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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF ILLINOIS

FILED

MAR 28 2006

JOHN M. WATERS, Clerk
U.S. DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,

Plaintiff,

v.

CRIMINAL COMPLAINT

ZUBAIR KHAN AHMED KHAN,
a/k/a ZUBAIR AHMED KHAN,

CASE NUMBER: 06- 6411 M

Defendant.

UNDER SEAL

I, the undersigned Complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

COUNT ONE

From at least in or about April 2005 and continuing through at least March 22, 2006, in the Central District of Illinois and elsewhere, the defendant, Zubair Khan Ahmed Khan, did knowingly conspire with persons whose names are known and unknown to the Complainant to commit certain acts in violation of Title 18, United States Code, Section 1512(b)(3), all in violation of Title 18, United States Code, Sections 1512(k) and 2.

Acts in furtherance of the conspiracy included, but were not limited to, those acts alleged in paragraphs 19-32, 35-38, and 41-42 of the attached Affidavit.

COUNT TWO

From at least in or about April 2005 and continuing through at least March 22, 2006, in the Central District of Illinois and elsewhere, the defendant, Zubair Khan Ahmed Khan, did conspire with persons whose names are known and unknown to the Complainant, to commit certain acts in violation of Title 18, United States Code, Section 1956(a)(2)(A), to wit:

to transport, transmit, and transfer, and attempt to transport, transmit, and transfer funds from a place in the United States to and through a place outside the United States and to a place in the United States from and through a place outside the United States, with the intent to promote the carrying on of a specified unlawful activity, to wit: Conspiracy to Tamper with a witness, in violation of Title 18, United States Code, Section 1512(k), Witness Tampering, in violation of Title 18, United States Code, Section 1512(b)(3), and Obstruction of Justice, in violation of 18 U.S.C. § 1503(a),

all in violation of Title 18, United States Code, Sections 1956(h) and 2.

COUNT THREE

On or about September 12, 2005, in the Central District of Illinois and elsewhere, the defendant, Zubair Khan Ahmed Khan, did knowingly corruptly persuade federal law enforcement officers, and attempt to do so, and engage in misleading conduct toward federal law enforcement officers, with the intent to hinder, delay, and prevent the communication to a law enforcement officer and judge of the United States of information relating to the commission and possible commission of a federal offense, all in violation of Title 18, United States Code, Sections 1512(b)(3) and 2.

COUNT FOUR

On or about September 16, 2006, in the Central District of Illinois and elsewhere, the defendant, Zubair Khan Ahmed Khan, did knowingly corruptly persuade federal law enforcement officers, and attempt to do so, and engage in misleading conduct toward federal law enforcement officers, with the intent to hinder, delay, and prevent the communication to a law enforcement officer and judge of the United States of information relating to the commission and possible commission of a federal offense, all in violation of Title 18, United States Code, Sections 1512(b)(3) and 2.

COUNT FIVE

On or about September 26, 2006, in the Central District of Illinois and elsewhere, the defendant, Zubair Khan Ahmed Khan, did knowingly corruptly persuade federal law enforcement officers, and attempt to do so, and engage in misleading conduct toward federal law enforcement officers, with the intent to hinder, delay, and prevent the communication to a law enforcement officer and judge of the United States of information relating to the commission and possible commission of a federal offense, all in violation of Title 18, United States Code, Sections 1512(b)(3) and 2.

COUNT SIX

On or about October 28, 2005, the defendants, Zubair Khan Ahmed Khan, did knowingly corruptly persuade the person referred to in the Affidavit as "Subject," and attempt to do so, and engage in misleading conduct toward Subject, with the intent to hinder, delay, and prevent the communication to a law enforcement officer and judge of the United States of information relating to the commission and possible commission of a federal offense, all in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT SEVEN

On or about October 28, 2005, the defendant, Zubair Khan Ahmed Khan, did corruptly influence, obstruct, and impede, and endeavor to corruptly influence, obstruct and impede the due administration of justice, all in violation of Title 18, United States Code, Section 1503(a).

COUNT EIGHT

On or about March 22, 2006, in the Central District of Illinois and elsewhere, the defendant, Zubair Khan Ahmed Khan, did knowingly and willfully make a materially false, fictitious, and fraudulent statement and representation in a matter within the jurisdiction of the Federal Bureau of Investigation and the Army Criminal Investigation Command, agencies within the executive branch of the United States, in that the defendant's co-conspirator, Mohammad Shabbir Khan, in response to questions posed to him during an interview in which Special Agents of the Federal Bureau of Investigation and Army Criminal Investigation Command participated, stated that:

