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United States Attorney
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September 1, 2017

Andrew C. White
Silverman, Thompson, Slutkin & White, LLC
201 North Charles Street
26th Floor
Baltimore, MD 21201

Re: United States v. John Kays
Criminal No. GLR-16-0307

Dear Counsel:

This letter, together with the Sealed Supplement, confirms the plea agreement which has been offered to the Defendant by the United States Attorney's Office for the District of Maryland ("this Office"). If the Defendant accepts this offer, please have him execute it in the spaces provided below. If this offer has not been accepted by **September 6, 2017**, it will be deemed withdrawn. The terms of the agreement are as follows:

Offense of Conviction

1. The Defendant agrees to plead guilty to Count Two of the Superseding Indictment, which charges him with bribery, in violation of 18 U.S.C. §201(b)(2)(A) and (C). The Defendant admits that he is, in fact, guilty of that offense and will so advise the Court.

Elements of the Offense

2. The elements of the offense to which the Defendant has agreed to plead guilty, and which this Office would prove if the case went to trial, are as follows:

First, that the Defendant, from in and around August 2008 through in and around June 2014, demanded, sought or received (or agreed to receive) something of value from Matthew Barrow;

Second, that at that time the Defendant was a public official by virtue of his being a civilian employee of the United States Army; and

Third, that the Defendant did so with the corrupt intent to be influenced in the performance of an official act or to perform acts or omit to perform acts in violation of his lawful duty.

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Penalties

3. The maximum sentence provided by statute for the offense to which the Defendant is pleading guilty is as follows: imprisonment of up to fifteen (15) years, including a maximum term of supervised release of up to three (3) years, whether under the statute or under 18 U.S.C. §3583(b), and a maximum fine of up to three times the amount of the bribe paid, $250,000, or twice the gross gain from the offense, whichever is greater, whether under the statute, 18 U.S.C. §201(b), or 18 U.S.C. § 3571. In addition, the Defendant must pay $100 as a special assessment pursuant to 18 U.S.C. §3013, which will be due and should be paid at or before the time of sentencing. This Court may also order him to make restitution pursuant to 18 U.S.C. §§3663, 3663A, and 3664. If a fine or restitution is imposed, it shall be payable immediately, unless, pursuant to 18 U.S.C. § 3572(d), the Court orders otherwise. The Defendant understands that if he serves a term of imprisonment, is released on supervised release, and then violates the conditions of his supervised release, his supervised release could be revoked - even on the last day of the term - and the Defendant could be returned to custody to serve another period of incarceration and a new term of supervised release. The Defendant understands that the Bureau of Prisons has sole discretion in designating the institution at which the Defendant will serve any term of imprisonment imposed.

Waiver of Rights

4. The Defendant understands that by entering into this agreement, he surrenders certain rights as outlined below:

a. The Defendant had entered a plea of "not guilty" to the original indictment. If he had persisted in his plea of "not guilty," or entered a plea of "not guilty" to the Superseding Indictment, he would have had the right to a speedy jury trial with the close assistance of competent counsel. That trial could be conducted by a judge, without a jury, if the Defendant, this Office, and the Court all agreed.

b. If the Defendant elected a jury trial, the jury would be composed of twelve individuals selected from the community. Counsel and the Defendant would have the opportunity to challenge prospective jurors who demonstrated bias or who were otherwise unqualified, and would have the opportunity to strike a certain number of jurors peremptorily. All twelve jurors would have to agree unanimously before the Defendant could be found guilty of any count. The jury would be instructed that the Defendant was presumed to be innocent, and that presumption could be overcome only by proof beyond a reasonable doubt.

c. If the Defendant went to trial, the government would have the burden of proving the Defendant guilty beyond a reasonable doubt. The Defendant would have the right to confront and cross-examine the government's witnesses. The Defendant would not have to present any defense witnesses or evidence whatsoever. If the Defendant wanted to call witnesses in his defense, however, he would have the subpoena power of the Court to compel the witnesses to attend.

d. The Defendant would have the right to testify in his own defense if he so chose, and he would have the right to refuse to testify. If he chose not to testify, the Court could instruct the jury that they could not draw any adverse inference from his decision not to testify.

