Mr. Jeffery.

22 THE COURT: He's identified him.

23 MR. LEIBIG: No objection.

24 BY MR. GENTIN:

25 Q. Do you know how Mr. Jeffery was recruited into becoming an

1 escort?

2 A. I do, sir.

3 Q. How was that?

4 A. He was recruited by Mr. Robert Young. Mr. Jeffery was a  
5 friend of his from the Philippines that was recruited on the  
6 facts that he would be escorting vehicles under legitimate  
7 means, sir.

8 Q. Do you remember the first time you met Mr. Jeffery?

9 A. Sometime around the mid-January, middle of January time  
10 frame, sir.

11 Q. Where did you meet him?

12 A. In the Satco area of the hotel.

13 Q. Did you help Mr. Jeffery get his CAC card --

14 A. I did, sir.

15 Q. -- or ID card? Can you tell me about that?

16 A. Approximately sometime in December, he had received his CLOA  
17 from -- I don't know if it was Mr. Young or Mr. Eli Maalouf, but  
18 he flew into the country and came to Iraq, got settled in.  
19 Basically from that point on, it was about a week or so for us  
20 getting to know each other and everything and waiting for  
21 flights to Tallil, sir.

22 Q. So you went on a plane with Mr. Jeffery to Tallil?

23 A. I did, sir.

24 Q. Did you ask for him to check some certain documents before  
25 you got on the plane?

1 A. Yes, sir, as far as for your letter of authorization and  
2 your passport and your ID, whether it be a driver's license at  
3 that time to get on the plane. It's basically like your free  
4 pass to get on the plane, your authorization letter.

5 Q. Was it successful? You went to Tallil and you were able  
6 to obtain a CAC card for him?

7 A. After several tries, yes, sir, we got there.

8 Q. When Mr. Jeffery came back, did he start escorting fuel  
9 trucks?

10 A. It was several days later. In the military, we have the  
11 right-seat left-seat ride. Basically we're just physically  
12 showing them how to go through the ECPs, the process, the  
13 paperwork, things to look for in the truck.

14 Several days after we returned, we started running fuel  
15 trucks, yes, sir.

16 Q. Do you remember, did Mr. Jeffery stay in Iraq?

17 A. He did up until mid-February, sir.

18 Q. What did he do then?

19 A. We had a change in management through several other Lebanese  
20 gentlemen. We sent our -- I don't know exactly who or what  
21 decided. I know that I helped send Mr. Jeffery home to the  
22 Philippines.

23 Q. Is that because there wasn't any work left for him to do?

24 A. That's because we had two individuals that were wanted by  
25 CID and several other things that were in management positions

1 that left and left a void in the structure. We -- basically he  
2 had no work, sir.

3 Q. So he went back to the Philippines?

4 A. He did, sir.

5 Q. Do you remember about how long he stayed there?

6 A. If I remember correctly, somewhere around two weeks, sir.

7 MR. GENTIN: With the assistance of the court security  
8 officer, I would like to show Mr. DuBois Exhibit 55.

9 THE WITNESS: Okay, sir.

10 BY MR. GENTIN:

11 Q. Before we get to that, did Mr. Jeffery go back with a friend  
12 of his to the Philippines?

13 A. He did, sir.

14 Q. Was that Stephen Healy?

15 A. I believe so, yes, sir.

16 Q. If I could direct your attention to what it says on page 5  
17 of 6 at the top right-hand corner.

18 Is this an e-mail from Robert Young to Stephen Healy and  
19 Mr. Jeffery dated February 6, 2008?

20 A. It is, sir.

21 Q. Just going to read a brief part of the e-mail to you and  
22 then ask you a few questions.

23 MR. LEIBIG: I'm going to object. I don't have any  
24 objection to someone reading the e-mail they were a party to,  
25 but this witness wasn't communicating. Already in evidence and,

1 frankly, both sides are ready --

2 THE COURT: Objection sustained to reading it.

3 MR. GENTIN: Your Honor, we're only going to be  
4 introducing about six or seven exhibits. It's just going to be  
5 one or two sentences. All I'm going to ask him to do is explain  
6 some of the terms that may not be entirely clear.

7 THE COURT: Just ask him about the terms you want  
8 explained.

9 BY MR. GENTIN:

10 Q. In the e-mail, Mr. Young writes --

11 MR. LEIBIG: Your Honor, my objection may not have been  
12 clear. He didn't get this e-mail. This witness is just reading  
13 an e-mail he never got. If he had gotten the e-mail, of course  
14 it would be appropriate to --

15 THE COURT: He said the e-mails are in evidence. He  
16 may inquire as to the definition of terms in those e-mails.

17 MR. LEIBIG: The question isn't about that exactly,  
18 Judge. He's asking him to read into --

19 THE COURT: No, he --

20 MR. LEIBIG: He doesn't know what people meant by a  
21 particular e-mail. He didn't write it or get it.

22 THE COURT: Have you listened to my ruling?

23 MR. LEIBIG: Yes.

24 THE COURT: He may ask him about the terms and the  
25 definition of them.

1 MR. GENTIN: Thank you, Your Honor.

2 BY MR. GENTIN:

3 Q. The e-mail refers to a -- it says without the company being  
4 aware of it; i.e., the uploading of the fuel.

5 Can you explain what that means?

6 A. As far as the uploading of the fuel, it would be putting the  
7 fuels in the truck, sir.

8 Q. When it says the company is not aware of it, can you explain  
9 that?

10 A. Without reading the e-mail, sir, the company would probably  
11 be Future Services, sir. I don't --

12 Q. When it says the contracting officer's on the payroll, can  
13 you explain that?

14 A. I can't really explain that, sir, but ...

15 Q. When it says we're using the proceeds for our own  
16 advantage --

17 MR. LEIBIG: Your Honor, objection. He said he can't  
18 really explain it. He didn't write it. I ask that Your Honor  
19 sustain the objection. He's made it clear.

20 THE COURT: Well, he's answered the question. There's  
21 nothing to sustain. He either knows or he doesn't know.

22 BY MR. GENTIN:

23 Q. When it says we're using the proceeds for our own advantage,  
24 can you explain that?

25 A. That would be for the proceeds from the fuel theft, sir, for



1 us. When we were stealing the fuel, we were getting money.

2 Q. It refers to a pirate contract. Do you know what that  
3 means?

4 A. The definition of a pirate contract to me is one that's  
5 under fraudulent means, sir.

6 Q. It refers to two people, Jeff and D. Can you tell me who  
7 those people are?

8 A. Jeff would be Mr. Jeffery, sir, and myself.

9 Q. Thank you. Are you aware that Mr. Jeffery came back to Iraq  
10 after receiving this e-mail?

11 A. I am, sir.

12 Q. Did he remain in Iraq until toward the end of May 2008?

13 A. He did, sir.

14 Q. In general terms, can you explain what Mr. Jeffery's tasks  
15 were from February through May 23rd?

16 A. Mr. Jeffery was hired by Mr. Young and everybody involved to  
17 escort vehicles or escort fuel trucks for Future Services, sir.

18 Q. What does that mean, to escort the trucks?

19 A. It means to basically be the ex-patriot and person that sits  
20 in the cab of the truck and physically goes through the entry  
21 control points to the fuel yard and back, sir.

22 Q. Do you remember about how much Mr. Jeffery was paid in  
23 February and March?

24 A. At that time I believe \$500 a day, sir.

25 Q. \$500 a run or \$500 a day?

1 A. I believe it was \$500 a day, sir.

2 Q. Thank you. Am I right that that comes to about \$15,000 a  
3 month?

4 A. It does, sir.

5 Q. Did you come back to the United States?

6 A. I did, sir.

7 Q. When was that?

8 A. Somewhere at the beginning of February, between the 4th and  
9 the 6th. I think around the 5th, sir, of March I headed back to  
10 the United States for leave, sir.

11 Q. Why did you come back?

12 A. I got engaged, sir, and was spending time with my daughter.

13 Q. How long did you stay in the United States until?

14 A. Until about the second week -- first week. Roughly around  
15 the 10th of April I came back.

16 Q. So you came back to Iraq on April 10th. Can you tell me  
17 what happened when you got back?

18 A. I took over as the GM.

19 Q. When you say GM, what does that mean?

20 A. General manager of the Future Services contract, sir.

21 Q. Did you attend some meetings as soon as you got back?

22 A. I did.

23 Q. Who were those meetings between?

24 A. I know myself and Robert -- I mean, not Mr. Jeffery.

25 Mr. Young, Robert Young, and Eli Maalouf and Laith. Basically

1 we're doing --

2 Q. Who is Laith?

3 A. He's an Iraqi local that was involved in the fuel theft,  
4 sir.

5 Q. Okay. Continue.

6 A. We basically had a meeting when I first got back. Mr. Young  
7 was leaving for vacation for approximately 30 days, plus we met  
8 in Mr. Eli Maalouf's trailer and basically had a big turnover of  
9 paperwork and information as far as time scheduling, things that  
10 had been going good and bad while I was away, sir.

11 Q. Can you tell me about some of the specific discussions you  
12 had at that meeting?

13 A. During that it was basically we were getting ready to up the  
14 fuel theft with another memo at this time.

15 Q. By memo, do you mean MFR?

16 A. MFR, sir. Excuse me. Memorandum for Record on the DF-2,  
17 which is a different kind of fuel from the JP-8, sir.

18 Q. Why do they want the DF-2 fuel?

19 A. The DF-2 is worth more to the Iraqi locals. The JP-8 was  
20 good for vehicles, diesel and generators, but the DF-2 had more  
21 of an oil velocity to it to allow it to run heavy machinery and  
22 industrial machinery better, sir.

23 Q. Why did it matter what the Iraqis wanted?

24 A. Because it made the fuel theft scheme more money, sir.

25 Q. Was that who the scheme was selling the fuel to?

1 A. Say that again.

2 Q. Was the scheme selling the fuel to the Iraqis?

3 A. Yes, sir.

4 Q. That's why the matter -- it was kind of a demand-and-supply  
5 type analysis?

6 A. Yes, sir.

7 Q. Did they still want the JP-8 fuel?

8 A. It wasn't their big concern. They could mix the DF-2 with  
9 the JP-8 and make it more money that way, sir. The Iraqis could  
10 still use both, but they wanted the DF-2.

11 Q. During the few days -- on April 10th and the next few days,  
12 did you come to a realization about the type of work that you  
13 were engaged in?

14 A. I did, sir.

15 Q. Why was that?

16 A. I had had questions at the end of February. We were being  
17 paid well. After I came on leave, I didn't really think about  
18 it too much.

19 Q. You had questions about what in February?

20 A. The fuel theft, sir, what turned out to be the fuel theft, I  
21 should say. At the time I didn't ask any questions. Was moving  
22 up. I knew when I came back, I knew I would probably be taking  
23 over as GM. Once I got back to being GM, I had all the insides  
24 and outs of how this fuel theft worked, who we were paying as  
25 far as the Global, um-m --

1 Q. Who is Global?

2 A. They're a security company that a lot of the South Africans  
3 and British and some of the other coalition forces have ex-pats  
4 that work with, and they patrol the amber zone or the racetrack  
5 which is the road that leads around the Baghdad International  
6 Airport.

7 Q. Why were they being paid?

8 A. To alleviate any obstacles of getting the trucks through.

9 Q. Are you talking about improper payments?

10 A. About bribes, sir?

11 Q. Yes.

12 A. That's how I would describe it, yes, sir.

13 Q. Okay. Did you come to realize during those few days  
14 anything about the MFRs that you were using?

15 A. Yes, sir.

16 Q. What was that?

17 A. As far as the MFR, we had the DF-2 and I had apprehensions  
18 about turning it in. To add to the 30,000 gallons, we had to --  
19 this memo that I was asked to turn in before Mr. Young left by  
20 Mr. Maalouf and Mr. Young, to turn in a memo for the DF-2 for  
21 like 11,000-plus gallons a day to add to to make four trucks a  
22 day.

23 Q. What were your specific concerns about that MFR?

24 A. At that time I already knew that we were already in a --  
25 stealing fuel. And to add a DF-2 to it, you know, we had a lot

1 to lose. It was not my -- I mean, I had a lot of apprehensions  
2 to turn it in and to add to -- basically, we were already  
3 getting a lot of money a day and to add to it was just dipping  
4 too much.

5 Q. Did you know that the one they wanted you to turn in was  
6 going to be a fake one?

7 A. Yes, sir, I did.

8 Q. Did you also know that the ones that Mr. Jeffery and those  
9 were using to get the fuel were fake forms?

10 A. Yes, sir.

11 Q. Earlier you said the fuel was sold to Iraqis. Do you know  
12 about how much it was sold for?

13 A. We were receiving \$30,000 a day basically. Break it down by  
14 the time we paid any kind of security or housing, food and  
15 meals, everything, I think it broke down to about \$1.50 a  
16 gallon.