- a. In 2003, Zubair Khan Ahmed Khan had a private side business deal with the person referred to as "Subject" and "CW" in the supporting affidavit, who was then a procurement manager with Kellogg, Brown and Root Services, Inc. ("KBR"), for the purchase of an armored vehicle in the United States for resale in the Middle East;
- b. This armored vehicle deal between Zubair Khan Ahmed Khan and Subject had nothing to do with Tamimi's business with KBR;
- c. To obtain the money for Zubair Khan Ahmed Khan's investment in the armored car deal with Subject, Zubair Khan Ahmed Khan asked Tamimi to give \$67,000 of his 2002 bonus to a particular Tamimi manager in Bahrain;
- d. Some of the money for Zubair Khan Ahmed Khan's investment in the armored car deal with Subject was provided by Tamimi to the Tamimi manager in Bahrain, who thereafter transmitted the money to Subject for that purpose;
- e. None of the money provided to Subject by the Tamimi manager in Bahrain, and Zubair Khan Ahmed Khan had anything to do with Tamimi's business with KBR;
- f. The armored vehicle deal with Subject fell through and Zubair Khan Ahmed Khan has asked Subject to return the money to him;
- g. Neither Zubair Khan Ahmed Khan, Shabbir Khan nor Tamimi intended to pay kickbacks or bribes to Subject through the payments made by Zubair Khan Ahmed Khan to the KBR procurement manager;
- h. The payments made to Subject were not made because Subject had involvement in awarding or administering any subcontracts between KBR and Tamimi;
- i. The last time Shabbir Khan spoke with Subject was in 2003;
- j. The last place Shabbir Khan saw Subject was in Shabbir Khan's office in Kuwait in 2003;

k. Each of the following documents provided by Tamimi to federal agents and/or the U.S. Attorney's Office for the Central District of Illinois related directly to the investment by Zubair Khan Ahmed Khan in the armored vehicle deal between Zubair Khan Ahmed Khan and Subject and had nothing to do with kickbacks or bribes paid to Subject:

1. Letter dated April 10, 2003 from Zubair Khan Ahmed Khan to Shabbir Khan requesting that Tamimi's Finance Department give \$67,000 from Zubair Khan Ahmed Khan's bonus for 2002 to a Tamimi manager in Bahrain;

2. Letter dated April 13, 2003 between accounts personnel indicating that Zubair Khan Ahmed Khan's letter of April 10, 2003 had been approved by Tamimi's Operation Manager;

3. Memo dated May 20, 2003 indicating that eight payments totaling \$60,500 had been made by Tamimi pursuant to Zubair Khan Ahmed Khan's letter dated April 10, 2003 during the period April 16, 2003 through May 17, 2003;

4. Undated chart entitled "Transferred by M. Mattar" reflecting six transactions totaling \$49,500; and

5. Approximately seven checks made payable to a Tamimi manager in Bahrain and seven applications and/or receipts for money wire transfers to the KBR procurement manager during the time period April 21, 2003 through May 17, 2003,

when, as Mohammad Shabbir Khan well knew when he made this statement, and as defendant Zubair Khan Ahmed Khan well know, it was false, fictitious, and fraudulent, all in violation of Title 18, United States Code, Section 1001(a)(2).

I further state that I am a Special Agent with the Internal Revenue Service, Criminal Investigation, and that this Complaint is based on the Affidavit in support of Complaint, which is made a part hereof.

S/Brian Berntson

BRIAN L. BERNTSON
Special Agent
IRS, Criminal Investigation

Sworn to before me and subscribed in my presence this 28 day of March, 2006, at Rock Island, Illinois.

S/Thomas J. Shields

THOMAS J. SHIELDS
United States Magistrate Judge

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

I, Brian L. Berntson, having been first duly sworn, do state:

1. I am a Special Agent with the Internal Revenue Service, Criminal Investigation ("IRS"). I have been employed as a Special Agent with the IRS for approximately 15 years. My duties include the investigation of tax and money laundering matters and other criminal matters as they relate to tax and money laundering violations. I am currently working with Special Agent Jeffrey G. Jackson, Federal Bureau of Investigation ("FBI"); Special Agent Anne M. Hefel, FBI; Special Agent Michael P. Thompson, Defense Criminal Investigative Service; and other law enforcement agents on the investigation described below. This affidavit is based upon information I have gained during the course of the investigation from multiple sources, including, but not limited to, law enforcement agents involved in this investigation, documents provided in response to document requests and subpoenas, witness interviews, and sworn testimony. Although this affidavit contains extensive information acquired to date regarding the criminal matter described herein, it does not contain all of the information gathered during the investigation.

2. This affidavit is made in support of an eight-count Criminal Complaint charging Zubair Khan Ahmed Khan with one count of witness tampering conspiracy, 18 U.S.C. § 1512(k); one count of money laundering

conspiracy, 18 U.S.C. § 1956(h); four counts of witness tampering, 18 U.S.C. § 1512; one count of obstruction of justice, 18 U.S.C. § 1503(a); and one count of false statements, 18 U.S.C. § 1001(a)(2).