e. If the Defendant were found guilty after a trial, he would have the right to appeal the verdict and the Court's pretrial and trial decisions on the admissibility of evidence to see if any errors were committed which would require a new trial or dismissal of the charges against his. By pleading guilty, the Defendant knowingly gives up the right to appeal the verdict and the Court's decisions.

f. By pleading guilty, the Defendant will be giving up all of these rights, except the right, under the limited circumstances set forth in the "Waiver of Appeal" paragraph below, to appeal the sentence. By pleading guilty, the Defendant understands that he may have to answer the Court's questions both about the rights he is giving up and about the facts of his case. Any statements the Defendant makes during such a hearing would not be admissible against him during a trial except in a criminal proceeding for perjury or false statement.

g. If the Court accepts the Defendant's plea of guilty, there will be no further trial or proceeding of any kind, and the Court will find him guilty.

h. By pleading guilty, the Defendant will also be giving up certain valuable civil rights and may face suspension and debarment as a federal contractor and loss of, or inability to qualify for, a security clearance or government employment.

Advisory Sentencing Guidelines Apply

5. The Defendant understands that the Court will determine a sentencing guidelines range for this case (henceforth the "advisory guidelines range") pursuant to the Sentencing Reform Act of 1984 at 18 U.S.C. §§3551-3742 (excepting 18 U.S.C. §3553(b)(1) and §3742(e)) and 28 U.S.C. § 991 through §998. The Defendant further understands that the Court will impose a sentence pursuant to the Sentencing Reform Act, as excised, and must take into account the advisory guidelines range in establishing a reasonable sentence.

Factual and Advisory Guidelines Stipulation

6. This Office and the Defendant understand, agree and stipulate to the Statement of Facts set forth in Attachment A, which this Office would prove beyond a reasonable doubt, and to the following applicable sentencing guidelines factors:

a. The base offense level for bribery by a public official is 14. U.S.S.G.§2C1.1(a). Because the bribes involved a stream of benefits of more than one bribe, the offense level is increased by 2. §2C1.1(b)(1). The value of the benefits received by the bribe payer in return for the bribe payments, measured by the profits, is in excess of $1.5 million, which increases the offense level by 16 levels. See §2C1.1(b) (2); §2B1.1(b)(1)(I). The resulting offense level is 32.

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b. This Office does not oppose a two-level reduction in the Defendant's adjusted offense level, based upon the Defendant's apparent prompt recognition and affirmative acceptance of personal responsibility for his criminal conduct. This Office agrees to make a motion pursuant to U.S.S.G. § 3E1.1(b) for an additional one-level decrease in recognition of the Defendant's timely notification of his intention to plead guilty. This Office may oppose any adjustment for acceptance of responsibility if the Defendant (a) fails to admit each and every item in the factual stipulation; (b) denies involvement in the offense; (c) gives conflicting statements about his involvement in the offense; (d) is untruthful with the Court, this Office, or the United States Probation Office; (e) obstructs or attempts to obstruct justice prior to sentencing; (f) engages in any criminal conduct between the date of this agreement and the date of sentencing; or (g) attempts to withdraw his plea of guilty.

c. The Defendant understands that there is no agreement as to his criminal history or criminal history category, and that his criminal history could alter his offense level if he is a career offender or if the instant offense was a part of a pattern of criminal conduct from which he derived a substantial portion of his income.

d. This Office and the Defendant agree that with respect to the calculation of criminal history and the advisory guidelines range, no other offense characteristics, sentencing guidelines factors, potential departures or adjustments set forth in the United States Sentencing Guidelines will be raised or are in dispute.

Rule 11 (c) (1) (C) Plea

7. (a) The parties stipulate and agree pursuant to Federal Rule of Criminal Procedure 11(c)(1)(C) that a sentence of 72 months in the custody of the Bureau of Prisons, together with restitution, forfeiture, and the Special Assessment is the appropriate disposition of this case. This agreement does not affect the Court's discretion to impose any lawful term of supervised release or to set any lawful conditions of probation or supervised release. In the event that the Court rejects this plea agreement, either party may elect to declare the agreement null and void. Should the Defendant so elect, he will be afforded the opportunity to withdraw his plea pursuant to the provisions of Federal Rule of Criminal Procedure 11(c)(5). The parties agree that if the Court finds that the Defendant engaged in obstructive or unlawful behavior and/or failed to acknowledge personal responsibility as set forth in Paragraph 16, neither the Court nor this Office would be bound by the specific sentencing contained in this paragraph, and the Defendant would not be able to withdraw his plea.