17 Q. Can you briefly explain what your role was in terms of the  
18 intake of the money?

19 A. Basically as GM I would answer to Mr. Laith or Eli and  
20 keep -- make the payments to all the drivers, make the payments  
21 to anybody -- I didn't deal with any of the security, paying the  
22 security, because I didn't speak Arabic. I dealt with most of  
23 the logistics and paying the drivers.

24 Q. Where did you keep the money?

25 A. I kept it -- we had several safes around our compound.

1 There were two in mine which we kept the majority of the money  
2 in, sir.

3 Q. At any one time, how much money might be in your safe?

4 A. Well, \$30,000 a day, sometimes we wouldn't get it for  
5 several days, it could be upwards to a million or a little bit  
6 more at the max.

7 Q. Did you pay the drivers and escorts in cash?

8 A. I did.

9 Q. Did you use pay stubs or issue W-2 forms?

10 A. No, sir. I didn't get -- even my legitimate work, sir, I  
11 didn't get paid by Future Services legitimately with any W-2s.

12 Q. There was no documentation you were handing out with the  
13 payment saying Future Services on it?

14 A. No, sir.

15 Q. A few days after you got back, April 10th, did Mr. Jeffery  
16 come to you with some questions?

17 A. There were some questions when I arrived back and Mr. Young  
18 and myself were doing turnover. There was just basic complaints  
19 about time schedule and trucks not being right and at the right  
20 place at the right time, sir.

21 Q. Okay. In conversations just with you and Mr. Jeffery, did  
22 he ask you any pointed questions?

23 A. At that time any questions that he had for me, I sidestepped  
24 and kind of sugarcoated until I went to Mr. Young to make sure  
25 that it was okay because --

1 Q. What specific questions was he asking you?

2 A. Well, there was questions about whether this was a  
3 legitimate means or not, sir.

4 Q. Did he use the word pirate contract?

5 A. He didn't use pirate contract at that time. He stated when  
6 he first got back that if this was a pirate contract, he wanted  
7 no part of it. At the time we were all under the assumption  
8 that it was legitimate means so I assured him that it was not a  
9 pirate contract.

10 Q. That's what you meant when you say you sugarcoated the  
11 answer?

12 A. No. This is in February, sir. When I got back in the April  
13 time frame and he had any questions and I knew more than I  
14 should have, I sugarcoated it to him.

15 Q. Then what happened next?

16 A. I had a conversation with Mr. Young.

17 Q. Was Mr. Jeffery there at the conversation?

18 A. He was not, sir.

19 Q. Okay.

20 A. I went to Mr. Young concerning that Mr. Jeffery should know  
21 because if this is what it is, then he needs to know because he  
22 has a lot to lose as far as his family and children.

23 Q. Did you like Mr. Jeffery?

24 A. I did, sir.

25 Q. Tell me more about that discussion with Mr. Young.



1 A. Well, first of all, it was just about the MFRs and being  
2 turned in and that we could make more money.

3 The second part of the conversation was that I thought he  
4 should know, Mr. Jeffery that is, should know that if this is  
5 under illegitimate means that he needs to be made aware of it.

6 Q. Was there any discussion about Mr. Jeffery's salary?

7 A. Not that I can recall, sir.

8 Q. Can you tell me what happened next?

9 A. Several days later, Mr. Robert Young had left and basically  
10 the ball was in my court as a GM. Between me and Mr. Jeffery,  
11 we were the only Americans on. We continued to escort and take  
12 fuel. I confided in him, um-m --

13 Q. Where was this discussion?

14 A. A lot of times in his trailer, sir. I stayed in Mr. Eli  
15 Maalouf's trailer because my other residence was in Booban which  
16 is an asphalt plant on VBC.

17 Q. Was Mr. Maalouf's at Satco like Mr. Jeffery's?

18 A. Yes, sir.

19 Q. Tell me about those discussions with you and Mr. Jeffery.

20 A. Most of the time the discussions were basic complaints and  
21 gripes about trucks not being on time, how come the -- never  
22 were on time with anything and that kind of discussion. Then it  
23 usually turned into family and talk about things in the future  
24 and stuff, sir.

25 Q. Did you tell him about the scheme?

1 A. Eventually I laid it out to him, yes, sir. In that same  
2 time period, there was one where we laid out the facts about 75  
3 percent --

4 Q. Approximately when was this discussion?

5 A. About mid-April, sir.

6 Q. Okay.

7 A. I laid out the facts to about 75 percent of everything that  
8 was going on.

9 Q. Are you saying you told him about 75 percent of the fuel  
10 theft scheme?

11 A. Yes, sir, the fuel theft scheme.

12 Q. Any response from Mr. Jeffery?

13 A. There were just the -- basically it was, you know, he didn't  
14 want to know and he didn't want a part of it if it was that kind  
15 of thing, but he thought so much is basically the wording.

16 Q. What did you take it to mean when he said he thought as  
17 much?

18 A. He's an intelligent guy. He knows -- years of service, you  
19 can see around you and see what's going around. It's not hard  
20 to pick up, sir.

21 Q. At this point you were the only two Americans on the ground  
22 associated with the scheme; is that right?

23 A. We were, sir.

24 Q. You talked to each other a lot?

25 A. We did.

1 Q. Did you have additional conversations about the theft  
2 scheme?

3 A. As the time went on we did. There was -- at first it wasn't  
4 really a whole lot of conversation other than just the general  
5 complaints about running any kind of business or theft. Not so  
6 much theft, but just any other business.

7 There was just the general things, you know, just bouncing  
8 things off because he was somebody that was, you know, had good  
9 ideas and plans as far as any kind of thing from A to Z in life.  
10 That's pretty much most of the conversations at first.

11 MR. GENTIN: With the court security officer's  
12 assistance, I would like to show Mr. DuBois Exhibit 61.

13 THE WITNESS: Okay.

14 BY MR. GENTIN:

15 Q. Is this an e-mail from Robert Jeffery to Randy Bragg cc'ing  
16 Don Hill and Mike Stoffel dated April 22, 2008?

17 A. It is, sir.

18 Q. I would like to direct your attention to the second page of  
19 the e-mail. It talks about going to a rally point to meet with  
20 Iraqi drivers who then take the trucks to the buyer in Baghdad.

21 What's a rally point?

22 A. A rally point is a military term used by the military for a  
23 linkup spot or a group meeting where everybody separates and  
24 comes back to one spot to meet.

25 Q. This reference to the buyer in Baghdad, what does that mean?

1 A. The buyer in Baghdad to me would mean that that would be  
2 Sohib or whoever the person who is buying the fuel from us, sir.

3 Q. After Mr. Jeffery wrote this e-mail on April 22nd and  
4 referring to buyers in Baghdad, did he continue to do fuel runs  
5 after this?

6 A. He did, sir.

7 Q. You mentioned before some controversy over DF-2 versus JP-8  
8 fuel. Can you tell us what type of pressure were you getting to  
9 get the DF-2 fuel?

10 A. As I stated before, there was a memo that came in that would  
11 add to the 30,000 gallons of fuel that we were taking, that we  
12 were stealing from the government.

13 The DF-2 was a memo to allocate another 11,000-, I think,  
14 500 gallons, 11,500 gallons to it and to mix to be able to be  
15 more profitable.

16 Q. Who specifically was urging you to turn in that form?

17 A. Well, it came from Laith and Mr. Eli Maalouf and Mr. Robert  
18 Young, and then they were pressuring me to turn it in, sir.

19 Q. Did Mr. Jeffery ask you to return the form too?

20 MR. LEIBIG: Objection. Leading.

21 THE COURT: Objection sustained.

22 BY MR. GENTIN:

23 Q. Did anyone ask you to turn in the form?

24 A. It was relayed to me through Robert Jeffery to turn in the  
25 memo. It was being pressured down from Mr. Young and the top.

1 Q. With the assistance of the court security officer, if you  
2 could turn to Exhibit 62.

3 Is this an e-mail from Mr. Robert Jeffery to Stephen Healy  
4 dated April 29, 2008?

5 A. Yes, it is.

6 Q. How about three quarters of the way down where it says, they  
7 are effing with Bob to get DF because they can get more money  
8 for it, what does he mean by get more money for it?

9 A. Again, the DF-2 was worth more to the Iraqis and the buyers.  
10 I think -- I don't know exactly what it made per gallon more,  
11 but I know it was what the Iraqi buyers wanted. If we didn't  
12 turn this memo in at this time, then they were going to quit  
13 running the JP-8, our three trucks, and shut everything down.

14 We went through a lot of that during that April/May time  
15 frame until it was turned in. They cut us off several times  
16 with delivering the trucks and stuff, sir.

17 Q. This e-mail's written to Stephen Healy. Was he known as  
18 Fast Eddie also?

19 A. He was, sir.

20 Q. After writing this e-mail, did Mr. Jeffery continue to do  
21 fuel runs?

22 A. He did.

23 Q. If you could, please, turn to Exhibit 72.

24 A. Okay, sir.

25 Q. Is this an e-mail from Mr. Young to Mr. Jeffery dated May 9,

1 2008?

2 A. Yes, sir.

3 Q. When Mr. Young instructed Mr. Jeffery to tell you to submit  
4 the memo and then calls you lazy, were you in fact lazy?

5 A. No, sir.

6 Q. Why didn't you want to turn in the memo?

7 A. Well, in the military there's several things that we learn.  
8 There's second- and third-order effects. We were already  
9 stealing enough fuel to -- should have been suffice to  
10 everybody. Because once we all knew, basically, the large  
11 amount of money that we all making, it wasn't worth turning in.  
12 Myself and Mr. Robert Jeffery had a lot more to lose than a lot  
13 of other people. We had young children, plus children of my  
14 age, young children, and also any benefits that anybody else had  
15 or any, you know, just, you know, not being able to see our kids  
16 grow up basically was the main reason, sir.

17 Q. Is it accurate that you were scared because of the illegal  
18 nature?

19 A. Yes, sir.

20 Q. Did you in fact turn in that form eventually?

21 A. I did, sir.

22 Q. Do you remember about when that was?

23 A. Yes, sir. It was the 11th of May 2008.

24 Q. If you could turn to Exhibit 7, which is already in  
25 evidence.

1 A. Say that again, sir.

2 Q. If you could, please, turn to Exhibit 7.

3 A. Okay.

4 Q. Is this an MFR form?

5 A. It is, sir.

6 Q. What's the date on it?

7 A. 29 March 2008.

8 Q. Is it for Future Services?

9 A. It is, sir.

10 Q. Does it allow up to 11,500 gallons of DF-2 fuel?

11 A. It does, sir.

12 Q. Is this the form you turned in on May 11th?

13 A. Yes.

14 Q. Is this form fake?

15 A. It is, sir.

16 Q. The form lists Shrestha, S-H-R-E-S-T-H-A, Bal Ram, B-A-L,  
17 R-A-M, as the escort driver.

18 Do you know why Mr. Jeffery's name isn't on here?

19 A. Well, in my terms, he wouldn't have been on here because we  
20 were pretty familiar at this time with contracting and how to  
21 get into the VBC. We were already known. We had legitimate  
22 contracts inside the fuel yard as well as the fuel theft  
23 contracts.

24 There wouldn't have been any reason to add him to this  
25 because we already had -- we were already known and we could go

1 in and out.

2 Q. Is it accurate to say that Mr. Jeffery could have used this  
3 form because he was already going in under other Future Services  
4 contracts?

5 A. Yes, sir.

6 Q. By the time you turned in this form on May 11th, is there  
7 any doubt in your mind that Mr. Jeffery knew about the --

8 MR. LEIBIG: Objection. Calls for speculation. He's  
9 asking him to read Mr. Jeffery's mind.

10 MR. GENTIN: I'm asking him about his mind.

11 THE COURT: Rephrase your question. Ask your question  
12 again.

13 BY MR. GENTIN:

14 Q. Was there any doubt in your mind that you had told  
15 Mr. Jeffery about -- that you told Mr. Jeffery about the full  
16 scope of the fuel theft scheme?

17 A. At this time everybody was aware that it was a fuel theft,  
18 sir.

19 Q. To include Mr. Jeffery?

20 A. To include Mr. Jeffery, yes, sir.

21 Q. If you could turn to Exhibit 76, please.

22 A. Okay, sir.

23 Q. Look at the bottom of the first page. It says the e-mail's  
24 from Robert Young to Elias Maalouf, Mr. DuBois, and Mr. Jeffery,  
25 dated May 15, 2008; is that correct?



1 A. It is.

2 Q. If you turn the page to the text of the e-mail, Mr. Young  
3 states that our golden goose is about to be run over by a truck.

4 What does he mean by golden goose?

5 A. Give me a second, please.

6 Q. Three lines from the bottom on page 2 of 13.

7 A. Okay. I'm there.

8 Q. Three lines from the bottom. I'll just repeat the question.

9 What does he mean by our golden goose is about to be run  
10 over by a truck?

11 A. The golden goose was a slang term we kind of used for the  
12 fuel theft, sir, and the amount of money that we were making  
13 from the fuel theft.