BACKGROUND OF THE INVESTIGATION

A. **Mohammad Shabbir Khan, Zubair Khan Ahmed Khan, and "Subject"**

3. Mohammad Shabbir Khan ("Shabbir Khan"), is a naturalized citizen of the United States, having been born in Pakistan. At all times relevant to this Affidavit and the Criminal Complaint, Shabbir Khan was a management-level employee of the Saudi Arabian company known as Tamimi Global Company, Ltd. ("Tamimi"). Shabbir Khan's duties included, but were not necessarily limited to, managing various business operations for Tamimi. According to information provided by Tamimi, Shabbir Khan was, at least through March 22, 2006, Tamimi's Director of Operations for Kuwait and Iraq.

4. The Defendant, Zubair Khan Ahmed Khan ("Zubair Khan"), a/k/a Zubair Ahmed Khan, is not a citizen of the United States. At all times relevant to this Affidavit and Complaint, Zubair Khan was a management-level employee of Tamimi. Zubair Khan's duties included, but were not necessarily limited to, managing various business operations for Tamimi. According to information provided by Tamimi, Zubair Khan was, at least through March 22, 2006, an operations manager in Iraq.

5. The individual referred to herein as "Subject" was a procurement manager of the company now known as Kellogg Brown & Root Services, Inc. ("KBR"), and served in that capacity from on or about October 1, 2002 through November 23, 2002, and again from on or about March 29, 2003 through May 21, 2003. During those periods, Subject was a Procurement Materials and Property Manager with KBR. His duties included, but were not necessarily limited to, the negotiation and awarding of government subcontracts on behalf of KBR under the government prime contract known as Logistics Civil Augmentation Program III ("LOGCAP III").

B. The LOGCAP III Prime Contract

6. In December 2001, the United States Army Operations Support Command located at the Rock Island Arsenal, Rock Island, Illinois, within the Central District of Illinois, awarded a prime contract called the Logistics and Civil Augmentation Program III ("LOGCAP III") to Brown & Root Services, a division of Kellogg Brown & Root, Inc. The Army Field Support Command, also located at the Rock Island Arsenal, is the procurement command for LOGCAP III. As the procurement command for LOGCAP III, the Army Field Support Command obligates or commits the funding for the prime contract.

7. Since securing the award of LOGCAP III, Brown & Root Services has transferred responsibilities for the contract to the Kellogg Brown & Root

subsidiary known as Kellogg Brown & Root Services, Inc. Kellogg Brown & Root, Inc., Brown & Root Services, and Kellogg Brown & Root Services, Inc. are collectively referred to herein as "KBR."

8. Under LOGCAP III, KBR is to provide goods and services to the Army at Kuwait and other locations around the world. The specific requirements under LOGCAP III are accomplished through the Army's issuance of individual "Task Orders" to KBR, each of which constitutes an individual contract under the umbrella of LOGCAP III.

9. Under LOGCAP III, KBR is paid by the government for its costs plus an award fee. KBR commonly uses subcontractors that invoice KBR for their work. KBR thereafter invoices the government for the cost of the subcontractor's LOGCAP III work, plus KBR's allowable fees. Inflation of a subcontract under LOGCAP III by fraud or due to the existence of kickbacks on the subcontract would require the Army Field Support Command to obligate or commit more money to LOGCAP III than it would otherwise have to commit absent such fraud or kickbacks.

10. Beginning in or about October 2002, one of the requirements of KBR under LOGCAP III was the establishment of a military dining facility ("DFAC") at Camp Arifjan, Kuwait under Task Order 27.

C. The Kickback Scheme and Cover-Up

(i) The Kickback Scheme

11. In or about October 2002, the U.S. Army's "Statement of Work" for Task Order 27 mandated that Tamimi was to be KBR's subcontractor for the Camp Arifjan DFAC. Accordingly, KBR had to negotiate the terms of the subcontract with Tamimi for the Camp Arifjan DFAC.

12. From on or about October 7, 2002, through on or about October 14, 2002, Subject, on behalf of KBR, and Shabbir Khan, on behalf of Tamimi, negotiated the price and other terms for the Camp Arifjan DFAC subcontract.

13. On or about October 9 or 10, 2002, Shabbir Khan hosted a birthday party for Subject at the residence of another Tamimi employee. Following the birthday party, Shabbir Khan drove Subject back to Subject's quarters. During this drive, Shabbir Khan offered to Subject what Subject understood to be an offer of a kickback for the award of the Camp Arifjan DFAC subcontract to Tamimi. Subject agreed to accept Shabbir Khan's kickback offer.

14. On or about October 14, 2002, Subject formally awarded the Camp Arifjan DFAC subcontract to Tamimi. This subcontract, designated KBR Subcontract number GU49-KU-S00001 ("Subcontract 00001"), had a not-to-exceed estimated price of \$14,431,505 for a 365-day period of performance. Subject

executed the subcontract on behalf of KBR, and Shabbir Khan executed the subcontract on behalf of Tamimi.