(b) This Office has an interest in resolving both the open case against the Defendant and the open case against his co-defendant and wife, Danielle Kays ("Mrs. Kays"). Accordingly, this offer is contingent upon the acceptance by Mrs. Kays of her plea offer of today's date and entry of the guilty plea in open court.

Obligations of the United States Attorney's Office

8. At the time of sentencing, this Office will recommend a sentence of 72 months in the custody of the Bureau of Prisons, forfeiture as described below, restitution, the $100 special

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assessment, no fine, and a reporting date to the Bureau of Prisons sixteen months after D.Kays has begun service of her sentence or one week after the conclusion of D.Kays' service of her sentence, whichever is earlier. At the time of sentencing, this Office will move to dismiss the Indictment and the remaining counts of the Superseding Indictment against the Defendant.

9. The parties reserve the right to bring to the Court's attention at the time of sentencing, and the Court will be entitled to consider, all relevant information concerning the Defendant's background, character and conduct, including the conduct that is the subject of the Indictment and the counts that this Office has agreed to dismiss at sentencing.

Forfeiture

10. The Defendant understands that the Court will, upon acceptance of his guilty plea, enter an order of forfeiture as part of his sentence, and that the order will include assets directly traceable to his offense, substitute assets and/or a money judgment equal to the value of the property subject to forfeiture, which the parties stipulate and agree is at least $631,705. Specifically, as a consequence of the Defendant's plea of guilty to Count Two of the Superseding Indictment charging a violation of 18 U.S.C. §201(b)(1)(A) and (B), the Court will order the forfeiture of all proceeds obtained or retained as a result of the offense pursuant to 18 U.S.C. §981(a)(1)(C); 18 U.S.C. §1956(c)(7), 28 U.S.C. § 2461(c).

a. The property to be forfeited includes but is not limited to the following:

1. the proceeds from the sale of the Kays' home, currently in the escrow account of Biran, Kelly;
2. the proceeds from the sale of the Kays' boat, currently in the escrow account of Biran, Kelly;
3. a money judgment in the amount of $631,705 minus half of the funds described in 10.a.1 and 10.a.2.

11. The Defendant agrees to consent to the entry of orders of forfeiture for such property and waives the requirements of Federal Rules of Criminal Procedure 11(b)(1)(J), 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, advice regarding the forfeiture at the change-of-plea hearing, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment.

Assisting the Government with Regard to the Forfeiture

12. The Defendant agrees to assist fully in the forfeiture of the foregoing assets. The Defendant agrees to disclose all of his assets and sources of income to the United States, and to take all steps necessary to pass clear title to the forfeited assets to the United States, including but not limited to executing any and all documents necessary to transfer such title, assisting in bringing any assets located outside of the United States within the jurisdiction of the United States, and taking whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, wasted, hidden or otherwise made unavailable for forfeiture. The Defendant also agrees to give this Office permission to request and review his federal and state income tax

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returns, and any credit reports maintained by any consumer credit reporting entity, until such time as the money judgment is satisfied. In this regard, the Defendant agrees to complete and sign a copy of IRS Form 8821 (relating to the voluntary disclosure of federal tax return information) as well as whatever disclosure form may be required by any credit reporting entity.

Waiver of Further Review of Forfeiture

13. The Defendant further agrees to waive all constitutional, legal and equitable challenges (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this plea agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment. The Defendant also agrees not to challenge or seek review of any civil or administrative forfeiture of any property subject to forfeiture under this agreement, and will not assist any third party with regard to such challenge or review or with regard to the filing of a petition for remission of forfeiture.

Restitution

14. The Defendant agrees to the entry of a Restitution Order for the full amount of the victim's losses. The Defendant agrees that, pursuant to 18 U.S.C. §§3663 and 3663A and §§ 3563(b)(2) and 3583(d), the Court may order restitution of the full amount of the actual, total loss caused by the offense conduct set forth in the factual stipulation. At this time, the parties are unable to agree upon a restitution amount; the amount will be decided by the Court at a hearing. The Defendant further agrees that he will fully disclose to the probation officer and to the Court, subject to the penalty of perjury, all information, including but not limited to copies of all relevant bank and financial records, regarding the current location and prior disposition of all funds obtained as a result of the criminal conduct set forth in the factual stipulation. The Defendant further agrees to take all reasonable steps to retrieve or repatriate any such funds and to make them available for restitution. If the Defendant does not fulfill this provision, it will be considered a material breach of this plea agreement, and this Office may seek to be relieved of its obligations under this agreement.