14 Q. What does he mean when he says, vacation courtesy of Uncle  
15 Sam?

16 A. If we get caught under this fuel theft, that we're going to  
17 jail.

18 Q. If you can turn to the previous page, page 1 of 13. Is this  
19 an e-mail from Robert Jeffery to Mr. Young cc'ing you?

20 A. It is, sir.

21 Q. At the last two lines, If I believe things are getting  
22 dangerous, I'll be on a plane out of here to join you.

23 When he says getting dangerous, what does he mean?

24 MR. LEIBIG: Your Honor, again, he's asking the witness  
25 to read Mr. Jeffery's mind. This witness didn't write the

1 e-mail. He can't say what someone else meant.

2 BY MR. GENTIN:

3 Q. Mr. DuBois was copied on this e-mail. What did getting  
4 dangerous mean to you when you received this e-mail?

5 A. Getting dangerous meant that if the authorities were  
6 closing in because of some of the instances that we had leading  
7 up to this, sir.

8 Q. So it wasn't about the general danger of war; is that  
9 correct?

10 A. No, sir.

11 Q. It was about the fuel theft scheme?

12 A. It was, sir.

13 Q. After writing this e-mail on May 15th, did Mr. Jeffery  
14 continue to do fuel runs?

15 A. He did, sir.

16 Q. If you could turn to Exhibit 80, please. If you could turn  
17 to page 4 of 22 at the bottom.

18 Is this an e-mail from you to Mr. Young, Mr. Maalouf -- and  
19 Mr. Maalouf?

20 A. It is, sir.

21 Q. If you turn to page 6 of 22, you say I have more to lose  
22 than you do. What did you mean by that?

23 A. In my e-mail, I was writing Mr. Young and letting him know  
24 because I had an issue with turning in the DF-2 and several  
25 other issues amongst us. My statement here was regarding me not

1 being able to see my kid or losing everything else that I've  
2 worked for, you know. I was going back to being in the Reserve,  
3 in the military, and several other things. That's what I mean  
4 by losing.

5 Q. In general, when you wrote this e-mail to Mr. Young and  
6 Mr. Maalouf, what were you trying to tell them?

7 It's a long e-mail, but if you could just sum it up.

8 A. Basically giving them an outline of what was going on and  
9 that everything was going to be okay. If I was the GM and me  
10 being the GM, I was basically pushing back to them and letting  
11 them know that, you know, we'll continue operations and not to  
12 interfere, sir.

13 Q. Okay. If you go back to where it says -- page 4 of 22,  
14 about three quarters of the way down the page, is it correct  
15 that Mr. Young then forwarded this e-mail to Mr. Jeffery on  
16 May 16th?

17 A. It is, sir.

18 Q. Then the next e-mail, is it from Mr. Jeffery to Mr. Young on  
19 May 16th?

20 A. There is one, yes, sir.

21 Q. What do you understand Mr. Jeffery to mean where he says you  
22 know where my loyalties lie?

23 A. Well, he was hired by Mr. Robert Young. They had been  
24 friends for -- not exactly -- I don't know exactly how long, but  
25 they were friends. So he hired him and he was going to

1 basically stay loyal to him, sir.

2 Q. If you move forward in this e-mail chain to page 1 of 22, is  
3 the e-mail, at the top, from Jeffery to Young dated May 18,  
4 2008?

5 A. It is, sir.

6 Q. When he says, D remarked this morning that he had seen L in  
7 a panic last night shredding papers, who is D?

8 A. I'm D, sir.

9 Q. Who's L?

10 A. Laith.

11 Q. Do you remember that incident?

12 A. I do, sir. We had come in from something and one of my  
13 conversations were we went to Mr. -- after I seen this, I went  
14 to Mr. Jeffery and had our conversations about life and  
15 everything else. I had mentioned to him that I had seen Laith  
16 shredding a lot of paperwork and everything in conjunction with  
17 Laith finding the tracking device and some other stuff at the  
18 same time.

19 Q. If you turn to Exhibit 84, please. Is this an e-mail from  
20 Mr. Jeffery to Mr. Young dated May 23, 2008?

21 A. It is.

22 Q. On the second page, the last paragraph where he says, D made  
23 the decision to not do the run Saturday, Sunday, and Monday, I  
24 agree based on the way dots are connecting, why did you make  
25 that decision?

1 A. Well, the whole time -- I made this decision as the general  
2 manager because the authorities, we had a couple of incidents.  
3 We found, again, tracking devices, we had had our pictures  
4 taken. I personally had an incident of having my picture taken.  
5 There was just too many things that were coming down. Humvees  
6 were coming around. People started asking questions about where  
7 the fuel was going and everything else so I decided to shut it  
8 down due to the circumstances.

9 Q. Are those the same sentiments expressed in the e-mail where  
10 he says the Army's building a case?

11 A. Yes, sir.

12 Q. After you discovered these pictures and the tracking device,  
13 did you have some additional conversations with Mr. Jeffery?

14 A. Basically it was just time to go. That was the -- about  
15 this time, if you're looking at May 23rd, it was right then when  
16 we shut it down and it was just time to leave.

17 Q. Any discussion about his Navy benefits?

18 A. That would have been right around the same area. We did  
19 have a discussion. That goes back to losing, you know, being  
20 with your children and losing, you know, your Reserve status or  
21 benefits, yes, sir.

22 Q. Any discussion about spending time behind bars?

23 A. Not with Mr. Jeffery, no.

24 Q. Then what did you do next? This is on May 23rd. What  
25 happened next?

1 A. Basically myself and Mr. Jeffery were the only ones left on  
2 the ground. Everybody pretty much just disappeared and left us.  
3 We had planned -- he was -- we were done. He was heading back  
4 to the Philippines. I was staying a couple of days in  
5 preparation to go to Lebanon and onto Afghanistan, but in the  
6 meantime when I was there, I was paying anything that we owed  
7 and shutting down any of the trailers.

8 Q. Did you eventually leave for Afghanistan?

9 A. Not till June time frame, sir. About a month later I headed  
10 to Afghanistan.

11 Q. About how much would you say you made from the scheme?

12 A. \$800,000, sir.

13 Q. When you were GM, you paid the bills. How much would you  
14 say Mr. Jeffery made?

15 A. Anywhere from 100 to 150 from the time that -- from January  
16 to May time frame.

17 Q. During the time you were in Iraq, would you occasionally go  
18 to Lebanon for some rest and relaxation?

19 A. I did.

20 Q. About how many times did you go?

21 A. A total, maybe five times, five or six.

22 Q. Did you use drugs on those visits?

23 A. I did, sir.

24 Q. About how many times?

25 A. About every time I was there, sir.

1 Q. What drugs did you use?

2 A. Alcohol and cocaine, sir.

3 Q. Did you ever use drugs or alcohol in Iraq?

4 A. Twice, sir, yes.

5 Q. Do you feel like that use impaired your memory?

6 A. No, sir. I never let it get to the point where we -- you  
7 know, because of the environment, all the Iraqis carried  
8 weapons, everybody had weapons there, we never let it get to the  
9 point where it would judge anything. For \$100 they would take  
10 your life, sir.

11 Q. After you went to Afghanistan, did you eventually decide to  
12 come back to the United States?

13 A. I did, sir.

14 Q. Why was that?

15 A. I had my whole family and my daughter, everybody coming in  
16 for my engagement party on the 19th of July of last year.

17 Q. Do you recall arriving at Dulles Airport on July 18, 2008?

18 A. I do, sir.

19 Q. What happened?

20 A. I arrived and came through Customs. I was sent to the  
21 screening area. Had to unload everything. The guy told me that  
22 several agents wanted to speak with me, and from there I was  
23 arrested, sir.

24 Q. What happened next?

25 A. I was taken to the main side. I don't know exactly where in

1 Dulles Airport, but into an investigation room where there was  
2 probably maybe 10, 15 people involved and sat down in an  
3 interview room.

4 Q. What did you talk to the agents about?

5 A. Well, the first part of it, I wasn't up front with the  
6 agents. I tried to side skirt everything because I had a 12:30  
7 plane flight and my engagement party so I wasn't really up front  
8 with the agents at first.

9 Then the second part, I pretty much laid out the scheme of  
10 the fuel theft and the stealing of the fuel.

11 Q. Did you tell the agents about Mr. Jeffery's role?

12 A. I didn't at first. I kept it to a minimum, sir.

13 Q. Why was that?

14 A. Again, I wanted to keep it short. I liked the guy and I  
15 liked several of the people that were involved with this case.  
16 I was -- like the first time I was trying to do anything to get  
17 away with it and not be, you know, up front about it. Then on  
18 the second part of it, I just wanted to keep anybody from  
19 getting hurt from second- and third-order effects of the fallout  
20 of the stealing of the fuel.

21 Q. Did you ultimately tell the government about Mr. Jeffery's  
22 full role?

23 A. I did, sir, slowly. Yes, sir.

24 Q. Is that consistent with what you told us today?

25 A. Yes, sir.



1 Q. I just want to go back to one thing. When you said you told  
2 Mr. Jeffery 75 percent of the story in that one meeting in his  
3 trailer, what do you mean by that? What did you tell him and  
4 what didn't you tell him?

5 A. I don't remember the exact content of the conversations,  
6 sir. I do remember basically because -- I could -- I mean, he  
7 was the only honest guy that basically I could have a  
8 conversation with more like a father figure and confided in him.

9 We basically -- he had questions about, you know, the trucks  
10 being on time and some of the oddities of the things that were  
11 going around us. I basically laid out as much as I could before  
12 I spoke to either Mr. Young or Mr. Eli. So I gave him --

13 Q. You say you laid out as much as you could. You mean about  
14 the theft scheme; is that correct?

15 A. Yes, sir.

16 MR. GENTIN: With the Court's permission, I would like  
17 to move into evidence Exhibits 61, 62, 72, 76, 80, 82, and 84.

18 MR. LEIBIG: No objection.

19 THE COURT: All right. They're admitted.

20 MR. GENTIN: Pass the witness, Your Honor.

21 CROSS-EXAMINATION

22 BY MR. LEIBIG:

23 Q. You left the military as a captain?

24 A. I did, sir.

25 Q. That was in July of '07?

1 A. It was, sir.

2 Q. Pretty soon after that, you become part of some contracts in  
3 Iraq, right?

4 A. I went to Kuwait and signed with a company to go into Iraq,  
5 yes, sir.

6 Q. Future Services?

7 A. Yes, sir.

8 Q. And you were truly working for them?

9 A. Yes, sir.

10 MR. LEIBIG: Judge, I would like to hand forward what's  
11 marked as Defendant's Exhibit A.

12 BY MR. LEIBIG:

13 Q. I'll ask you to take a second and see if you recognize that  
14 document.

15 A. I do.

16 Q. What is it?

17 A. This an agreement between Future Services Trading Company  
18 and myself and Mr. Maalouf.

19 Q. What date was that agreement executed?

20 A. 23 September 2007.

21 Q. About two months after you got out of the military?

22 A. Yes, sir.

23 Q. Okay. Very briefly, what does that provide for?

24 A. Meaning what, sir?

25 Q. What is the purpose of that contract? What is the

1 agreement?

2 A. The agreement is to get business in Iraq, basically, and  
3 develop future businesses for Future Services inside Iraq to  
4 receive more contracts.

5 Q. One party of the contract is Future Services and another  
6 party to the contract is you and Maalouf?

7 A. Yes, sir.

8 Q. Okay. Did you work as an employee of Future Services then?

9 A. I was, sir.

10 Q. So you have a contract with them and separately you're an  
11 employee of the company?

12 A. Yes, sir.

13 MR. LEIBIG: I'd hand forward what's been marked  
14 Defendant's Exhibit B.

15 BY MR. LEIBIG:

16 Q. Take a second and look at that one.

17 MR. GENTIN: Your Honor, if I could lodge an objection.  
18 I'm not sure what the purpose of these documents is going to be,  
19 but they're hearsay.

20 THE COURT: I don't know until he asks his question.

21 THE WITNESS: Okay.

22 BY MR. LEIBIG:

23 Q. What is that contract?

24 MR. GENTIN: Objection, Your Honor. It's not  
25 refreshing his recollection.

1 MR. LEIBIG: Judge, it's not hearsay. I'm asking him  
2 what it is.

3 THE COURT: Objection overruled.

4 THE WITNESS: This is an agreement between myself and  
5 Mr. Maalouf.

6 BY MR. LEIBIG:

7 Q. Dated when?

8 A. 5 December 2007.

9 Q. Okay. December 5, 2007. What does it provide for?

10 A. This is basically to get land inside of VBC, which Mr. Eli  
11 Maalouf used to own part of DLSS. He had a falling out with a  
12 business partner. He brought me in to help get it back, to  
13 recoup it, and that way we would have businesses for Future  
14 Services and grounds to place our equipment so we could start  
15 sending equipment right there. In Iraq it helps to have -- for  
16 vendors and contractors like me -- to have equipment on ground  
17 so they can come see it and touch it, feel it.