15. The terms and conditions of Subcontract 00001 included an Anti-Kickback Notice stating, in part:

Your attention is directed to the prohibitions contained within the Anti-Kickback Act of 1986
Subcontractors and suppliers are prohibited from offering any money, fee, commission, credit, gift, gratuity, thing of value or compensation of any kind directly or indirectly to Brown & Root Services employees for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

16. Between in or about October 2002 through on or about November 23, 2002, Shabbir Khan paid or caused to be paid to Subject at least \$30,000 cash, in U.S. currency, as kickbacks for his awarding of Subcontract 00001 to Tamimi.

17. Additionally, on or about the dates set forth below, Shabbir Khan paid or caused to be paid by electronic transfer of funds the following amounts of money to Subject or for the benefit of Subject as additional kickbacks for his awarding of Subcontract 00001 to Tamimi:

<u>#</u>	<u>Date</u>	<u>Payment Method & Amount</u>	<u>To Whom Payment Made</u>
1	10/29/02	Electronic funds transfer of \$2,965 from Kuwait	"Jane Doe's" bank account in Maryland.

2	11/25/02	Electronic funds transfer of \$20,965 from Kuwait	Subject's automobile loan account in Georgia (U.S.A.)
3	4/17/03	Electronic funds transfer of \$8,000 from Bahrain	Subject's bank account in Maryland
4	4/18/03	Electronic funds transfer of \$9,465 from Kuwait	Subject's bank account in Maryland
5	4/23/03	Electronic funds transfer of \$9,000 from Bahrain	Subject's bank account in Maryland
6	4/28/03	Electronic funds transfer of \$8,500 from Bahrain	Subject's bank account in Maryland
7	5/12/03	Electronic funds transfer of \$9,500 from Bahrain	Subject's bank account in Maryland
8	5/15/03	Electronic funds transfer of \$8,500 from Bahrain	Subject's bank account in Maryland
9	5/16/03	Electronic funds transfer of \$7,500 from Bahrain	Subject's bank account in Maryland
10	5/19/03	Electronic funds transfer of \$6,500 from Bahrain	Subject's bank account in Maryland
11	5/21/03	Electronic funds transfer of \$3,000 from Saudi Arabia	Subject's bank account in Maryland

18. On or about April 21, 2003, Subject resigned from KBR with an effective resignation date of May 21, 2003. Following his resignation from KBR, Subject returned to the United States.

(ii) **The Cover Up**

19. In or about April 2005, Subject received an e-mail from a person he believed to be an associate of Shabbir Khan's. In the e-mail, the sender requested that Subject contact him and left a telephone number to call.

20. In or about April 2005, Subject called the telephone number specified in the e-mail. Shabbir Khan answered the telephone. During the telephone call, Shabbir Khan told Subject that the attaché from the embassy or consulate in Bahrain had recently inquired into the source of the wire transfers to Subject that had originated in Bahrain. Shabbir Khan told Subject that if Subject were to have a business deal with Zubair Khan, whereby Subject and Zubair Khan would jointly purchase a vehicle in the United States for sale in the Middle East, this would make the wire transfers the authorities inquired about appear to be legitimate. Shabbir Khan then provided Subject with contact information for Zubair Khan.

21. From on or about April 11, 2005, through on or about May 26, 2005, Subject and Zubair Khan exchanged a number of e-mails in an effort to make various electronic transfers of funds to Subject as kickback payments appear to be a legitimate investment by Zubair Khan in the fictitious business venture between Zubair Khan and Subject. It was further a part of the ruse that the fictitious business venture between Zubair Khan and Subject purportedly fell through, thereby requiring Subject to electronically transfer approximately \$60,500 from the United States back to Zubair Khan to make it appear as if

Subject had "repaid" Zubair Khan for his (Zubair Khan's) "investment" in the fictitious business deal.

22. E-mails exchanged between Zubair Khan and Subject from on or about April 11, 2005 through on or about May 26, 2005 concerning the fictitious business deal and the "repayment" of money to Zubair Khan by Subject included, but were not necessarily limited to, the following:

From: Zubair Khan
To: [Subject]
Sent: Monday, April 11, 2005 6:03 PM
Subject: Caravan

Mr. [Subject],
This refers to our telephonic conversation in regards with the cravan [sic] to be purchased , would you pls send me all the details and when you can shift it to me.