Waiver of Appeal

15. In exchange for the concessions made by this Office and the Defendant in this plea agreement, this Office and the Defendant waive their rights to appeal as follows:

a. The Defendant knowingly waives all right, pursuant to 28 U.S.C. §1291 or otherwise, to appeal the Defendant's conviction;

b. The Defendant and this Office knowingly waive all right, pursuant to 18 U.S.C. §3742 or otherwise, to appeal whatever sentence is imposed (including the right to appeal any issues that relate to the establishment of the advisory guidelines range, the determination of the Defendant's criminal history, the weighing of the sentencing factors, and the decision whether to impose and the calculation of any term of imprisonment, fine, order of forfeiture, order of restitution, and term or condition of supervised release).

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c. Nothing in this agreement shall be construed to prevent the Defendant or this Office from invoking the provisions of Federal Rule of Criminal Procedure 35(a), or from appealing from any decision thereunder, should a sentence be imposed that resulted from arithmetical, technical, or other clear error.

d. The Defendant waives any and all rights under the Freedom of Information Act relating to the investigation and prosecution of the above-captioned matter and agrees not to file any request for documents from this Office or any investigating agency.

Obstruction or Other Violations of Law

16. The Defendant agrees that he will not commit any offense in violation of federal, state or local law between the date of this agreement and his sentencing in this case. In the event that the Defendant (i) engages in conduct after the date of this agreement which would justify a finding of obstruction of justice under U.S.S.G. §3C1.1, or (ii) fails to accept personal responsibility for his conduct by failing to acknowledge his guilt to the probation officer who prepares the Presentence Report, or (iii) commits any offense in violation of federal, state or local law, then this Office will be relieved of its obligations to the Defendant as reflected in this agreement. Specifically, this Office will be free to argue sentencing guidelines factors other than those stipulated in this agreement, and it will also be free to make sentencing recommendations other than those set out in this agreement. As with any alleged breach of this agreement, this Office will bear the burden of convincing the Court of the Defendant's obstructive or unlawful behavior and/or failure to acknowledge personal responsibility by a preponderance of the evidence. The Defendant acknowledges that he may not withdraw his guilty plea because this Office is relieved of its obligations under the agreement pursuant to this paragraph. The Defendant acknowledges that he may not withdraw his guilty plea—even if made pursuant to Rule 11(c)(1)(C)—if the Court finds that the defendant engaged in obstructive or unlawful behavior and/or failed to acknowledge personal responsibility. In that event, neither the Court nor the government would be bound by the specific sentencing range agreed and stipulated to in Paragraph 7 pursuant to Rule 11(c)(1)(C).

Entire Agreement

17. This letter supersedes any prior understandings, promises, or conditions between this Office and the Defendant and, together with the Sealed Supplement, constitutes the complete plea agreement in this case. The Defendant acknowledges that there are no other agreements, promises, undertakings or understandings between the Defendant and this Office other than those set forth in this letter and the Sealed Supplement and none will be entered into unless in writing and signed by all parties.

If the Defendant fully accepts each and every term and condition of this agreement, please sign and have the Defendant sign the original and return it to me promptly.

Very truly yours,

Stephen M. Schenning

Acting United States Attorney

By: Joyce K McDonald
Joyce K. McDonald
Harry M. Gruber
Assistant United States Attorneys

I have read this agreement, including the Sealed Supplement, and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Specifically, I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I am completely satisfied with the representation of my attorney.

8 Sept 2017
Date

John M. Kays

I am Mr. Kays' attorney. I have carefully reviewed every part of this agreement, including the Sealed Supplement with him. He advises me that he understands and accepts its terms. To my knowledge, his decision to enter into this agreement is an informed and voluntary one.

8 Sept 2017
Date

Andrew C. White, Attorney

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Statement of Facts

The parties hereby stipulate and agree that had this matter gone to trial, the government would have proven the following facts through competent evidence beyond a reasonable doubt. The parties also stipulate and agree that the following facts do not encompass all of the evidence that would have been presented had this matter gone to trial.

