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Attorneys for Plaintiff

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA, )	Case No.
)	)
Plaintiff, )	<u>COUNT 1:</u>
)	CONSPIRACY TO RECEIVE
vs. )	BRIBES AND DEFRAUD
)	THE UNITED STATES
SHELDON J. MORGAN, )	Vio. 18 U.S.C. §§ 371 & 201(b)(2)
)	)
Defendant. )	CRIMINAL FORFEITURE
)	ALLEGATION:
)	18 U.S.C. § 981(a)(1)(C) and
)	28 U.S.C. § 2461

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## INFORMATION

The United States Attorney charges that:

## BACKGROUND

(1) The defendant, SHELDON J. MORGAN, served in the United States Army in the 426<sup>th</sup> Brigade Support Battalion at Forward Operating Base (“FOB”) Fenty, near Jalalabad, Afghanistan. Defendant’s tour of duty was from in or about May 2010 through in or about May 2011, during which time he was a Specialist (E-4).

(2) During the time of the conduct charged in this Information, FOB Fenty served as a hub for the distribution of fuel to nearby bases. Fuel would be brought to FOB Fenty in large fuel trucks, downloaded at FOB Fenty for storage, and then transported from FOB Fenty to other bases as needed in smaller fuel trucks.

(3) The duties of defendant included assisting in overseeing the distribution of fuel from FOB Fenty to other United States bases in Afghanistan.

(4) The “Trucking Company” was an Afghan company that provided trucking services. It provided transportation of fuel by truck for the United States Army from FOB Fenty to other destinations

throughout Afghanistan. “Individual #1” worked for the Trucking Company as a translator for the drivers of the “Jingle” trucks, colorfully decorated Afghan transport trucks. Defendant interacted with Individual #1 almost every day.

(5) The procedures used by defendant for fuel transportation were generally as follows: when another United States military base needed fuel, defendant’s supervisor notified an authorized Afghan trucking company of the need to transport fuel from FOB Fenty to another base and the Trucking Company provided a fuel truck for the purpose. To document the transportation of fuel, the Army generated a document called a Transportation Movement Request (“TMR”), which authorized the movement of fuel from FOB Fenty to another military base. The driver of the truck carried the TMR through the fuel transportation mission and ultimately presented it at delivery.

(6) In or about December 2010, Individual #1 asked defendant to allow him to steal some of the fuel being loaded at FOB Fenty, to which defendant agreed. Defendant subsequently allowed Individual #1 to steal two truckloads of fuel in or about December 2010. Individual #1 accomplished the theft by inserting an extra 5,000 gallon tanker truck

onto an already scheduled mission without the paperwork or TMRs.

(7) In return for allowing Individual #1 to steal the two trucks of fuel, Individual #1 agreed to pay defendant \$5,000 per truck.

Individual #1 suggested that he would wire transfer the money to defendant. Defendant, not wanting to use the joint USAA bank account he shared with his wife and not wanting to be associated with the money, told his wife to open a bank account in her name only in the Philippines, which she did. Thereafter, on or about January 26, 2011 and on or about February 1, 2011, respectively, Individual #1 caused to be sent by wire to this account in the Philippines two separate payments of \$5,010 each. This money was used for the personal benefit of defendant and his wife.

(8) During this time, replacing fuel at FOB Fenty cost the United States approximately on average \$3.73 per gallon and, thus, for two 5,000 gallon trucks, the loss to the United States occasioned by this criminal conspiracy was approximately \$37,300.

### **COUNT 1**

Paragraphs 1 through 8 of this Information are incorporated by reference as if fully stated herein, and the following is further alleged:

(9) From in or about December 2010 through in or about February 2011, in Afghanistan and elsewhere outside the United States, the defendant, SHELDON J. MORGAN, knowingly and unlawfully conspired, confederated, and agreed with Individual #1 and others: a) to commit offenses against the United States, namely, bribery, in violation of Title 18, United States Code, Section 201(b), and b) to defraud the United States of money and property, namely fuel.

#### MANNER AND MEANS OF THE CONSPIRACY

(10) It was part of the conspiracy that the defendant SHELDON J. MORGAN, and his coconspirators would, among other things, do the following:

(a) Defendant SHELDON J. MORGAN would arrange for an extra truck to be fueled while other trucks were being fueled for a fuel mission and then allow that truck to leave FOB Fenty knowing it would be diverted and the fuel stolen after it left FOB Fenty.

(b) Once the fuel left the base, the fuel in the extra truck would be stolen by Individual #1 and others associated with him.

(c) In return for facilitating the theft of the fuel from FOB Fenty, defendant MORGAN would receive payments from Individual #1

by wire transfer from Afghanistan to the Philippines.

(d) Defendant SHELDON J. MORGAN, well knowing that fuel was being diverted and stolen from FOB Fenty, would fail to safeguard the property of the United States Army.

#### OVERT ACTS

(11) In furtherance of the conspiracy and to effect its unlawful objects, defendant and his coconspirators committed the following overt acts among others:

(a) On two dates in December 2010, the precise dates being unknown, defendant MORGAN took steps to load trucks operated by the Trucking Company with fuel at FOB Fenty, knowing that that fuel was to be stolen.

(b) On or about January 26, 2011, defendant MORGAN received a wire transfer of approximately \$5,010 to his wife's bank account in the Philippines from Individual #1.

(c) On or about February 1, 2011, defendant MORGAN received a wire transfer of approximately \$5,010 to his wife's bank account in the Philippines from Individual #1.

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

pursuant to the extraterritorial venue provision, Title 18, United States Code, Section 3238.

**CRIMINAL FORFEITURE ALLEGATION**

(12) Pursuant to Title 18, United States Code, Section 981(1)(1)(c) and Title 28, United States Code, Section 2461(c), the defendant, once convicted of Count One of the Information, shall forfeit to the United States the following property:

(a) Any property, real or personal, which constitutes or is derived from proceeds traceable to the offense, including \$10,020 in cash.

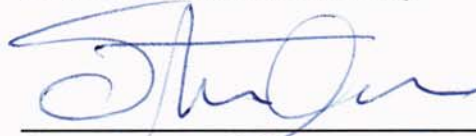
(b) A sum of money equal to the total amount of proceeds traceable to the conduct, in violation of 18 U.S.C. § 371, charged in Count One, for which the defendant is convicted.

(13) Pursuant to Title 21, United States Code, Section 854(p), as incorporated by Title 26, United States Code, Section 2461, the defendant shall forfeit substitute property, up to the value of the amount described in the foregoing paragraphs, if, by any act or omission of defendant, the property described in such paragraphs, or any portion thereof, cannot be located upon the exercise of due diligence; has been

transferred, sold to or deposited with a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty.

Dated this 16<sup>TH</sup> day of May, 2016, at Fairbanks, Alaska.

KAREN L. LOEFFLER  
United States Attorney



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ANDREW WEISSMANN  
Chief, Fraud Section



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