Thanks

Zubair A Khan
Manager Operations
Tamimi Global Co
[XXXX XXX XXXX]

From: Zubair Khan [e-mail address]
Sent: Thursday, April 14, 2005 10:50 AM
To: [Subject]
Subject: Re: Caravan

FIRST REMINDER

THANKS

ZUBAIR

From: [Subject]
To: 'Zubair Khan'
Sent: Friday, April 15, 2005 4:09 AM
Subject: RE: Caravan

Hello [Zubair Khan],

Sorry I was not able to respond immediately. It has been a very busy week. I am glad that you are finally able to contact me. I have your funds in escrow. I am not operating my business any longer, and would like to return the funds to you.

Please provide banking information for the wire transfer. I don't have the exact amount in front of me right now, but will advise before I send.

Sorry it didn't work out.

[Subject]

From: Zubair Khan [e-mail address]
Sent: Friday, April 15, 2005 2:27 AM
To: [Subject]
Subject: Re: Caravan

Hi [Subject],
Thanks for your mail and it is ok if it didn't work this time.

I feel comfortable when you say you are going to wire transfer my fund, though it didn't work this time but I will be more than happy to have business in future with an honest person like you.

My bank acct information is as under

[Zubair Khan]
US\$ ACCT.NO. 11[XX]
[Bank in the Middle East]
BAGHDAD
IRAQ

Pls wire transfer the fund on the above Bank

Thanks

ZUBAIR

From: [Subject]
To: 'Zubair Khan'
Sent: Monday, April 18, 2005 4:23 PM
Subject: RE: Caravan

Zubair,

I have the funds available [sic] to transfer, but this doesn't look like correct banking information. Normally there is a Bank routing number and an account [sic] number like a checking [sic] or savings account number. Is this all there is?

[Subject]

From: [Subject]

To: 'zubair khan'
Sent: Friday, April 22, 2005 7:14 PM
Subject: RE: Caravan

Zubair,

I went to the bank to transfer your funds, and they insisted that I must have either a swift code or internatinal [sic] bank number for the transfer to go through.

Please provide.

[Subject]

From: Zubair Khan
To: [Subject]
Sent: Wednesday, May 11, 2005 4:21 PM
Subject: Swift #

Dear Mr [Subject],

I am back to my station from my little R & R, though it was short but a good one. I checked with the Bank of Baghdad and it was told to me that any money transfer to Iraq should be through the bank outside Iraq and I have been given that name and swift # of two banks as under

[Bank name]	Acct # US \$ 000-151[XXX]-[XXXX]
Swift: [swift no.]	P O Box: 95 Safat, Tel: +[XXX XXXX XXX]

[Bank name/city] (Jordan)	Acct # US \$ 401 [XXX XXX]
Swift : [swift no.]	P O box ;5055 Amman-11183 Jordan
	Tel : +[XXX-X-XXXXXXXX]

Hope this will work out and if you need any other information in regards with the above pls contact me.

Thanks n Regards

ZUBAIR

From: Zubair Khan [e-mail address]
Sent: Sunday, May 22, 2005 2:27 AM
To: [Subject]
Subject: reminder

REMINDER 1

Dear Mr [Subject],

I am back to my station from my little R & R, though it was short but a good one. I checked with the Bank of Baghdad and it was told to me that any money transfer to Iraq should be through the bank outside Iraq and I have been given that name and swift # of two banks as under

[Bank name]	Acct # US \$ 000-151[XXX]-[XXXX]
Swift: [swift no.]	P O Box: 95 Safat, Tel: +[XXX XXXX XXX]

[Bank name/city] (Jordan)	Acct # US \$ 401 [XXX XXX]
Swift : [swift no.]	P O box ;5055 Amman-11183 Jordan
	Tel : +[XXX-X-XXXXXXXX]

Hope this will work out and if you need any other information in regards with the above pls contact me.

Thanks n Regards

ZUBAIR

From: [Subject]
To: 'Zubair Khan'
Sent: Thursday, May 26, 2005 12:56 AM
Subject: RE: reminder

Zubair,

I am currently working with a Lawyer here in the US for the correct way to return the funds. He is in a location that is not near to me so this may take some time.

In the mean time it will help me to know who these accounts are in the name of.

Regards,

[Subject]

23. On or about April 15, 2005, in the United States, Subject transferred approximately \$62,000 from his Charles Schwab investment account to one of his Wachovia Bank accounts in preparation for electronically transferring approximately \$60,500 to Zubair Khan in the Middle East as part of the cover up.

24. On or about April 22, 2005, in the United States, Subject attempted to electronically transfer approximately \$60,500 to Zubair Khan in the Middle East as part of the cover up. However, the bank routing information previously

provided to Subject by Zubair Khan was not sufficient. Thus, Subject was unable to wire money to Zubair Khan in April 2005.

25. Based on his telephone discussion with Shabbir Khan in or about April 2005 and communications with Zubair Khan in or about April and May 2005, Subject understood that if he was questioned by federal authorities about the kickback payments that Shabbir Khan paid or caused to be paid to Subject, Subject was to falsely tell the federal authorities:

- a. that he had a side business deal with Zubair Khan for the purchase of a vehicle in the United States for sale in the Middle East;
- b. that Zubair Khan had invested approximately \$60,500 in the deal;
- c. that the deal fell through; and
- d. that Subject needed to return the approximately \$60,500 to Zubair Khan.