In late 2008, John M. Kays ("J. Kays") was a civilian employee of the Department of the Army. J. Kays worked for the U.S. Army's Communications-Electronics Command ("CECOM"); specifically, he was part of the Program Executive Office Command Control Communications-Tactical ("PEO-C3T"). In 2008, J. Kays was the Chief of Systems Engineering for the Project Management Office, Battle Command. J. Kays' roommate from the U.S. Military Academy Preparatory School, and friend from the U.S. Military Academy (West Point), Matthew Barrow ("Barrow"), was employed by a Midwestern glass company and was in charge of procurement for goods, such as sand and minerals, and services, such as trucking. J. Kays and Barrow agreed that J. Kays would steer Army business to a company to be formed by Barrow, namely MJ-6. In exchange, Barrow promised to steer the glass company's business to Transportation Logistics Services ("TLS"), a company formed by J. Kays.

J. Kays helped Barrow by drafting the Mission Statement for MJ-6. On February 10, 2008, J. Kays emailed the draft Mission Statement to Barrow. The draft included the following: "We require our people to maintain the highest standards of ethics and business conduct." J. Kays concluded the email with the statement, "Let me know if this is enough BS."

L-3 Task Order

In April 2008, while he was the Chief Systems Engineer at Project Manager Battle Command, J. Kays recruited an individual with initials "T.A.," interviewed him, emailed his resume to Barrow and suggested that Barrow hire T.A. Barrow then employed T.A. at MJ-6. J. Kays in his official capacity approved T.A. working on the L-3 Communications contract from

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May 2008 through February 2009. The contract payments for T.A.'s work were made by L-3, the prime contractor, to MJ-6.

CACI Task Order No. 8

In September 2006, CACI Technologies, Incorporated ("CACI"), was awarded an Army Strategic Services Sourcing ("S3") contract known as Task Order ("TO") 8, to support Project Manager Battle Command, at PEO-C3T. J. Kays recruited R.S. and directed R.S. to contact Barrow; Barrow then hired R.S. at MJ-6. In August 2008, J. Kays then used R.S.'s background and experience to direct the prime contractor, CACI, to add MJ-6 as a subcontractor to TO 8, which CACI administered, so that R.S. could work for J. Kays. In September 2008, MJ-6 was added as a subcontractor for TO 8, and in November of 2008, MJ-6 began work on TO 8. In February 2009, J. Kays used his authority as a public official to direct CACI to add T.A. to Task Order 8; this resulted in MJ-6 being paid for T.A.'s work. In turn, MJ-6 paid T.A.'s salary and made a profit.

CACI Task Order 77

In July 2009, J. Kays was still the Chief Systems Engineer at Project Manager, Battle Command for TO 77 when PEO-C3T moved from Ft. Monmouth to Aberdeen Proving Ground (APG), Harford County, Maryland.

In July 2009, CACI submitted a proposal for TO 77 which included a Sole Source justification and subcontract agreement to utilize MJ-6 as a subcontractor. The Sole-Source Justification stated that MJ-6 would be used as subcontractor because the TO was follow-on work to TO 8 and a substantial duplication of cost would be incurred with an alternate source. The Sole Source Justification also named R.S. as an unquestionably predominant expert in his

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field. In September 2009, CACI was awarded TO 77 as the prime contractor, and MJ-6 was approved as a subcontractor as a result of J. Kays' request for the services of R.S.

In April 2010, PEO-C3T promoted J. Kays to Project Director, Tactical Network Initialization ("PD-TNI"). J. Kays then told Barrow to add Barrow and E.P. to Task Order 77. Barrow submitted a new proposal to CACI to add Barrow and E.P. to provide support for the Project Director, TNI, that is, for J. Kays. In fact, J. Kays told Barrow that E.P. would not perform any actual work, but MJ-6 should bill 40 hours per week for E.P. and for Barrow himself. Barrow was still working full time at the glass company. J. Kays was the government "client" who requested the additional support and identified Barrow and E.P. as acceptable. The salaries for E.P. and Barrow increased the profits for MJ-6 and were essentially "no show" jobs for Barrow and E.P. J. Kays influenced the contracting officer to approve the proposal in May 2010.

