

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ALABAMA  
NORTHEASTERN DIVISION**

**UNITED STATES OF AMERICA )**

**v. )**

**NORBERT VERGEZ )**

**INFORMATION**

The United States charges:

**Count One  
False Statement  
18 U.S.C. § 1001**

1. DEFENDANT NORBERT VERGEZ (VERGEZ) was, from in or about January 2010 through November 2012, the Project Manager of "Non-Standard Rotary Wing Aircraft" (NSRWA), a component of the United States Army. DEFENDANT VERGEZ held the rank of Colonel. In November 2012, DEFENDANT VERGEZ went on leave, but continued to be employed by the United States Army on active duty until his formal retirement in or about March 2013.

2. NSRWA was located at Redstone Arsenal, Alabama. NSRWA's mission included procuring, fielding, and sustaining non-standard rotorcraft for the

United States Department of Defense (DOD) and allied countries or as directed by the Office of the Secretary of Defense in support of overseas operations. In the course of DEFENDANT VERGEZ's duties at NSRWA, he had program management oversight over cost, schedule, and performance of the programs under his purview.

3. Avia Baltika Aviation, Ltd. (AVB) was a Lithuanian company that was a subcontractor on various United States Government (USG) contracts and whose business included repair and overhaul of Mi-17 helicopters.

4. From in or about January 2012 through much of that year, the Department of Defense Office of Inspector General (DODIG) was conducting an audit of a USG Mi-17 overhaul contract on which AVB was a subcontractor and concerning which NSRWA had involvement. Among aspects of its audit, DODIG was investigating the relationship between NSRWA personnel and AVB in the summer of 2010 while DEFENDANT VERGEZ was Program Manager. DODIG was also investigating circumstances surrounding instructions given by NSRWA, on December 5, 2011, through contracting personnel, to the prime contractor to pay AVB approximately \$3.7 million for costs AVB claimed to have incurred as a subcontractor.

5. On or about the following dates, in the Northern District of Alabama, the defendant,

**NORBERT VERGEZ,**

did knowingly and willfully make and cause to be made materially false, fraudulent, and fictitious statements and representations and make and use, and cause to be made and used, false writings and documents, knowing the same to contain materially false and fraudulent statements in a matter within the jurisdiction of the Department of Defense Office of Inspector General (DODIG), an agency of the Executive Branch of the United States Government, that is, DEFENDANT VERGEZ prepared and caused to be prepared, and sent and caused to be sent to DODIG auditors the following documents on or about the following dates:

a. January 12, 2012, a response to a DODIG "Discussion Draft" of a proposed audit report related to certain Mi-17 contracts that falsely represented that Non-Standard Rotary Wing Aircraft Program Office had no direct contact with AVB as related to the subcontract with Northrop Grumman;

b. Between on or about February 1, 2012, the date the document described below was prepared and signed in final, and March 5, 2012, the date the document was sent to DODIG auditors, a false and altered document that purported to support the payment of approximately \$3.67 million to AVB in December of 2011, when, in truth and in fact, as the defendant then well knew: (i) the document was originally drafted at DEFENDANT VERGEZ's direction on or about

December 6, 2011, for DEFENDANT VERGEZ's signature, with a typed date of December 5, 2011. DEFENDANT VERGEZ never signed the document; (ii) on or about February 1, 2012, DEFENDANT VERGEZ directed that Person 1, a NWRWA official, finalize and sign the document; (iii) the document was signed by that NSRWA official, Person 1, on February 1, 2012, who at that time wrote by hand "February 1, 2012" next to his/her signature, and (iv) DEFENDANT VERGEZ directed that Person 1 remove the writing "February 1, 2012" from the document to create the appearance that the document had in fact been created and signed by Person 1 on December 5, 2011, prior to instructions having been given to the prime contractor to pay AVB, when that was not the truth;

c. April 30, 2012, a response to a DODIG "Draft Audit Report" related to certain Mi-17 contracts that falsely represented that Non-Standard Rotary Wing Aircraft Program Office had no direct contact with AVB as related to the subcontract with Northrop Grumman.

All in violation of 18 U.S.C. § 1001(a)(2) and (a)(3), and 18 U.S.C. § 2.

**Count Two**  
**Conflict of Interest**  
**18 U.S.C. §§ 208(a), 216(a)(2)**

1. From in or about February 2012 through September 2012, DEFENDANT NORBERT VERGEZ was negotiating future employment with

Person 2 and companies owned, controlled and/or operated by Person 2, including Companies A and B.

2. Company B was in the business of manufacturing helicopters and occasionally sold helicopters to foreign governments. Some of Company B's sales to foreign governments were arranged and facilitated by NSRWA and involved contracts to be executed between Company B and the United States Government.

3. Company A generally provided management services for Person 2's companies, including Company B.

4. From in or about between March 2012 to November 2012, in the Northern District of Alabama, and elsewhere, DEFENDANT VERGEZ engaged in negotiations for employment upon his retirement from the Army. Until approximately May of 2012, the negotiations contemplated that DEFENDANT VERGEZ would work directly for Company B upon his retirement. After approximately May of 2012, the negotiations contemplated that DEFENDANT VERGEZ would work for Company A upon his immediate retirement, and then work for Company B. In fact, that is what occurred.

5. From in or about between March 2012 to November 2012, in the Northern District of Alabama, and elsewhere, the defendant,

**NORBERT VERGEZ,**

an employee of the executive branch of the United States Government, knowingly and willfully participated personally and substantially as a Government officer and employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation and otherwise, in matters involving Company B, an entity with whom defendant was negotiating prospective employment and knowing that Company B had a financial interest in said matters, in particular, in or about June and July of 2012, when Company B and NSRWA were negotiating a foreign military sales contract, DEFENDANT VERGEZ took actions to cause the payment terms of the contract to be modified so that Company B would receive progress payments that would result in Company B being paid sooner than it would have but for that contract change.

All in violation of 18 U.S.C. § 208(a) and 18 U.S.C. § 216(a)(2).

**Count Three**  
**False Statement**  
**18 U.S.C. § 1001**

1. Paragraphs 1 through 4 of Count Two are incorporated by reference and realleged as if set forth in full.

2. On or about January 2, 2013, in the Northern District of Alabama, the defendant,

**NORBERT VERGEZ,**

did knowingly and willfully make a materially false, fraudulent, and fictitious statement and representation in a matter within the jurisdiction of the Department of Defense, an agency of the Executive Branch of the United States Government, that is, on a Confidential Financial Disclosure Report for 2012 (Office of Government Ethics Form 450), the defendant certified that all statements he made on the form were "true, complete, and correct" to the best of his knowledge but failed to disclose the following:

a. All gifts and travel reimbursements greater than \$350, for himself or his spouse, when, as DEFENDANT VERGEZ then and there well knew, his wife had been given a Rolex wristwatch in 2012 valued at approximately \$4000;

b. All agreements and arrangements for future employment when, as DEFENDANT VERGEZ then and there well knew, he had accepted an offer of employment during 2012 from a company (Company A); and

c. All sources of salary, fees, commissions, and other earned income greater than \$200, when, as DEFENDANT VERGEZ then and there well knew, he had received a \$30,000 check from Company A during 2012.

All in violation of 18 U.S.C. § 1001(a)(2).

JOYCE WHITE VANCE  
United States Attorney

Andrew Weissmann  
Chief, Fraud Section  
Department of Justice

4/7/15  
DATE

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MARK DUBESTER  
Special Trial Attorney  
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