(a) Interviews of Shabbir Khan and Zubair Khan in Kuwait in August 2005, and receipt of documents supporting their statements

26. In August 2005, other agents with whom I am working on this investigation, including Special Agent Jeffrey G. Jackson, traveled to Kuwait to interview Tamimi employees. Counsel for Tamimi made the arrangements for

the interviews and was present during them. Among the Tamimi personnel who were interviewed in Kuwait were Shabbir Khan and Zubair Khan.

27. Agents interviewed Shabbir Khan at Camp Arifjan in Kuwait on August 26, 2005, and again on August 28, 2005. During the interviews, Shabbir Khan was questioned concerning some of the electronic funds transfers from the Middle East to Subject that are referred to above in the chart in paragraph 17 of this Affidavit. In response, Shabbir Khan told the interviewing agents that in the spring of 2003, he received a letter from Zubair Khan requesting money that was to be paid by Tamimi to Zubair Khan as salary or bonus be sent to Subject. Shabbir Khan further stated that he forwarded Zubair Khan's letter of request to Tamimi's payroll department. He further stated that Zubair Khan's request to have part of his Tamimi salary or bonus paid to Subject was not unusual. Shabbir Khan stated that he was under the impression that the money to be sent to Subject was for a private business venture between Subject and Zubair Khan for the purchase of an armored or hard-car in the United States for resale in Iraq for profit. Shabbir Khan stated that he later received another letter from Zubair Khan in which Zubair Khan requested that part of his salary or bonus be paid to a Tamimi employee in Bahrain. During the interview, Shabbir Khan denied that he and Tamimi had paid any kickbacks to Subject.

28. On August 28, 2005, agents interviewed Zubair Khan at Camp Arifjan in Kuwait. During the interview, Zubair Khan was questioned concerning some of the electronic funds transfers from the Middle East to Subject that are referred to in the chart in paragraph 17 of this Affidavit. In response, Zubair Khan told the interviewing agents that Subject is a friend of his and that in February or March 2003, Subject told him that he (Subject) was leaving KBR and going to work for another company in the Middle East. Zubair Khan stated that at that point, he and Subject started talking about going into an armored car business. According to Zubair Khan, they wanted to purchase armored cars from the United States and transport them to Iraq for resale. The armored cars would have been Chevrolet Suburbans or Yukons that had armor plating. Zubair Khan stated that he and Subject wanted to purchase one or two armored cars and ship them to Iraq to determine what the costs and profit margins were. Zubair Khan further stated that he received a bonus from Tamimi for 2002 that was paid in 2003 in the amount of \$60,500. Zubair Khan stated that he sent this money to Subject in the United States through Zubair Khan's friend in Bahrain. Zubair Khan stated that he and Subject believed an armored car would cost between \$100,000 and \$150,000. According to Zubair Khan, they were to each pay one-half of the costs under their business deal. Zubair Khan stated that the armored-

car deal fell through, and he tried to get Subject to purchase a recreational vehicle ("RV") because Zubair Khan knew of a man in Baghdad, Iraq, that wanted an RV. However, according to Zubair Khan, this transaction also fell through at the end of 2004. Zubair Khan stated that Subject was to send him back the \$60,500 that Zubair Khan had sent to Subject. Zubair Khan stated that he is still waiting for Subject to return the \$60,500.

29. During their respective interviews, Shabbir Khan and Zubair Khan, with the advice of counsel, agreed to forward to the United States Attorney's Office at Rock Island, Illinois, documentary proof concerning the purported armored-car business venture between Zubair Khan and Subject. In accordance with arrangements discussed with counsel for Tamimi, such documents were to be provided by Shabbir Khan and Zubair Khan to counsel, and then forwarded to the U.S. Attorney's Office in Rock Island.

30. On or about September 12, 2005, a letter from Tamimi's counsel dated September 6, 2005 was received at the U.S. Attorney's Office in Rock Island. Accompanying the letter were copies of a series of documents purporting to relate to the electronic funds transfers from Tamimi representatives to Subject in the spring of 2003. These documents were consistent with the interview

statements made in Kuwait by Shabbir Khan and Zubair Khan concerning the purported armored-car business venture between Zubair Khan and Subject.

31. On or about September 16, 2005, a letter from Tamimi's counsel dated September 11, 2005 was received at the U.S. Attorney's Office in Rock Island. Accompanying the letter were copies of a series of e-mails between Zubair Khan and Subject purporting to relate to the armored-car business venture between them. These e-mails were consistent with the interview statements made in Kuwait by Shabbir Khan and Zubair Khan concerning the purported armored-car business venture between Zubair Khan and Subject.