In December 2010, Barrow stopped billing for himself and E.P. as support for the Project Director, TNI, because J. Kays was no longer the Project Director. In January 2011, J. Kays was promoted to Deputy Project Manager for Mission Command within PEO-C3T. E.P. and Barrow were later billed under TO 11 and TO 115 as described below.

In June 2012, E.D. was appointed as the new Contracting Officer's Representative on Task Order 77. On June 28, 2012, the CACI Project Manager emailed E.D. to review and approve the addition of Barrow to the contract stating "he will be supporting PM Mission Command Deputy Project Manager, Mr. John Kays. The rate is $99.00 per hour." On June 28, 2012, J. Kays replied to the email stating, "I approve the rate." In July 2012, Barrow began billing for his services to Task Order 77 at $99.00 per hour. This was essentially a "no show" job which increased the profits of MJ-6. Barrow lived and worked in Toledo.

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Task Order 73

In August 2009, J. Kays and W.G. found each other on iSARBD (on-line database for graduates of military academy). J. Kays interviewed W.G., but determined that he did not have a position for him. J. Kays told W.G. that he knew of another job opportunity for him and directed W.G. to telephone Barrow/MJ-6.

Barrow's Payments to J. Kays in 2009 and 2010

While MJ-6 received Army business through CACI as directed by J. Kays, Barrow directed glass company business to TLS as a means of paying bribes to J. Kays. Barrow secretly aided J. Kays in placing bids with the glass company for trucking business and fulfilling bids for trucking services. For 2009, Barrow received approximately $115,672 in profits from MJ-6, and J. Kays received approximately $100,715 in profits paid through TLS. For 2010, Barrow received approximately $294,000 in profits from MJ-6, and J. Kays received approximately $167,357 in profits from TLS. In 2010, the glass company discovered that Barrow was failing to follow its procedures regarding vendors and was issuing payments to TLS without a contract. The glass company fired Barrow. Then J. Kays and Barrow agreed that Barrow would pay J. Kays in cash from MJ-6 profits.

Task Order 11

In November 2006, PEO-C3T awarded CACI Task Order 11 to support PD-TNI. At the time CACI filed its proposal, MJ-6 was not an approved subcontractor. In May 2010, CACI submitted a Sole-Source Justification to add MJ-6 as a subcontractor to support PD-TNI. J. Kays was then the Project Director for TNI. The Sole-Source Justification stated that MJ-6 had "Unique Seller Qualifications" and concluded that MJ-6 was the only company that could satisfy the TO requirement. The CACI Program Manager who signed the Sole-Source Justification, stated that it was J. Kays who was the government "client" who instructed CACI to add MJ-6

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onto the contract. In June 2010, the Army approved the addition of MJ-6 to Task Order 11. In November 2010, Barrow and E.P. began billing to TO 11. In April 2011, J. Kays approved overtime pay for Barrow and E.P. to bill 50 hours per week.

Task Order 115

Prior to September 2010, J. Kays submitted a Business Case Letter to the Army Contracting Command ("ACC") with a Justification/Impact Statement for issuance of a new S3 contract vehicle to support PD-TNI and its Communications Security project. In September 2010, ACC solicited offers for TO 115 to fulfill J. Kays' request.

In December 2010, CACI submitted a proposal for TO 115 and included a Sole-Source justification to utilize MJ-6 on the Task Order. The Sole-Source Justification stated that MJ-6 would be used as a subcontractor because the TO was follow-on work to TO 11 and a substantial duplication of cost would be incurred with an alternate source. The Sole-Source Justification also stated that MJ-6 had been identified by the "client" due to the fact that they had the experience to step right in to do the job. The CACI official for the TO stated that it was J. Kays who was the government "client" who identified MJ-6 for the contract. E.P. and Barrow were included as two of the MJ-6 employees included on this proposal to add 13 MJ-6 employees.

In January 2011, J. Kays was promoted to Deputy Project Manager for Mission Command within PEO-C3T at CECOM. In that position, J. Kays continued to oversee TNI. In May 2011, CACI won the award for TO 115. Barrow and E.P. continued to perform no work, but their billable hours were increased from 40 to 50 per week. After the award, MJ-6 submitted four more candidate resumes to the CACI Project Manager for TO 115, and a CACI official forwarded the resumes to the Government Contracting Officer's Representative ("COR") for the TO. The COR then forwarded the resumes to J. Kays for approval. J. Kays replied to the COR,

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"[COR], I'm reviewing these now. Will let you know candidates I'd like to interview tomorrow." J. Kays then sent another email the same day stating, "[COR], Reviewed the resumes and conducted my interviews. Would like to bring on all 4 candidates immediately." MJ-6 began billing TO 115 in May 2011.