18 Q. At that point that's the contract between you and  
19 Mr. Maalouf separate from your employment with Future Services?

20 A. It is, sir.

21 Q. I'd like to hand you what's been marked Defendant's Exhibit

22 C. Could you identify that for the jury?

23 A. It's a contract between me and Sergio Tanguma,

24 T-A-N-G-U-M-A.

25 Q. Is he an officer for a company called Middle Eastern

1 Logistics Agency?

2 A. He was, yes, sir.

3 Q. He hired you?

4 A. He did.

5 Q. That's the document hiring you?

6 A. Yes, sir.

7 Q. When did he hire you?

8 A. I don't remember the exact date.

9 Q. What date did you sign the agreement?

10 A. 25 October 2007.

11 Q. Was this anything to do with your work with Future Services?

12 A. No, sir.

13 Q. Okay. Was it anything to do with the contracts you had with

14 Maalouf separate from Future Services?

15 A. No.

16 Q. What would your salary be per year under that contract?

17 A. 375,000, sir.

18 Q. Per year?

19 A. Yes, sir.

20 Q. What would you be doing?

21 A. Basically the same thing as business development. He had

22 several uniform contracts that they had gotten, some logistics

23 stuff. As a captain, I had met him through Mr. Maalouf. He had

24 ventures with Future Services as well. He wanted somebody else

25 on ground to help develop business, sir.

1 Q. Hand forward now what's been marked Defendant's Exhibit F.

2 Ask you if you can identify that for the jury.

3 A. Okay, sir.

4 Q. What is that?

5 A. I believe it was the updated version of a contract  
6 agreement.

7 Q. Between?

8 A. Myself and Future Services.

9 Q. Is Maalouf a party to that contract?

10 A. He is not, sir.

11 Q. That's just between you and Future Services?

12 A. Yes, sir.

13 Q. That's in February of 2008?

14 A. Yes, sir.

15 Q. Okay. That was after you had begun your escorting duties?

16 A. Yes, sir.

17 Q. You made a contract with Future Services which was separate  
18 from Maalouf?

19 A. Yes, sir.

20 Q. Okay.

21 A. We were having some issues in there, yes, sir.

22 Q. Hand forward what's been marked as Defendant's G.

23 A. Okay.

24 Q. Could you identify that for the jury?

25 A. That's a contract between me and Sergio Tanguma.

1 Q. That's the same man, the Middle Eastern Logistics?

2 A. I believe it is. Hold on. Yes, sir.

3 Q. That one is in July of 2008, right?

4 A. It is, sir.

5 Q. You already have a contract with him back from 2007 for the  
6 375,000 a year, right?

7 A. That's correct, sir.

8 Q. You would have been being paid under that contract?

9 A. I wasn't paid fully, no, sir.

10 Q. But you had been some of it?

11 A. A little, yes, sir.

12 Q. How much?

13 A. I'm not exactly sure. It was probably like 25 grand,  
14 somewhere around in there. Most of the other money, I had not  
15 been paid on yet, no, sir.

16 Q. You signed a new contract with him even though he had not  
17 been paying you your salary for ten months?

18 A. Yes, sir.

19 Q. This contract was made by you after Mr. Jeffery left Iraq?

20 A. Yes, sir.

21 Q. It was about one day, if you remember, before you got  
22 arrested in this case, right?

23 A. Yes. We were in -- we both came back from Afghanistan. He  
24 had several contracts that him and Procima were working on, and  
25 he wanted me to get in on it with him, with the Corps of

1 Engineers and such, sir.

2 Q. You made an agreement with him that involved, in part,  
3 transporting fuel in Afghanistan, right?

4 A. There was -- that was one part, yes. It was more of the GPS  
5 tracking systems that we were going to need to --

6 Q. Part of it was about fuel in Afghanistan --

7 A. Yes, sir.

8 Q. -- for the military?

9 A. Yes, sir.

10 Q. You made that contract after the events that you've  
11 testified about today?

12 A. Correct, sir.

13 Q. You paid him \$250,000 up front?

14 A. Yes, sir.

15 Q. The day before you got arrested?

16 A. Yes, sir.

17 Q. Okay. Handing forward what's marked Defendant's D. Could  
18 you identify that for the jury?

19 A. It says active service. It looks like a letterhead.

20 Q. Is it a Future Services letterhead?

21 A. Yes, it is.

22 Q. Does it have Mr. Zaidan listed as the president?

23 A. It does.

24 Q. And Mr. Maalouf listed as the vice president?

25 A. It does, sir.



1 Q. You're the third person on the letterhead, right?

2 A. Yes, sir.

3 Q. What is your title?

4 A. Reserve captain.

5 Q. Was that while you were in the Army?

6 A. No, this was afterwards. I was in inactive Reserve, yes,  
7 sir.

8 Q. During what period of time was that letterhead used with the  
9 three of you at Future Services?

10 A. If I remember correctly, at the very beginning, sir.

11 Q. October 2007?

12 A. Yes, sir.

13 Q. How long did you work for Future Services?

14 A. I believe it was either March or April. I think it was  
15 April, sometime mid-April when I had my final letter turning in  
16 my resignation, right around that time frame.

17 Q. You went to the U.S. for a while, got engaged, came back in  
18 April. That's when you learned about this fuel theft scam?

19 A. I had questions before I left, yes, but I knew all --  
20 totally the inner-workings in the end, yes, sir.

21 Q. That was when you stopped working for Future Services?

22 A. Right around that time frame, yes, sir.

23 Q. When you're doing those contracts with Maalouf, you know, in  
24 October, back in September of 07, that is when you believe these  
25 are legitimate contracts?

1 A. Yes, sir.

2 THE COURT: It's time for us to take a brief recess.

3 (Recess taken at 3:46 p.m.)

4 BY MR. LEIBIG:

5 Q. So you began in about October '07 working on this FS  
6 contract for the escorting; is that right?

7 A. No, sir.

8 Q. When was that?

9 A. About Christmastime.

10 Q. Okay. So you begin the escorting around Christmastime. At  
11 that time it's a legitimate contract and your job is as an  
12 escort?

13 A. Yes, sir.

14 Q. Did you go through some training about how to be an escort?

15 A. I did, sir.

16 Q. That was done by the Army?

17 A. As far as?

18 Q. The training about how to -- the rules and regulations of  
19 being an escort.

20 A. Yes, sir, there was a class we took.

21 Q. Did the class include a PowerPoint presentation?

22 A. It did.

23 Q. Hand forward what's in a folder and marked Defendant's  
24 Exhibit Q.

25 I would ask you to review it and see if that is the

1 PowerPoint presentation that was part of the training.

2 A. It looks to be, yes, sir.

3 Q. Okay. You saw that during your training, right?

4 A. Yes, sir.

5 Q. Later when Mr. Jeffery came, he was, if you know, given the  
6 same training, right?

7 A. Correct, sir.

8 Q. Okay. Without going through all of the different parts, is  
9 one of the parts of the training, what you learned in this  
10 presentation, that third-country nationals cannot come onto the  
11 Victory compound without being escorted, right?

12 A. Correct.

13 Q. A local national, an Iraqi, can't come on even if escorted,  
14 right?

15 A. There are some instances where they do -- they have badges  
16 of their own that allow them if they're providing services for  
17 the United States government.

18 Q. But generally --

19 A. Right.

20 Q. -- you can't come on even if escorted by one of you guys?

21 A. Correct, sir.

22 Q. How many hours a day did you work when you first started?

23 A. As far as contracting or?

24 Q. As far as the escorting.

25 A. Usually about four hours, sir.

1 Q. Were you also at that time doing your work for the 375,000 a  
2 year job for Mela during the same period?

3 A. Yes, sir. During the day, yes. I usually escorted at  
4 night, sir.

5 Q. Okay. What work were you doing for that?

6 A. For Future Services and Mela, mainly Future Services, we  
7 would have a PowerPoint presentation for approximately -- at one  
8 time there were like 11 to 15 contracting units or divisions  
9 where you could go in and give them your book, a CD-ROM with the  
10 equipment that you can provide.

11 Q. That was not the escorting. You're talking about your other  
12 work?

13 A. Yes, sir.

14 Q. For the escorting you were getting \$1000 a day?

15 A. Roughly, yes, sir.

16 Q. Okay. And you were paid in cash?

17 A. Yes, sir.

18 Q. That's not usual given the situation, right?

19 A. Not in Iraq, sir, no.

20 Q. Not much of a banking system.

21 A. No. There's no banking. May be now, but there wasn't then,  
22 sir.

23 Q. So your pay of \$1000 a day didn't depend on how many trucks  
24 you did, right?

25 A. It did. We were paid based on trucks, but usually there was

1 usually like one truck.

2 Q. Okay. But in any event you weren't getting at this point  
3 anything beyond your daily flat rate. You weren't getting  
4 bonuses for extra profits or anything like that for escorting?

5 A. For escorting I made my money per truck and that's how I was  
6 paid, yes, sir.

7 Q. That pretty much went like that up until the time when you  
8 then learned of the scheme and became more like a partner. That  
9 happened later?

10 A. Yes, sir.

11 Q. Okay. Let me ask you a couple of things about Satco. Did  
12 you live on the Satco compound?

13 A. I did when I first arrived in Iraq for several months, maybe  
14 like a month. Shouldn't say months. Then I moved to Booban  
15 which is the asphalt company on Victory Base Complex.

16 Q. Did you actually room with Maalouf?

17 A. No. When I first got there I -- well, for a couple nights  
18 and then I stayed with Robert Young.

19 Q. Bob Young?

20 A. Yes, sir.

21 Q. You described in one of your interviews that the Satco  
22 compound is a lawless environment. What did you mean by that?

23 A. Well, anything went in Satco. It was an off-post area that  
24 the military didn't control. The Iraqis controlled and Global  
25 Security controlled it. There were a lot of things.

1 People that were either waiting on land to get inside the  
2 Victory Base Complex or could not find housing, they essentially  
3 had contracts with the U.S. military and government, and it was  
4 a place that would provide you housing until either you had a  
5 place on post or you wanted to stay out there. One, because  
6 they had a restaurant; two, because they allowed alcohol.  
7 That's pretty much it.

8 Q. You guys didn't have the option of staying on post or you  
9 did?

10 A. I did once I had -- I got some contacts. I helped write a  
11 couple of scopes of work for Booban which in turn later on gave  
12 me land inside to place my vans and a couple pieces of equipment  
13 that I'd gotten through the Future Services. I had helped them  
14 so they in turn gave me somewhere else to stay so I don't have  
15 to stay off-post.

16 Q. This Booban is a company. That's run by Laith, right?

17 A. He was the -- basically like the GM. It was owned --

18 Q. You later learned he was one of the partners in the criminal  
19 conspiracy?

20 A. Yes, sir.

21 Q. Did he run something called the Iraqi Trading Company?  
22 Transportation Company?

23 A. I don't know.

24 Q. ITC?

25 A. That doesn't ring a bell.

1 Q. You never heard that name before?

2 A. No, sir.

3 Q. What is DLSS?

4 A. Defensive Logistic Services and Support.

5 Q. You understood Bob Young to run that company?

6 A. I know he worked there. I think he was hired at one time to  
7 be a GM, another general manager position, with DLSS. DLSS is  
8 also, when I was in the military under General Gainey, a senior  
9 logistician in Iraq, was the provider for our parts for our  
10 nontactical vehicles and up-armored civilian vehicles.

11 Q. Did you work for that company?

12 A. I did not.

13 Q. Did Maalouf work for that company?

14 A. He did. When I was in the military -- it goes back to one  
15 of the exhibits that you handed me, sir -- that he was part  
16 owner in DLSS. Later on he wanted me to help him, being prior  
17 military and having contacts, to help get the land back because  
18 Mr. Nick Safan, who stole several million dollars from  
19 Mr. Maalouf, wanted the land back at least so we could start  
20 Future Services' business.

21 Q. So suffice it to say, other than your escorting, which just  
22 takes a few hours a day, you're doing a lot of other projects?

23 A. I am, sir.

24 Q. Jeff arrived in Iraq about January 18th or thereabouts?

25 A. Roughly.

1 Q. Okay. You met him that day same?

2 A. I don't know if it was that day or the next day or so.

3 Q. At that time you were going to be in charge of sort of  
4 training him, right?

5 A. Yes, sir.

6 Q. He was going to do the job you had been doing?

7 A. Yes, sir.

8 Q. You went with him to Tallil to get the IDs and everything?

9 A. Yes, sir.

10 Q. He presented his real identification?

11 A. Yes, sir.

12 Q. And he got the CAC card at your direction?

13 A. Yes, sir.

14 Q. At that time did he meet Maalouf then too?

15 A. I don't know if -- I don't remember if Mr. Jeffery was in or  
16 Mr. Maalouf was in Iraq at the time. He came in and out because  
17 he had other dealings in Lebanon and other places.