32. On or about September 26, 2005, a letter from Tamimi's counsel dated September 21, 2005 was received at the U.S. Attorney's Office in Rock Island. Accompanying the letter were copies of documents concerning bonuses paid by Tamimi to Zubair Khan, wire transfer instructions relating to those bonus payments, and various bank statements showing payment and receipt of the bonus payments. The documents were consistent with the interview statements made by Shabbir Khan and Zubair Khan concerning the purported armored-car business venture between Zubair Khan and Subject.

(b) Subject's interview and subsequent cooperation

33. On August 26, 2005, while other agents were conducting interviews in Kuwait, Special Agent Anne M. Hefel, FBI, and I interviewed Subject. We

questioned him concerning approximately \$60,500 in wire transfers that Subject received in the Spring of 2003 and that we had traced to either Tamimi or persons who we believed to be affiliated with Tamimi. Subject indicated that he wanted to cooperate with the federal authorities but first wanted legal counsel.

34. On or about September 9, 2005, Subject, with the advice of counsel, entered into a cooperation agreement with the U.S. Attorney's Office for the Central District of Illinois. Among other terms, the cooperation agreement conditionally provided the defendant with direct use immunity for statements made by him to other agents and me. Subject, hereinafter referred to as "Cooperating Witness," or "CW", subsequently described in detail to Special Agent Hefel and me the kickback scheme summarized, in part, in paragraphs 11 through 17 of this Affidavit, and the cover up scheme described, in part, in paragraphs 19 through 25.

35. Following CW's decision to cooperate with the government in September 2005, and at the direction of other agents and me, CW has maintained contact with Zubair Khan, and, on one occasion, spoke briefly with Shabbir Khan. During a telephone call on or about September 30, 2005, Shabbir Khan directed CW to maintain contact with Zubair Khan, who would "brief" CW.

Zubair Khan subsequently asked CW to meet with him in London on or about October 28, 2005. At the direction of other agents and me, CW agreed to do so.

36. On October 28, 2005, CW went to a hotel in London where he and Zubair Khan agreed to meet that day. When he arrived, Shabbir Khan and Zubair Khan were both there. Discussions between CW, Shabbir Khan, and Zubair Khan were consensually recorded by electronic means with the approval of British authorities. I have reviewed substantive portions of a copy of the recording of their conversations.

37. After CW saw Shabbir Khan and Zubair Khan in the hotel, Zubair Khan directed CW to walk with him to a restaurant. Zubair Khan initially met with CW alone. Zubair Khan stated that he was glad to finally meet CW, and described to CW the fictitious story he (Zubair Khan) had told the federal agents that interviewed him in Kuwait in August 2005. Further, Zubair Khan instructed CW that this was the story that he (CW) was to tell the FBI if questioned concerning wire transfers to CW.

38. Shabbir Khan later joined Zubair Khan and CW in the restaurant. Shabbir expressed concerns about how they had to be careful, and that he had been there to make sure CW was indeed the person who was meeting Zubair Khan. Shabbir Khan and Zubair Khan thereafter explained to CW that they

needed documentation showing that CW had wired \$65,000 back to Zubair Khan. When CW told Shabbir Khan and Zubair Khan that he (CW) did not have the \$65,000 to wire back, Shabbir Khan and Zubair Khan instructed CW that he should electronically transfer some amount of money back to Zubair Khan. According to them, they would then transfer back the same amount to CW through a trusted friend of CW, who they directed CW to identify for them, so no one could detect that it was actually going to CW. This process of sending the same money back and forth was to continue until CW had sent a total of \$65,000 to Zubair Khan and they had sent back to CW a total of \$65,000 in return. Shabbir Khan and Zubair Khan indicated that they would then use the documentation of the \$65,000 in transfers from CW to support their fictitious story that the business venture between Zubair Khan and CW had fallen through and that CW had now paid back to Zubair Khan his investment in the business. Shabbir Khan also instructed CW to send Zubair Khan an e-mail about returning the money, suggesting that CW say something like he is sorry for the delay in sending it back.

D. Shabbir Khan's False Statements at Rock Island, Illinois on March 22, 2006

39. During Shabbir Khan's above-summarized interview in Kuwait on August 28, 2005, he and his counsel agreed to meet with federal agents in the

United States on some future occasion to follow up on the information that Shabbir Khan provided during his interview. On and after March 14, 2006, Shabbir Khan's counsel conditionally agreed that Shabbir Khan and counsel would travel to the U.S. Attorney's Office at Rock Island for an interview by federal agents on March 22, 2006 concerning the same topics that were discussed with Shabbir Khan in Kuwait in August 2005. The conditions for the interview were set forth in a letter from the U.S. Attorney's Office to counsel on March 15, 2006. The conditions included a confirmation that while Shabbir Khan was in the United States during the period from March 21, 2006 through March 26, 2006 for the interview, he would not be arrested based upon conduct occurring prior to his arrival in the United States of which the United States Attorney for the Central District of Illinois was aware. However, as was discussed with counsel on March 14, 2006, the letter further stated that the assurance did not apply to conduct by Shabbir Khan while was in the United States during that time period for his scheduled interview that violated any federal, state, or local laws including, but not limited to, the smuggling of goods into the United States under Title 18, United States Code, Section 545, the failure to file reports on importing monetary instruments under Title 31, United States Code, Section 5316, or the making of false statements under Title 18, United States Code, Section 1001.