In July 2011, MJ-6 submitted additional resumes to the CACI PM. The CACI PM expressed his concerns to J. Kays in an email stating,

> "John, I just recently became aware of 7 new hires from MJ-6. I have a few issues with all of this.... I will need you to provide your approval and acknowledgement for these new hires based on their requirements... My concern about all of this is the understanding of how this contract process works... MJ-6 is under the impression that they can hire whoever they want, when they want... that is not the case. The Government always has to provide the requirements for all new hires and positions. After the prime receives the requirements, we look to fill them with the subs... In regards to the FSR (Field Service Representative) requirements, MJ-6 currently has 14 FSR's and is looking to hire 6 more giving them 20 total FSRs. CACI has 5. This would total 25 FSR's on the PD TNI contract. I am not sure what the current requirement is. I would appreciate if you could let me know what your requirement is..."

J. Kays replied to the CACI PM, "[CACI PM], Understand and appreciate your concerns. Currently, we're seeking a total of 25 FSRs. Let's see what MJ-6 comes back with to determine path ahead." J. Kays forwarded the above email chain to Barrow with the remark, "fyi" (for your information). In August 2011, three of the MJ-6 FSRs mentioned in the July 2011 email chain were added to the TO.

In October 2011, a CACI official emailed Barrow about a government requirement to move two MJ-6 employees to a new location at Ft. Hood. Barrow replied to the CACI official, "[CACI official], Let me dig into this. I am neither aware of the Ft. Hood realignment nor of the moves." The CACI official replied to Barrow, "Matt, You may or may not have known about this, but the intent of my email was to let you know. The Govt. has provided the requirement to me to have these two positions filled... I'm not too sure what you need to dig in to or with

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who..." Barrow forwarded the CACI official's email to J. Kays and stated, "John, [CACI official] is letting me know that he is the Prime." J. Kays replied to Barrow, "Expect a recant statement via CACI today stating no moves are being requested by the gov. CACI may be the prime, but they're not running the show. Will call you later to synch. This is stupid and will end now." The CACI official later that day emailed Barrow stating that he was incorrect in his previous email. Barrow forwarded the CACI official's email to J. Kays. J. Kays replied to Barrow, "You should've responded w – 'That's what I thought b-tch.'"

Payments to J. Kays

From January 2011 through August 2012, CACI paid MJ-6 $8.525 million on TO 73, 77, 11 and 115. On January 11, 2011, Barrow withdrew $10,000 in cash from the MJ-6 bank account at the PNC Bank branch outside APG, Harford County, and paid it over to J. Kays. On a regular basis, Barrow withdrew cash from MJ-6 bank accounts in Toledo, Ohio, flew to BWI Airport, delivered cash to J. Kays, and then flew back to Toledo. J. Kays in his capacity as a government official regularly approved reimbursement to MJ-6 for Barrow's flights to BWI to pay cash bribes to Kays.

Barrow withdrew cash from Toledo area bank accounts for the time period January 10, 2011 – October 2012. During that time period, Barrow withdrew $501,400 in cash from MJ-6 accounts and personal accounts. During that time period, MJ-6's sole business was TO 73, 77, 11,115 --all with PEO-C3T at Aberdeen Proving Ground. Barrow flew from Toledo to BWI, at the government's expense and as approved by J. Kays, on at least 26 occasions to deliver cash to J. Kays.

From January 2011 until November 2013, J. Kays used cash for purchases, including the down payments on two vehicles, a Nissan Armada and Nissan Maxima, home renovations of

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approximately $110,000, cash payments of at least $63,000 toward credit card bills, at least $44,000 cash payments toward the vehicle financing payments and car expenses, and cash payments of $18,219 for country club dues and three events—pool party, barbecue, and cocktail party. J. Kays and his wife had their government salaries direct deposited into their personal bank accounts. There were no corresponding cash withdrawals from the Kays' bank accounts for these cash expenditures.