18 Q. But Jeff knew you to be one of the three Future Services  
19 people, like on the letterhead I showed you, that was doing  
20 business there for Future Services?

21 MR. GENTIN: Objection. Speculation.

22 THE COURT: Objection sustained.

23 BY MR. LEIBIG:

24 Q. Was it communicated by you or in some manner which you  
25 observed for Jeff to know you worked for Future Services?



1 A. Yes.

2 Q. For the training, did you ride along with him for the first  
3 few days?

4 A. Yes, sir.

5 Q. The way it works is the escort has to be in the lead truck  
6 in order for the third-party national drivers to drive in,  
7 right?

8 A. Correct, sir.

9 Q. In February, very early February is when Jeff left, right?

10 A. I believe so, yes, sir.

11 Q. Before leaving he had a conversation with you where he  
12 inquired about just some of the things he had seen and asked you  
13 and told you if there was anything like a pirate contract, he  
14 didn't want part of it, right?

15 A. Yes, sir.

16 Q. Then he left?

17 A. I think the pirate contract happened afterwards, but I know  
18 that we had that conversation in that time period, yes, sir.

19 Q. You read an e-mail or talked about part of an e-mail that  
20 was sent by Bob Young to Jeff once he went home when the  
21 government showed it to you.

22 Do you remember the one I mean?

23 A. I don't know exactly what you mean.

24 Q. In any event, is it correct that Mr. Young assured him that  
25 the contract, the FS contract to draw the fuel, was valid and he

1 came back?

2 A. I didn't -- if I was on the e-mail -- I can't remember if I  
3 was on the e-mail. If I was, I know that I assured him when he  
4 got back that he was. I don't know anything about what  
5 Mr. Young said to him, sir.

6 Q. When he got back, you also assured him that it was --

7 A. I did, sir.

8 Q. -- valid. When we're talking about the contract, you're  
9 talking about the contract that Mr. Jeffery was working on to go  
10 in and get the fuel.

11 A. Yes, sir.

12 Q. Right? He didn't work on the CH2M Hill contract, right?

13 A. No, sir.

14 Q. Only Future Services?

15 A. Yes, sir.

16 Q. You left to go back to the U.S. in March, right?

17 A. I did, sir.

18 Q. During that period as far as you know, Jeff was continuing  
19 with the escorting in Iraq?

20 A. Yes, sir.

21 Q. Okay. You came back in April and became general manager?

22 A. Yes, sir.

23 Q. You've testified that that is when you began to notice  
24 things, then learn more things that alerted you to the scheme;  
25 for example, that Bob and Maalouf at central were \$30,000 a day.

1 Is that one of the things you noticed?

2 A. Yes, sir. When I became GM again, I came into full numbers  
3 and started seeing things. I also was aware of -- I was sent  
4 e-mails and calls to tell me exactly how much to pay per month  
5 and to per person and when and where.

6 Q. So you learned how much people were making?

7 A. I did, sir.

8 Q. You went to Lebanon and had discussions about this with  
9 Maalouf and Bob?

10 A. I didn't go to Lebanon till after I got back from --

11 Which time period are you talking about, sir?

12 Q. I'm asking you. I don't know. I thought you went to a  
13 meeting right when you got back --

14 A. No. That was in Mr. Maalouf's trailer in Iraq in Satco.

15 Q. So once you learned all of the details, you became aware of  
16 what was going on, you learned how much people were being paid,  
17 how much was Bob being paid?

18 A. Right offhand I don't know. I know it was several thousand  
19 dollars.

20 Q. Several thousand? That's all?

21 A. A day, yes, sir.

22 Q. Do you recall having e-mail conversations with him where he  
23 was referencing having made 800,000 and hoping for two million  
24 by June?

25 A. I don't recall that e-mail. I would have to see it in front

1 of me, sir.

2 Q. Well, he made more than you?

3 A. Yes, sir.

4 Q. And you made a total of 800,000?

5 A. Yes, sir.

6 Q. How about Maalouf?

7 A. I don't know exactly what he made. I know he was more than  
8 the rest of us. I know that he made upwards towards what we did  
9 because I don't know exactly how long they had been doing this  
10 before we were involved.

11 Q. Okay. But he made more than you and Bob?

12 A. Yes, sir.

13 Q. How about Laith? He was the Iraqi side of it, if you will,  
14 right?

15 A. He was, sir.

16 Q. How much did he make?

17 A. I don't know exactly what he made. He had several different  
18 ventures going. Nobody could ever know what he was telling  
19 because we could never get the straight truth, myself and  
20 Mr. Jeffery. We had many issues with Laith.

21 Q. Do you recall at one point making a statement to the FBI  
22 that you thought he made about the same thing as Maalouf?

23 A. I don't remember saying that. I would have to see it.

24 Q. He was fully involved with the criminal conspiracy before  
25 you and he knew what was going on -- Laith?

1 A. Yes, sir.

2 Q. So he was a partner, if you will --

3 A. Yes, sir.

4 Q. -- before you were? So you got Bob, Maalouf, Laith,  
5 yourself after April.

6 Anybody else making big money like that? What about Sohib?

7 A. Sohib was the Iraqi vendor which purchased the fuel from us  
8 from the fuel theft. I don't know. I know he had relatives  
9 that purchased the fuel in the end. I don't know exactly that  
10 portion of it.

11 Q. What about anybody else outside Iraq that was like a partner  
12 in it like you're describing, making the big money other than  
13 you four?

14 A. At one time there were people that had severance pay or  
15 whatever, Rabeel and Fatty. I don't know their last names, but  
16 I know that they were making some at one time.

17 Q. They were making pretty big money?

18 A. At one time, yes, sir.

19 Q. Okay. So you get back in April and you have a conversation  
20 with -- I'm trying to get it right.

21 You had a conversation with Bob in April about whether or  
22 not to tell Jeff what was going on?

23 A. Well, yes, we had conversations about that. I know I had  
24 one specific -- and I don't know exactly what the exact date  
25 was. I know it was when I first got back. I know that we had

1 had conversations about him being upfront and we had issues with  
2 him letting Mr. Jeffery know that this was -- that we were  
3 stealing fuel.

4 Q. You don't remember when that conversation happened?

5 A. Not the exact date, no, sir.

6 Q. In any case, you went to see him and he did not want to tell  
7 Jeff what was going on, correct?

8 A. That's correct.

9 Q. Isn't it true that a couple of days after that, you were  
10 told to raise Jeffery's salary from 15,000 a month to 25,000 a  
11 month, correct?

12 A. Roughly right around time.

13 Q. Couple days after that.

14 A. Yes, sir.

15 Q. That is what, I believe your words in the statement, tell me  
16 if I'm right, alerted you to the fact that you figured that Jeff  
17 knew what was going on, the fact that he got that raise?

18 A. After we had had the conversation with Mr. Robert Young,  
19 once Mr. Robert Young left for vacation, I felt that I had the  
20 obligation. It was just part of the -- that Mr. Jeffery was the  
21 only other one on ground and that I addressed and confided, you  
22 know, he was a very trustworthy person. We came to each other  
23 and bounced ideas back and forth.

24 Q. Before or after he got the raise? After that?

25 The raise is what alerted you to when you figured he might

1 know -- he knew and then you had a conversation.

2 Is that the order of it?

3 A. The order was, if I remember correctly, was talking to  
4 Mr. Jeffery, talking to Mr. Young about it, and then going to  
5 Mr. Jeffery again and then Mr. Young left. In that time period,  
6 somewhere in there, I received an e-mail stating how much  
7 Mr. Jeffery would make.

8 Q. A couple of days after that?

9 A. I would have to see the timeline, but it was all in a  
10 relatively short amount of time, sir.

11 Q. Do you remember saying to the FBI and these prosecutors --  
12 I'm sorry, just give me one moment -- on July 13th of this year  
13 that you went to Young within a day or two. Young told you --  
14 and you told Young Jeffery needed to know about the scheme.

15 Young initially told you that what Jeffery didn't know would  
16 not hurt him, and that if you paid Jeffery more, maybe he would  
17 stop asking questions. Also, he said if you told Jeffery the  
18 details, then he would have to get paid more money.

19 MR. GENTIN: Objection. I'm not sure why he's reading  
20 the whole statement.

21 MR. LEIBIG: I'm just asking him if he said it, Your  
22 Honor. It has to do with the timing and --

23 THE COURT: It's not his statement.

24 MR. LEIBIG: I'm asking if he made the statement to the  
25 FBI. He can remember or not.

1 THE COURT: You can't cross-examine him about something  
2 somebody else wrote.

3 BY MR. LEIBIG:

4 Q. I'll just ask it this way. Did you tell the FBI that the  
5 conversation with Bob Young about Jeff happened and then about  
6 two days later you were told to give the raise?

7 A. Roughly, yes, sir.

8 Q. Okay. Your conversations with Jeff happened after that?

9 A. After the conversation with Mr. Young?

10 Q. Yes.

11 A. Yes. We had conversations every day pretty much or roughly  
12 right around that time period.

13 Q. You don't know when your conversation, your first  
14 conversation that you've told the jury about where you told  
15 Jeffery 75 percent or whatever, when did that happen?

16 A. That was before I had the conversation with Mr. Young. I  
17 know that whenever I first got back and came back and he came --  
18 Mr. Jeffery came to me and stated some concerns and, you know,  
19 just basic gripes about doing business in Iraq, that I gave him  
20 a sidestep and a sugarcoat.

21 Exactly the time period that you want to know about 75  
22 percent was roughly after I talked to Mr. Young, and then from  
23 that time period, once Mr. Young left, then that's when me and  
24 Mr. Jeffery had conversations.

25 Q. After the pay raise or before you figured something from the



1 pay raise?

2 A. It was during the pay raise time and after we had full  
3 conversations. Because once we got on the ground, there was the  
4 other DF-2 memo needed to be turned in. Basically we had all  
5 needed to turn it in. I was forced by -- or not forced, but I  
6 was pressured to put in a DF-2 contract.

7 Q. I'm going to hand forward what's labeled as Defendant's  
8 Exhibit H. It's also Government's 82.

9 Could you take a look at that? I've highlighted in orange  
10 part of that e-mail which I believe you're on. I would ask if  
11 you could read that to the jury.

12 A. Okay. This is from 18 May 2008.

13 Q. May 18, 2008, from Bob to you?

14 A. Yes. This is approximately -- if it's May 18th, this is a  
15 month after Bob had left.

16 Q. Can you please read it?

17 A. Okay. D, as you're the man controlling the cash, here's a  
18 list of bills to pay. At the first of the month, please ensure  
19 daily cash is hand counted. S uses a money counting machine and  
20 mistakes happen two to three times a week. If a shortage is  
21 noted, S makes it up immediately.

22 Goes down to salaries. J is at 25K monthly. He likes it  
23 split evenly in two payments, one at the 15th of the month and  
24 the second at the 30th, 25,000. I also told J that we would be  
25 brining him up to 30K in June, the same as Bong used to get for

1 one truck. Nepali drivers, all nine, including the mechanic,  
2 receive 1500 on 1st. F on the -- F the month, 13,500.

3 Trailers, we have five full trailers at 3500 each. Half  
4 trailers, No. 10, at, I believe, 19,250.

5 Keep going?

6 Q. Yeah.

7 A. Parking lot 5K -- 15,000K. We should not be paying for L's  
8 Nepalis and their trailer. Also, we have stopped using the  
9 Global side. They get squat from us. Sohیب and -- it doesn't  
10 go on any more -- get to deal with them.

11 We haven't been using Satco security or the small truck.  
12 Once again, L may -- something -- and charge you for each.

13 J -- J stateside, 15K, 15,000. All in all, approximately  
14 87,500.

15 Q. Thank you. So what he's telling you there is the total  
16 expenses of the enterprise are 87,500, right?

17 A. Yes, sir.

18 Q. Jeff's salary after the raise to 25,000 is one of the  
19 expenses just like the parking lots, the Nepali drivers, and the  
20 trailers, right?

21 A. Yes, sir.

22 Q. He's not a partner, as we've described before, with making  
23 the big money?

24 A. Yes, sir.

25 Q. Even the raise that was said Jeff may get in June to 30,000,

1 that would be 1000 a month, right? 30,000, work every day, it's  
2 a 1000. So 1000 a day?

3 A. Yes, sir.

4 Q. Okay. He never got that amount?

5 A. No, sir. The operation --

6 Q. The amount you made when you were an escort, not knowing  
7 about the scheme, was 1000 a day, correct?

8 A. Yes, sir.

9 Q. Jeff never made that much even after the raise that we've  
10 discussed?

11 A. No, because the fuel theft had stopped by this time, sir.

12 Q. He never made as much as you did when you didn't know about  
13 it the entire time he was there?

14 A. That's correct, sir.

15 Q. The raise we talked about that happened a couple days after,  
16 according to you, your conversation with Bob, was on May 18,  
17 2008, right?