40. Counsel was specifically advised that the false statements exception to the assurance letter included any false statements that Shabbir Khan might make during his interview on March 22, 2006.

41. On March 22, 2006, Shabbir Khan arrived for his interview by federal agents at the U.S. Attorney's Office for the Central District of Illinois at Rock Island. Prior to his interview, in the presence of counsel, Shabbir Khan was advised that any false statement made by him during the interview could constitute a federal crime for which he could be prosecuted. Shabbir Khan stated that he understood.

42. During the ensuing interview, Shabbir Khan was questioned concerning some of the electronic funds transfers from the Middle East to or for the benefit of CW during the period from approximately October 29, 2002 through May 21, 2003 that are referred to above in the chart in paragraph 17 of this Affidavit. In response thereto, Shabbir Khan made the following statements to the federal agents participating in the interview, which included Special Agents from the FBI and Army Criminal Investigation Command (Army CID):

a. In 2003, Zubair Khan had a private side business deal with CW for the purchase of an armored vehicle in the United States for resale in the Middle East.

b. This armored vehicle deal between Zubair Khan and CW had nothing to do with Tamimi's business with KBR.

c. To obtain the money for Zubair Khan's investment in the armored car deal with CW, Zubair Khan asked Tamimi to give \$67,000 of his 2002 bonus to a particular Tamimi manager in Bahrain.

d. Some of the money for Zubair Khan's investment in the armored car deal with CW was provided by Tamimi to the Tamimi manager in Bahrain, who thereafter transmitted the money to CW for that purpose.

e. None of the money provided to CW by the Tamimi manager in Bahrain, and Zubair Khan had anything to do with Tamimi's business with KBR.

f. The armored vehicle deal with CW fell through and Zubair Khan has asked CW to return the money to him.

g. Neither Zubair Khan, Shabbir Khan or Tamimi intended to pay kickbacks or bribes to CW through the payments made by Zubair Khan to CW.

h. The payments made to CW were not made because CW had involvement in awarding or administering any subcontracts between KBR and Tamimi.

i. The last time Shabbir Khan spoke with CW was in 2003.

j. The last place Shabbir Khan saw CW was Shabbir Khan's office in Kuwait in 2003.

k. Each of the following documents provided by Tamimi to federal agents and/or the U.S. Attorney's Office for the Central District of Illinois related directly to the investment by Zubair Khan in the armored vehicle deal between Zubair Khan and CW, and had nothing to do with kickbacks or bribes paid to CW:

1. Letter dated April 10, 2003 from Zubair Khan to Shabbir Khan requesting that Tamimi's Finance Department give \$67,000 from Zubair Khan's bonus for 2002 to a Tamimi manager in Bahrain.

2. Letter dated April 13, 2003 between accounts personnel indicating that Zubair Khan's letter of April 10, 2003 had been approved by Tamimi's Operation Manager.

3. Memo dated May 20, 2003 indicating that eight payments totaling \$60,500 had been made by Tamimi pursuant to Zubair Khan's letter dated April 10, 2003 during the period April 16, 2003 through May 17, 2003.

4. Undated chart entitled "Transferred by M. Mattar" reflecting six transactions totaling \$49,500.

5. Approximately seven checks made payable to a Tamimi manager in Bahrain and seven applications and/or receipts for money wire transfers to CW during the time period April 21, 2003 through May 17, 2003.

E. Conclusion

43. Based on the foregoing, I respectfully submit there is probable cause to charge Zubair Khan with one count of witness tampering conspiracy, 18 U.S.C. § 1512(k); one count of money laundering conspiracy, 18 U.S.C. § 1956(h); four counts of witness tampering, 18 U.S.C. § 1512; one count of obstruction of justice, 18 U.S.C. § 1503(a); and one count of false statements, 18 U.S.C. § 1001(a)(2).

FURTHER AFFIANT SAYETH NAUGHT.

S/Brian Berntson

BRIAN L. BERNTSON
Special Agent
IRS, Criminal Investigation

Sworn to before me and subscribed in my presence
this 28 day of March, 2006, at Rock Island,
Illinois.

S/Thomas J. Shields

THOMAS J. SHIELDS
United States Magistrate Judge