Structuring Cash Withdrawals and Related Issues

In January 2012, a bank used by MJ-6 closed an MJ-6 bank account without explanation. Barrow flew to BWI and met J. Kays at The Green Turtle in Bel Air in May 2012. The two speculated on the reasons for the closure of the bank account, discussed structuring the cash withdrawals to avoid bank cash reporting requirements, and discussed future government contracts for MJ-6, and alternatives to cash payments. J. Kays instructed Barrow regarding what to say to prime contractors to insure that MJ-6 was included on future contracts, J. Kays promised to provide Barrow with competitors' proprietary information regarding rates, and to structure the technical contract evaluation on behalf of prime contractors who team with MJ-6 as a subcontractor. J. Kays agreed to accept less in cash at that time (May 2012) for deferred payments at a later date, although they also discussed payments to J. Kays as a consultant, if J. Kays left government employment.

In October 2012, another bank used by MJ-6 closed a different MJ-6 bank account. Barrow again flew from Toledo to BWI and met with J. Kays. Barrow did not want to make any more cash payments; however, he continued to receive payments from prime contractors to MJ-6 on task orders put in place by J. Kays. Barrow promised J. Kays that if J. Kays retired or left government service, he would hire J. Kays as a consultant to MJ-6 and use that vehicle as a

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means of paying the remainder of J. Kays' half of the MJ-6 profits because future consultant payments would conceal the bribery more successfully.

J. Kays' Attempts with ESP and CSC

In June 2013, Engineering Solutions and Products ("ESP") won the follow-on work to Task Order 77, which was termed TO 26. J. Kays pushed for CACI to retain the work. After hearing that ESP was awarded TO 26, J. Kays drove to New Jersey to the home of an ESP official and stated that he needed a favor, telling the ESP official that ESP would have to team with MJ-6 and give MJ-6 the same amount of work on TO 26 as MJ-6 had had on TO 77. J. Kays told the ESP official that if he did not comply with his demands, then J. Kays would divert the government funding away from TO 26 to another TO. The ESP official stated that J. Kays brought with him a binder of MJ-6 employees and desired salaries for them. ESP declined to bring MJ-6 on to the contact.

In November 2013, J. Kays instructed a subordinate to attempt to move funding away from ESP on TO 26. The subordinate sent an email to the contracting office stating, "I was asked to contact you regarding the feasibility of adding subcontractors to [Task Order] 13. As you know, we are transitioning our support from CACI [Task Order] 77 to ESP [Task Order] 26. There are three subcontractors on the CACI contract- MJ6, [two other subcontractors] that not subcontractors with ESP. We receive senior level support from these three contractors and feel it will be difficult to duplicate that support with ESP." That effort failed.

In November 2013, a CSC official contacted M.N., an Army Contracting Officer's Representative, about CSC's possible addition of MJ-6 to CSC TO 27. The CSC official told M.N. that a high-ranking government official made the request to CSC to add MJ-6. CSC provided a sole-source justification to the Army which stated that MJ-6 had been identified by

"The PM Mission Command customer." M.N. did not process the request as it did not go through the proper contracting process. M.N. was later made aware that the government official making the request was J. Kays.

Conclusion

Throughout 2013-2015, MJ-6 received payments on TOs put in place by J. Kays, but Barrow did not pay any funds over to J. Kays. In July 2014, J. Kays left government service abruptly. At the time, there was an Army administrative investigation of J. Kays for preferential treatment of MJ-6. In July 2014, J. Kays demanded payments from Barrow for the MJ-6 profits Barrow owed J. Kays, that Barrow had not paid during 2013 and the first half of 2014.

For the period 2009-2015, MJ-6 received at least $1,942,135.52 in profits on over $21 million in contracts obtained through bribery. Barrow paid J. Kays approximately $800,000 in bribe payments through TLS and cash payments. For the calendar years 2011 and 2012, J. Kays filed false government ethics forms, OGE-450s, which failed to disclose his receipt of bribe payments or his relationship with Barrow and MJ-6.

I have read this agreement, including the Sealed Supplement, and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Specifically, I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I am completely satisfied with the representation of my attorney.

8 Sept 2017
Date

John M. Kays

I am Mr. Kays' attorney. I have carefully reviewed every part of this agreement, including the Sealed Supplement with him. He advises me that he understands and accepts its terms. To my knowledge, his decision to enter into this agreement is an informed and voluntary one.

8 Sept 2017
Date

Andrew C. White, Esq.