18 MR. GENTIN: Objection. That misstates the evidence.

19 BY MR. LEIBIG:

20 Q. Was that e-mail you just read May 18, 2008?

21 A. This is from May 18, 2008. The conversation I had with Bob  
22 was back in April when we did our right-seat left-seat ride  
23 which is a military term for changeover.

24 Q. As you've said and told the FBI, as you've just testified  
25 to, the conversation with Bob happened a couple days before the

1 raise, right, what you said before?

2 A. This is after -- about a month after I had my conversation  
3 with Bob.

4 Q. Why did you tell the FBI it happened two days after the  
5 conversation with Bob?

6 A. Because, sir, those are their statements, not mine. I don't  
7 recall it. I'd have to see it.

8 Q. So the -- okay.

9 THE COURT: We had an objection on this before. You  
10 cannot cross-examine him on somebody else's statement.

11 MR. LEIBIG: Well, Judge, I wasn't going to introduce  
12 it into evidence. What I want to do is --

13 THE COURT: Well, it doesn't matter.

14 MR. LEIBIG: Okay. I'll put it this way.

15 BY MR. LEIBIG:

16 Q. Do you remember meeting with the FBI on July 13, 2009, one  
17 of your debriefings?

18 A. Yes, sir.

19 Q. You've had many of them?

20 A. Yes, sir.

21 Q. Okay. In those meetings the prosecutors are present also,  
22 right?

23 A. Yes, sir.

24 Q. Remember the one where both Mr. Gentin and Mr. Cannon were  
25 there?

1 A. I do, sir.

2 Q. Was your lawyer at that one?

3 A. I don't recall, sir.

4 Q. He was at some of them but not others?

5 A. He was, sir.

6 Q. Didn't you tell them that the conversation with Bob happened  
7 two days before Bob told you to give the raise?

8 Are you saying the agent made a mistake and that never  
9 happened, these guys present? Is that what you're saying?

10 A. Sir, what I recall and what I know under the oath is that I  
11 had a conversation with the left-seat right-seat ride with  
12 Mr. Young in April.

13 When I got an e-mail from Bob in May, that's detailing how  
14 much to pay per trailer. He had also told me before he left.  
15 Now, I didn't know exactly how much Mr. Jeffery was going to get  
16 in a raise in April.

17 Q. He got the raise May 18th, right?

18 A. That's when I received the e-mail so that was --

19 Q. And you're in charge of --

20 MR. GENTIN: Your Honor, misstates the evidence. This  
21 e-mail is about the raise to \$30,000. The raise of \$25,000 was  
22 back --

23 MR. LEIBIG: That's simply not true. This is  
24 documented in many e-mails. We'll sort it out if we need to  
25 sort it out.

1 THE COURT: You've already been on it. Now get onto  
2 some other subject. This is about the third time we've been  
3 over this very thing.

4 MR. LEIBIG: Thank you.

5 BY MR. LEIBIG:

6 Q. You can't tell this jury when the conversation with Jeff  
7 happened with any specificity, right?

8 A. I can tell the first time that we had a conversation in a  
9 time frame, not a specific time or date, but I can tell you  
10 within a specific area that when I returned as GM and Mr. Young  
11 left, sir, I had a conversation with Mr. Jeffery several times  
12 concerning this and once after around the middle of April for  
13 definite. Somewhere around the 12th through the 15th, Mr. Young  
14 left, and it was me and Mr. Jeffery only on the ground, sir.

15 Q. The first conversation you had when you, in your words,  
16 sugarcoated and sidestepped it?

17 A. Yes, sir.

18 Q. Okay. Then you will agree with me that Bob Young was not  
19 even in Iraq on May 15th, a couple days before the raise,  
20 correct?

21 A. Right. This e-mail came from Mr. Young who was on vacation.

22 Q. Okay. Is there anybody else that is a witness or observed  
23 any of these conversations that you had with Mr. Jeffery  
24 supposedly telling him about this?

25 A. I don't see anybody in this courtroom, sir.

1 Q. Was there? You were there. Was it always just you and him?

2 A. Yes, sir.

3 Q. Did you e-mail him and tell him the details of the scheme  
4 ever?

5 A. I don't know if I did, sir.

6 Q. But there are a lot of e-mails going back and forth here.  
7 You never sent him an e-mail about it, right?

8 A. No, sir.

9 Q. It's not as if you guys are secretive on e-mail, are you?

10 A. I guess not, no, sir.

11 Q. Did you write it down, take any notes about the so-called  
12 statements you made to Jeff?

13 A. There was no notes taken during any of these meetings, sir.  
14 I was just going with the truth and events that happened during  
15 that time period.

16 Q. Because you just go with the truth. That's the way you do  
17 things?

18 A. Yes, sir.

19 Q. Okay. We have your word to go on that Jeff --

20 THE COURT: Don't argue with him now. Let's move on.

21 You're still on this when I asked you to move on. Get  
22 on another subject.

23 BY MR. LEIBIG:

24 Q. Did you use any wire transfer companies to get your money  
25 out of the country?

1 A. I did, sir.

2 Q. What was the name of that company?

3 A. There was Western Union and there was -- well, some of it  
4 went through Mr. Maalouf, legitimate cash too, out of Kuwait.  
5 The other half was through a company, SMI, which is a  
6 contracting company, vendor, in Iraq.

7 Q. You opened bank accounts in some foreign countries?

8 A. I did. Just Lebanon, yes, sir.

9 Q. Is it fair to say Western Union would be for your legal  
10 money?

11 A. Yes, sir.

12 Q. The other wires to foreign banks, that would be for the  
13 illegal money?

14 A. No. There was some legitimate money that went there too,  
15 sir.

16 Q. Does Maalouf still have 300,000 of yours?

17 A. Yes.

18 Q. He told you he would hold it for you?

19 A. Yes, sir.

20 Q. He's still free right now as far as you know?

21 MR. GENTIN: Objection, Your Honor.

22 THE COURT: What relevant does that have?

23 MR. LEIBIG: I'm wondering if he's going to get it  
24 back, Judge. I think it's relevant.

25 THE COURT: What makes a difference? What relevance



1 does it have?

2 BY MR. LEIBIG:

3 Q. As far as you know, Jeff only used Western Union to send his  
4 money home?

5 A. That is correct, sir.

6 Q. The thing about Western Union is it's very well documented.  
7 You can't really hide anything going through Western Union,  
8 right?

9 A. That's correct, sir.

10 Q. Did there come a time when one of the KBR guys, I believe  
11 his name is actually Mr. Guy, came to you and talked to you  
12 about people running at night on your contract?

13 A. There was a time, yes, sir.

14 Q. He was concerned?

15 A. He was.

16 Q. Part of the topic of that was to stop people running at  
17 night on your contract?

18 A. I believe so, yes, sir.

19 Q. Okay. This is related to, like you said, these problems  
20 with Laith that you've discussed you and Jeff having. Laith is  
21 on the Iraqi side of things, right?

22 A. Yes, sir. He was the Arabic -- he spoke both Arabic and  
23 English as somewhat of a, like you would say, a COR. He was a  
24 partner in it and he spoke both languages so he could facilitate  
25 any issues we had.

1 Q. There are a lot of e-mails going and back forth about is  
2 Laith running at night and Laith shouldn't be running at night  
3 and this kind of stuff?

4 A. That's correct, sir.

5 Q. You guys suspected but didn't know for sure, depending on  
6 the time, that he was using your equipment from your contract  
7 and so forth to make runs at night without Jeff there, right?

8 A. Yes, sir. There were times when Mr. Laith was -- we  
9 suspected and tried to catch him running any extra stuff.

10 Q. That would be like if he was, I mean, essentially stealing  
11 from you guys. He was using your equipment under the name of  
12 FS. He was suspected at night when he wasn't. You wanted to  
13 stop that, right?

14 A. He was suspected, yes, sir.

15 Q. Mr. Jeffery is also, e-mails with people and so forth,  
16 wanting to stop Laith if he's doing it from running at night; is  
17 that right?

18 MR. GENTIN: Objection.

19 THE COURT: Objection overruled.

20 THE WITNESS: I would say that Mr. Jeffery did not want  
21 Laith to be doing anything because of that, the nature of  
22 anything. Whether it was a legitimate or illegitimate contract,  
23 he didn't want --

24 BY MR. LEIBIG:

25 Q. Regardless of whether it was legitimate or illegitimate,

1 Laith running at night is something that there was a concerted  
2 effort to find out about, and if it was happening, to stop it.

3 A. There was.

4 Q. The thing that Robert e-mailed the day he left or the day  
5 before he left is I've now found out for sure that what I  
6 suspected was true, that Laith and others are running at night,  
7 I'm out of here, essentially.

8 A. Repeat that again.

9 MR. GENTIN: Objection. Hearsay.

10 THE COURT: Objection overruled.

11 BY MR. LEIBIG:

12 Q. When Mr. Jeffery decided to leave, he sent you an e-mail,  
13 right?

14 A. Yes. We had conversations and there was an e-mail.

15 Q. In that he states to you that I have now -- something  
16 like -- I can't phrase it exactly, but tells you I now know for  
17 sure they're running at night. That was at that moment,  
18 May 23rd, found out they're really doing it for sure, right?

19 A. I don't believe that, no, sir.

20 Q. Excuse me?

21 A. I don't believe that, sir. I think that they knew prior to  
22 this because we had many incidents and conversations during that  
23 time period when this stuff was coming down.

24 Now, if you're considering Laith, yes, we tried to combat  
25 that, but as far as any other issues before that, we had had

1 conversations because there were GPS tracking devices found on  
2 our fuel.

3 Q. I agree. I was asking more about the fact that on that day  
4 you found out that Laith, who was supposed to be working with  
5 you guys, was running at night which he wasn't supposed to be  
6 doing according to you, right?

7 A. According -- yes, sir. He wasn't supposed to be working  
8 for -- by any of us.

9 Q. Right.

10 A. If he was doing anything illegal on top of it, even -- go  
11 ahead, sir.

12 Q. If he was doing something extra like that, whether it was  
13 legitimate or illegitimate, he shouldn't have been doing it,  
14 right?

15 A. No, sir.

16 Q. Mr. Jeffery was part of the concerted effort to try to find  
17 out, and if so, stop him?

18 A. Yes, sir. He had concerns.

19 Q. When you first came to the airport and you got arrested,  
20 like you have told the jury, you lied to the FBI, right?

21 A. And several other agencies, yes.

22 Q. You didn't -- everything you said wasn't a lie. It was kind  
23 of a blend of the truth and a lie, right?

24 A. It was so I could go home.

25 Q. You are a criminal justice major. That was your degree?

1 A. I was, sir.

2 Q. During that time did you tell them that Sohیب owned the  
3 Iraqi Transportation Company, that Hider was Sohیب's right-hand  
4 man, and that ITC was the subcontractor to Future Services for  
5 fuel?

6 A. Is that my statement or is that somebody else's handwritten?

7 Q. I'm asking you if you said it.

8 A. I don't recall saying it. I would have to see it.

9 Q. I'll hand forward -- you can look at the front page to see  
10 what it is. Then what I'm looking at is highlighted on page 2  
11 at the bottom.

12 A. It says it here, yes.

13 Q. So you have heard of the Iraqi Transportation Company  
14 before, right?

15 A. Obviously I have, sir, yes.

16 Q. It was part of your blend of truth and lies that you told  
17 the FBI.

18 A. At that time, yes. If this is the first part of the  
19 conversation, then yes, but these aren't my handwritten  
20 statements, sir.

21 Q. Thank you. Did you learn while you were studying criminal  
22 justice that if you're going to lie, it's better to sort of  
23 blend the truth with a lie?

24 MR. GENTIN: Objection, Your Honor.

25 THE COURT: Objection sustained.

1 BY MR. LEIBIG:

2 Q. After a couple of interviews, you went into court and pled  
3 guilty on October, I believe it was, 9, 2008, right?

4 A. That's correct.

5 Q. A week later you had a debriefing with your -- by then you  
6 had hired a lawyer, right?

7 A. I had a lawyer by the time I was arrested, yes, sir.

8 Q. That's Jim Clark?

9 A. It is, sir.

10 Q. Very good lawyer, correct?

11 A. It is.

12 Q. After your plea, about a week later, you went to the U.S.  
13 Attorney's office and had a meeting with these guys, FBI agents,  
14 and your lawyer, right?

15 A. Yes, sir.

16 Q. During that meeting it was made very clear to you, during  
17 and before, that since you're in a cooperation deal, you have to  
18 tell the truth about everything?

19 A. That's correct.

20 Q. There was no bones about that. It wasn't like at the  
21 airport. It was now you got your lawyer there. This is a deal.  
22 If you lie, like he says, it's torn up. You were told that  
23 before you had your debriefing after your plea, right?

24 A. Yes, sir.

25 Q. In that, when asked about Mr. Jeffery, did you say that

1 Robert Jeffery and Young were friends, Jeffery's role in the  
2 fuel theft scheme was strictly to escort and that you didn't  
3 think Jeffery knew about the false forms? You told them that,  
4 right?

5 A. Yes, I did, sir. If that's my statement, yes.

6 Q. That's essentially the only thing about Jeffery you said at  
7 all?

8 A. Yes.

9 Q. That your opinion was he didn't know?

10 A. Yes, sir.

11 Q. You were telling the truth. You weren't lying to them at  
12 the debriefing right after your plea, were you?

13 A. Sir, I've been telling the truth in telling that when he  
14 first started he didn't know about it, yes, that is the truth.

15 Q. That's not what you said, is it? You didn't tell them  
16 anything at all about Jeff ever knowing during the first  
17 interview.

18 When asked about Jeff, you said he didn't know, right, in  
19 that October statement?

20 A. If those are my handwritten statements, then I did.

21 Q. It isn't about that. I'm asking you what you said. You  
22 were the one there. You said you would tell the truth. These  
23 guys were there too. Did you say that?

24 A. If it's in the statement, then obviously I said that, sir.

25 Q. Do you remember in your head if you were lying or telling

1 the truth then?

2 A. Sir, I've spent many hours, at least 20 hours, going over  
3 stuff. And it's been -- there was a lot of stuff going on  
4 during that time period.

5 To recall one sentence or one statement is a lot to ask for  
6 in something like that.

7 Q. You don't have to remember much if you just tell the truth.

8 THE COURT: Ask him your next question. Don't argue  
9 with him.

10 BY MR. LEIBIG:

11 Q. Is it easier to remember the truth or a lie?

12 THE COURT: Ask your next question and get on. You can  
13 argue to the jury later.

14 MR. LEIBIG: Thank you.

15 BY MR. LEIBIG:

16 Q. You're pretty good friends with Maalouf and Young back while  
17 this was going on, right?

18 A. Mr. Maalouf, yes.

19 Q. Not Mr. Young?

20 A. Not so much Mr. Young.

21 Q. You did travel together, get prostitutes together, and do  
22 cocaine together?

23 A. That's correct.

24 MR. GENTIN: Objection.

25 MR. LEIBIG: Your Honor, he's distancing himself from



1 these guys, minimizing his involvement. I can ask him how close  
2 he was to them.

3 THE COURT: What's the grounds of your objection?

4 MR. GENTIN: His relation to drug use. I'm not sure  
5 what the relevance is.

6 THE COURT: Objection sustained.

7 MR. LEIBIG: Thank you.

8 BY MR. LEIBIG:

9 Q. Jeff didn't travel to Lebanon with you guys?

10 A. No.

11 Q. At this time you also had a fiancée, right?

12 A. I did, sir? Yes, sir.

13 Q. You wired some of your money to her?

14 A. Through Western Union, yes, sir.

15 Q. Okay. You wire her the dirty money or the legal money or  
16 what?

17 A. I wired her money, sir.

18 Q. Did you tell her that some of it came from stealing money  
19 from the U.S. troops and so forth?

20 A. I don't recall that, sir, no.

21 Q. You didn't tell her that?

22 A. No, sir.

23 Q. Or about the prostitutes?

24 A. No, sir.

25 Q. Okay.

1 MR. GENTIN: Your Honor, objection.

2 THE COURT: Objection sustained.

3 BY MR. LEIBIG:

4 Q. I'm going to ask you a few questions about your incentives  
5 to testify.

6 You remember when you did your plea agreement back on  
7 October 9th, right?

8 A. Yes, sir.

9 Q. You were in Judge Lee's courtroom in this courthouse, right?

10 A. Yes, sir.

11 Q. These guys were present?

12 A. Some of them, yes, sir.

13 Q. Your lawyer was present?

14 A. He was, sir.

15 Q. You went in front of Judge Lee and swore to tell the truth?

16 A. Yes, sir.

17 Q. You entered into an agreement by which you would plead  
18 guilty to theft of government fuel?

19 A. Yes. Government property.

20 Q. Government property. By doing so, you prevented yourself  
21 from being charged with conspiracy to steal government fuel as  
22 well as theft of government fuel, right?

23 A. I would have to see it again, sir, but, yes.

24 Q. You prevented yourself from being on trial for the two  
25 charges by pleading guilty to the one charge, right?

1 MR. GENTIN: Objection, Your Honor. There's no  
2 evidence to show --

3 MR. LEIBIG: I'm asking him if it's the truth.

4 THE COURT: Objection sustained.

5 MR. LEIBIG: Court's indulgence, if I could briefly.

6 For the record, I would just like to say the prosecutor  
7 is saying that I was mistaken, apparently. They're saying they  
8 don't know if they would have charged him.

9 MR. GENTIN: Your Honor, this is -- objection.

10 THE COURT: That's exactly right. You're asking this  
11 man if he prevented something.

12 MR. LEIBIG: Okay.

13 THE COURT: You're asking for a legal conclusion. He's  
14 no lawyer.

15 BY MR. LEIBIG:

16 Q. I'll go about it this way. Would you agree that you got out  
17 of some other charges by pleading guilty to what you were  
18 charged with?

19 A. Sir, I got out of nothing. I admitted the truth in what I  
20 did. I had to take that to look my parents and my kid in the  
21 eye eventually one day, to take a plea, and not waste the  
22 Court's time.

23 Q. You did it for your conscience?

24 A. I did it for my conscience, sir.

25 Q. You were initially charged in this case with false

1 statements to -- and obtaining some documents, right? That was  
2 the charge you were first given, right?

3 A. False statements, I believe, was what I was arrested on.

4 Q. Okay. Did you plead guilty to that?

5 A. I'm not a lawyer, sir. I don't know exactly what all that  
6 is, but, yes, I was arrested under those things.

7 Q. The charge is not -- it has been dropped. You pled guilty  
8 to one thing only, right, theft of government property?

9 A. I believe that's what happens in a plea, sir.

10 Q. You get out of some charges; you plead guilty to another.  
11 Correct?

12 A. Okay, sir.

13 THE COURT: Mr. Leibig, now that's nothing more than  
14 argument to the jury. Ask him facts.

15 MR. LEIBIG: I'll move on.

16 THE COURT: Will you please.

17 MR. LEIBIG: Yes.

18 BY MR. LEIBIG:

19 Q. I can hand it to you if you want, but I have a copy of your  
20 plea agreement marked Defendant's Exhibit L.

21 If you need it, tell me, but was one of the things in your  
22 plea agreement that the United States, if it wanted to, could  
23 argue to the Court that you were a manager or supervisor of the  
24 scheme and you would be free to argue that you were not a  
25 manager and supervisor of the scheme when Judge Lee decided your

1 sentence, correct?

2 A. I believe so, yes, sir.

3 Q. The significance of that is that it makes your sentencing  
4 guidelines either go up, you know, it makes a three-level  
5 difference in your sentencing guidelines whether you were a  
6 manager or just like an employee, right?

7 MR. GENTIN: Your Honor, objection. Legal talk.

8 MR. LEIBIG: Your Honor, it's sentencing.

9 THE COURT: Well, look, it only makes a difference if  
10 Judge Lee gives him the reduction. If he doesn't, he's worse  
11 off. So what are we doing here?

12 MR. LEIBIG: I'm sorry. I will ask a question that's  
13 clearly relevant on this point.

14 BY MR. LEIBIG:

15 Q. You would prefer it if Judge Lee found that you were not a  
16 manager or a supervisor, correct?

17 A. Sir, the only thing I know right now is I'm looking at eight  
18 to ten years for my crime of stealing fuel. I'm here today to  
19 tell the truth and make myself -- show that I'm remorseful and  
20 that I'm trying to do the right thing.

21 Q. Remorse. So you're doing this for your conscience?

22 A. I am, sir.

23 Q. You don't care if Judge Lee finds that you're a manager or a  
24 supervisor?

25 A. I can't control what Judge Lee does, sir.

1 Q. You know that your lawyer plans to argue that you were not,  
2 correct, to save you time on your sentence?

3 A. I have not talked to my lawyer, no, sir.

4 Q. There's also a provision in your plea agreement that  
5 whatever sentence you get, it can be reduced if the government  
6 files a motion with the Court saying that you've provided  
7 substantial assistance in convicting others, right?

8 A. I believe it says that, sir.

9 Q. What that means is if you help them to prosecute someone  
10 else and they decide it was substantial, they file a motion to  
11 Judge Lee and he can reduce your sentence, correct?

12 A. That's up to the judge.

13 Q. You are aware the government is the only party that can  
14 decide if that can happen, correct, if the judge can do that?

15 A. I suppose the government can put in that, but it's still up  
16 to the judge from what I understand.

17 Q. Can we give you the sentence cut motion if you give  
18 substantial assistance to us?

19 A. No, sir.

20 Q. Do we have that power?

21 A. I don't believe you do, sir.

22 Q. And Judge Lee doesn't have the power to reduce your sentence  
23 after you've been sentenced unless they decide you've given  
24 substantial assistance, right?

25 A. I guess, sir. I'm not a lawyer, but I'm sure there's

1 something in there like that.

2 Q. Okay. To get your sentence cut, you need the prosecutors to  
3 believe that your assistance was, quote, "substantial," right?

4 A. I guess so, sir.

5 Q. You know that getting Mr. Jeffery convicted is going to take  
6 you a long way down that path, don't you?

7 A. I was just here today to tell the truth.

8 Q. For your conscience?

9 A. That was for my conscience, it is for my conscience.

10 Q. Not to get the sentence cut provided for in your plea  
11 agreement?

12 A. Sir, you know, if the judge cuts the sentence, I guess that  
13 would be nice, but it's up to him.

14 Q. It's up to them if he gets to do it, right?

15 MR. GENTIN: Objection.

16 THE COURT: How long are we going to argue this point?

17 MR. LEIBIG: Thank you, Judge. I'm almost done.

18 BY MR. LEIBIG:

19 Q. When you did your plea in this case, Lee, you also did a  
20 statement of facts in front of Judge Lee telling what you did,  
21 right?

22 A. I believe inside, yes. Admitting my crime, yes.

23 Q. I'll hand forward what's been marked Defendant's Exhibit M.

24 Can you turn to the back page of that. Is that your  
25 signature on it?

- 1 A. It is, sir.
- 2 Q. Is the signature of your lawyer on it?
- 3 A. It is, sir.
- 4 Q. Is the signature of any of the prosecutors on it?
- 5 A. Not on the back page, no, sir.
- 6 Q. Can you flip a couple?
- 7 A. This is the last page.
- 8 Q. Can you look -- I think it's in the one right before that.
- 9 A. Yes, sir.
- 10 Q. Steve Linick, the prosecutor behind me, signed it?
- 11 A. Yes, sir.
- 12 Q. Can you turn to the front? You swore to tell the truth
- 13 before you signed that document, right?
- 14 A. Yes, sir.
- 15 Q. Then you went in front of Judge Lee and he asked you if you
- 16 read every word of it with your lawyer, right?
- 17 A. I did.
- 18 Q. And you told him, yes?
- 19 A. Yes, sir.
- 20 Q. Everything in there is true? Do you know if it was without
- 21 looking?
- 22 A. I know -- I mean, it was the truth. I signed it.
- 23 Q. Everything in there is true? You told Judge Lee the truth?
- 24 A. Yes, sir.
- 25 Q. You didn't commit perjury and write --



1 THE COURT: Will you quit arguing with the witness  
2 continually?

3 MR. LEIBIG: I apologize.

4 BY MR. LEIBIG:

5 Q. Please flip to page 2. Do you see the part labeled criminal  
6 conduct, sir?

7 A. I do.

8 Q. Underneath that there are some paragraphs, right?

9 A. Yes, sir.

10 Q. Could you read paragraph 4?

11 A. In 2005, in the course of his Army contracting duties, the  
12 defendant met EM, meaning, obviously, Eli Maalouf, an employee  
13 of Future Services. At the beginning of 2007, the defendant  
14 informed EM that he hoped to receive his Army release papers  
15 soon and would be ready to begin working with Eli Maalouf.

16 Upon leaving the Army in July 2007, the defendant and EM  
17 agreed to participate in a scheme to fuel -- excuse me -- agreed  
18 to participate in a scheme to steal fuel from the U.S. Army. In  
19 essence, the scheme involved using false CAC cards and false  
20 MFRs and large quantities of steel from the U.S. Army for  
21 subsequent sale on the black market.

22 Q. Please read paragraph 5.

23 A. In order to retrieve and transport the fuel from the VBC --  
24 yeah -- the VB Fuel Point, the Victory Base Fuel Point, it was  
25 necessary for EM and defendant to employ several drivers and

1 escorts. These drivers and escorts needed CAC cards in order to  
2 gain access to the VBFP, Victory Base Fuel Point.

3 Beginning in October 2007, the defendant used a false CLOA  
4 to obtain CAC cards for approximately ten individuals who were  
5 to serve as escorts and drivers of the fuel trucks. The CLOA,  
6 or letter of authorization, falsely listed these individuals as  
7 Future Services' employees even though the defendant knew that  
8 these individuals did not work for Future Services. The  
9 defendant was aware that these individuals would be serving as  
10 drivers or escorts as part of the fuel theft scheme and would  
11 use the false CAC cards to improperly gain access to the Victory  
12 Base Fuel Point.

13 Q. You were in the scheme since July of 2007 with Maalouf from  
14 the very beginning, right?

15 A. Sir, let me explain something.

16 Q. Answer my question.

17 MR. GENTIN: Objection. The document says what the  
18 United States would have proven.

19 BY MR. LEIBIG:

20 Q. If that's where we're going, let's have that out. Did you  
21 think you were signing a document that wasn't true?

22 A. Sir, my lawyer argued the terms. If I could clarify? Would  
23 that be okay?

24 Q. I'll ask you a question that will allow you to clarify.

25 Tell this jury how you can rectify the fact that you told

1 Judge Lee, you swore you took part at the beginning, that you  
2 knew everything was phony in July of 2007, and then October of  
3 2007, how you can reconcile that with the fantasy you told them  
4 about being duped until April and the rest of the story you told  
5 them today. Tell them.

6 MR. GENTIN: Your Honor, argumentative. Misstates the  
7 evidence.

8 THE COURT: Objection sustained.

9 MR. LEIBIG: Tell them. I'm asking him to explain it.  
10 He wants to explain it.

11 THE COURT: I sustained the objection to the way you  
12 phrased the question.

13 BY MR. LEIBIG:

14 Q. Can you explain to them why you signed that form if it's not  
15 true?

16 A. My lawyer argued the terms of the plea. To do the right  
17 thing. We had argued several times and under oath we had argued  
18 several times that I did not get out of the military to steal  
19 fuel from the United States government. I served my country for  
20 a long time as a Ranger.

21 Now, in saying that, there was also another time when --  
22 from July we did not intend to do this. I intended to go over  
23 and sell heavy equipment and NTVs, nontactical vehicles, which I  
24 was involved with in the military.

25 Now, we had argued these points several times about the

1 theft from the get-go. It wasn't that way. The contract didn't  
2 start until the end of Christmastime in December so I came over  
3 on the same instances, just like Mr. Jeffery did, and came over  
4 to do that.

5 Q. I'm waiting for the part about how you explain you wrote in  
6 your sworn statement that you knew -- that you obtained the  
7 phony CLEs in October knowing it and joined the scheme in July  
8 knowing it.

9 MR. GENTIN: Objection.

10 THE COURT: He just answered that question.

11 MR. LEIBIG: Okay.

12 BY MR. LEIBIG:

13 Q. Do you remember being asked by Judge Lee about the statement  
14 of facts?

15 A. I do, sir.

16 Q. Do you remember when he said, have you had sufficient time  
17 to review this with your lawyer and you said yes?

18 A. Yes, sir.

19 Q. That he said, do you admit that statement of facts describes  
20 what you did? You said, sorry, I didn't hear you. Then he  
21 says, do you admit that this statement of facts describes what  
22 you did? You said, yes, sir.

23 A. I did, sir.

24 Q. That was under oath, right?

25 A. It was.

1 Q. Then he said, do you admit this -- meaning that document --  
2 is what you did? and you said, yes, sir.

3 A. I did, sir.

4 Q. He said, have you reviewed it all with your lawyer? and you  
5 said, I have, sir.

6 A. I reviewed it, sir. As I stated before, there was no  
7 arguing that we took place in a theft, but I didn't come over  
8 there to do that.

9 Yes, I did sign the piece of paper that stated that from  
10 that time period, but there's a certain point about -- between  
11 lawyers that I don't understand where they argued and they came  
12 to an agreement.

13 Q. You signed that even though it wasn't true?

14 A. Yes, sir.

15 Q. You committed perjury in front of Judge Lee?

16 A. No, sir.

17 MR. GENTIN: Objection, Your Honor.

18 THE COURT: Objection sustained.

19 BY MR. LEIBIG:

20 Q. Did you sign that knowing it wasn't true because the  
21 government --

22 THE COURT: You've asked that question three times now.

23 MR. LEIBIG: This question's a little different, Judge.

24 BY MR. LEIBIG:

25 Q. Did you have the impression that you had to sign that to get

1 your plea?

2 A. That was not my impression, sir. I was signing this with  
3 the legal terminology I don't understand. I signed this to move  
4 on, to be honest with you, sir. I signed it to start telling  
5 the truth and it was the deal that was given to me.

6 Q. You signed it to begin telling the truth, but what you  
7 signed was false.

8 THE COURT: He's answered that question. Move onto  
9 something else.

10 MR. LEIBIG: Court's indulgence, please.

11 BY MR. LEIBIG:

12 Q. Mr. DuBois, do you remember -- your sentencing hasn't  
13 happened yet, right?

14 A. It happens in 15 days.

15 Q. After this trial?

16 A. It does, sir.

17 Q. It was continued on April 16th when you were in court,  
18 right?

19 A. It was, sir.

20 Q. And it was continued -- your lawyer will ask for a  
21 continuance for two reasons. One to facilitate your cooperation  
22 and, two, because you hadn't paid your forfeiture.

23 MR. GENTIN: Objection. I'm not sure that this is  
24 relevant.

25 MR. LEIBIG: Your Honor, it's very relevant because he

1 gave his first statement ever about Mr. Jeffery after the  
2 government's pleadings in this case and --

3 THE COURT: Objection overruled.

4 THE WITNESS: Sir --

5 THE COURT: Wait till he asks the question.

6 BY MR. LEIBIG:

7 Q. You were in court and you postponed your sentencing from  
8 April 16th?

9 A. From April 16th was because, under Judge Lee, I did not have  
10 the money. I was having trouble getting it from Lebanon  
11 transferred to, and it was in the best interest of my lawyer and  
12 the government to make sure that we had the funds in the United  
13 States was the main reasons for the continuance.

14 Q. Also to facilitate your cooperation was said in court,  
15 right?

16 A. I don't know. You would have to read me the transcript,  
17 sir.

18 Q. Okay. The Court, at one point, and I'm told that Mr. DuBois  
19 came back --

20 MR. GENTIN: Your Honor, I object to him reading the  
21 transcript.

22 MR. LEIBIG: He asked me to read it.

23 THE COURT: Well, that doesn't make it relevant just  
24 because he asked you to read it.

25

1 BY MR. LEIBIG:

2 Q. Do you remember when your lawyer said, but both the --

3 THE COURT: What's your objection to reading the  
4 transcript?

5 MR. GENTIN: Relevance, Your Honor. He can read a  
6 sentence or two, but we don't want him to read the whole  
7 transcript.

8 THE COURT: Well, he's not going to read the whole  
9 transcript. Objection overruled.

10 BY MR. LEIBIG:

11 Q. Both to facilitate Mr. DuBois' cooperation with the  
12 government on other aspects of this case and also to give us the  
13 opportunity to coordinate with the forfeiture division of the  
14 government, we would ask this Court to consider delaying the  
15 sentencing in the case, right?

16 A. I didn't say that. If he said that, sir, then he said that.

17 Q. Get the money to them and facilitate cooperation. At that  
18 point you remember the government filed a sentencing memorandum  
19 in this case touching on the issue of whether or not you were  
20 being forthcoming in giving over the money you had to pay back,  
21 right?

22 A. I don't remember. There's been a lot of documentation. Can  
23 you let me know what that is more specific?

24 Q. Do you remember being accused by them of not cooperating  
25 with handing over the dirty money you were supposed to hand



1 over?

2 A. There was some -- some memos or something come through like  
3 that, yes, sir.

4 Q. Asking for the maximum sentence under your sentencing  
5 guidelines of 97 months because you hadn't done so, right?

6 A. Correct, sir.

7 Q. Your lawyer postponed it in part for that reason?

8 A. Okay, sir.

9 Q. Do you remember that was in the morning in front of Judge  
10 Lee, right?

11 A. I believe it was in the morning or in the afternoon.

12 Q. It was a quick hearing. It ended about 9:09 a.m. Make  
13 sense?

14 A. Okay. Yes, sir.

15 Q. Then right after that, immediately after that you went over  
16 to the U.S. Attorney's office, right?

17 A. What day was it?

18 Q. April 16, 2009?

19 A. Okay, sir.

20 Q. About a half an hour later, you're sitting in a meeting with  
21 these guys again after they were talking about the issues I just  
22 said and you have a debriefing then with these guys, right?

23 A. I don't remember the exact time frame, but, yes, I had a  
24 meeting within that time period.

25 Q. You went straight after court?

1 A. Okay, sir.

2 Q. Is it fair to say, given Judge Lee's attitude in court and  
3 what the prosecutors were saying about you, you were worried you  
4 were going to get the maximum sentence under the guidelines at  
5 that point, right?

6 A. No. At that time, sir, I was explaining to the Court and  
7 the reason that I wanted to get the money back is because it  
8 takes a while to get money from Lebanon, several months. It's  
9 not easy to get from foreign banks unless you're on ground.

10 Q. Did they believe you?

11 A. That's not for me to say, sir.

12 MR. GENTIN: Objection.

13 THE COURT: Objection sustained.

14 Mr. Leibig, I'm going to give you five more minutes to  
15 finish this up.

16 MR. LEIBIG: Thank you.

17 BY MR. LEIBIG:

18 Q. That debriefing, right after Judge Lee's courtroom, right  
19 after the money issue, is the first time you ever said there was  
20 a conversation with Mr. Jeffery, right?

21 A. I don't know, sir. I'm sure -- I would have to see the  
22 transcripts.

23 Q. There isn't a transcript of the hearing. I'm asking you  
24 what you said. It was the first -- a transcript of the  
25 interview with these guys. They were there though. They were

1 there, the FBI was there, and you were there.

2 That was the first time you said, oh, yeah, I told  
3 Mr. Jeffery about what happened.

4 A. I believe I stated it in earlier conversations with the  
5 government about Mr. Jeffery.

6 Q. When was that?

7 A. Sir, I can't -- we spent probably 20 hours' worth of  
8 debriefings.

9 Q. When you met with them in October right after your plea, you  
10 told them the opposite of that and said it wasn't then.

11 What date did you do a debriefing? You met with them in  
12 May. Did you tell them then?

13 A. I believe I did. I don't know, sir. I can't recall.

14 Q. Would it refresh your memory?

15 A. Please.

16 Q. There's a lot of these. So you met with them in October.  
17 We've discussed that. You met with them May 12, 2009, after the  
18 plea I'm talking about.

19 What I'm asking you is to your memory, April 16th, right  
20 after you left Judge Lee's courtroom is the first time you ever  
21 mentioned Jeffery knowing. What date -- do you remember another  
22 time because I don't have it?

23 Was there ever a time you told them, and I'm sure these guys  
24 will alert the Court if it's not true, did you ever tell them  
25 before that, April 16, 2009?

1 MR. GENTIN: He's already testified he doesn't recall  
2 before that. Asked and answered.

3 THE COURT: I'll let him answer it one more time. Then  
4 that's it.

5 THE WITNESS: Sir, I don't recall -- I mean, there were  
6 many conversations, like I said before. I believe the first  
7 time I mentioned Mr. Jeffery was in October.

8 Now, I don't know to what extent anytime that I had  
9 mentioned Mr. Jeffery. I know I spent a lot of time as far as  
10 remembering things because it was over 18 months ago, every  
11 conversation, and with the government, it's been the last year.

12 BY MR. LEIBIG:

13 Q. So what you're saying is in April of 2009, you suddenly  
14 remembered that what you said before was false and that you had  
15 had this conversation with --

16 THE COURT: That's an argumentative question --

17 MR. GENTIN: Objection.

18 THE COURT: -- that brings no facts out at all. If  
19 you're finished, why that's fine.

20 MR. LEIBIG: You're just here to tell the truth for  
21 your conscience.

22 THE COURT: Objection sustained.

23 THE WITNESS: Yes, sir.

24 MR. LEIBIG: That's all I have. Thank you.

25 THE COURT: Do you have any questions?

1 MR. GENTIN: Briefly, Your Honor.

2 REDIRECT EXAMINATION

3 BY MR. GENTIN:

4 Q. Mr. DuBois, has the government made any promises to you  
5 today in exchange for testifying?

6 A. They have not, sir.

7 Q. Has the government made any promises to you with regard to  
8 your sentence?

9 A. No.

10 Q. On cross-examination you were discussing the night runs  
11 versus day runs. Were both the night runs and the day runs  
12 illegitimate?

13 A. As far as the fuel theft?

14 Q. Yes, sir.

15 A. I did night runs when I was an escort, sir, when we were --

16 Q. I'm talking about in May when there was an issue with the  
17 night runs and the day runs.

18 A. Are you talking about with Laith?

19 Q. Yes.

20 A. Running extra? Yes, he was running late. Mr. Jeffery ran  
21 during the early morning hours.

22 Q. Were the night runs just as illegitimate as the day runs in  
23 May?

24 A. They were, sir.

25 Q. Why were Laith's night runs a problem for the scheme?