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UNITED STATES DISTRICT COURT  
DISTRICT OF HAWAII

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UNITED STATES OF AMERICA

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA )  
 )  
 v. )  
 )  
 GARY M. CANTEEN, )  
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 Defendant. )  
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PLEA AGREEMENT

The United States of America and GARY M. CANTEEN ("defendant") and defendant's counsel hereby enter into the following Plea Agreement pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure ("Fed. R. Crim. P.")

RIGHTS OF DEFENDANT

- 1. Defendant understands his rights:
  - (a) to be represented by an attorney;

(b) to plead not guilty to any criminal charge brought against him;

(c) to have a trial by jury, at which he would be presumed not guilty of the charges and the United States would have to prove every essential element of the charged offenses beyond a reasonable doubt for him to be found guilty;

(d) to confront and cross-examine witnesses against him and to subpoena witnesses in his defense at trial;

(e) not to be compelled to incriminate himself;

(f) to appeal his conviction, if he is found guilty;  
and

(g) to appeal the imposition of sentence against him.

**AGREEMENT TO PLEAD GUILTY  
AND WAIVE CERTAIN RIGHTS**

2. Defendant knowingly and voluntarily waives the rights set out in Paragraph 1(b)-(f) above, and all jurisdictional and venue defenses to the prosecution of this case, and agrees voluntarily to consent to the jurisdiction of the United States to prosecute this case against him in the United States District Court for the District of Hawaii. Defendant further knowingly and voluntarily waives his right to assert the statute of limitations, 18 U.S.C. § 3282, as a defense to the charged offenses. Defendant also knowingly and voluntarily waives the right to challenge his conviction and sentence or the manner in

which his sentence was determined in any direct appeal or collateral attack, including but not limited to an appeal under 18 U.S.C. § 3742 or a motion under 28 U.S.C. §§ 2241 or 2255, except that defendant may make such a challenge based on a claim of ineffective assistance of counsel. This agreement does not affect the rights or obligations of the United States as set forth in 18 U.S.C. § 3742(b), (c). Defendant will plead guilty to Count One of the Indictment filed in the United States District Court for the District of Hawaii, charging defendant with conspiracy to commit an offense against the United States, to wit bribery, and to defraud the United States, in violation of 18 U.S.C. § 371. Defendant admits that, as charged in Count One of the Indictment, he knowingly and unlawfully conspired, combined, confederated, and agreed with others, known and unknown, to commit bribery and to defraud the United States and that defendant and his co-conspirators performed overt acts in furtherance of the conspiracy. Defendant is pleading guilty because he is guilty and understands that he will be adjudicated guilty of this offense. At sentencing, the United States will move to dismiss Counts Four and Six of the Indictment.

3. Defendant, pursuant to the terms of this Plea Agreement, will plead guilty to the criminal charges described in Paragraph 2 above and will make a factual admission of guilt to the Court in accordance with Fed. R. Crim. P. 11, as set forth in

Paragraph 4 below. Defendant agrees that the facts set forth in Paragraph 4 establish his guilt beyond a reasonable doubt.

**FACTUAL BASIS FOR OFFENSE CHARGED**

4. Had this case gone to trial, the United States would have presented evidence sufficient to prove the following facts:

(a) From in or about September 2004 until at least in or about April 2009 (the "relevant period"), the United States Department of Defense (DOD) operated a military base at Bagram Airfield, Afghanistan (Bagram). Defendant was deployed to Bagram in or about February 2004 with the United States Army's 725th Logistical Task Force (LTF), where he served as the First Sergeant and had overall supervisory responsibility for approximately forty enlisted soldiers, including Charles O. Finch. Defendant served in this capacity until in or about February 2005. During the relevant period, defendant co-owned a t-shirt and souvenir shop named Da Spot, Inc. (Da Spot), in Honolulu, Hawaii.

(b) Finch, a Sergeant with the Army's 725th LTF, was deployed to Bagram in or about January 2004 and assigned as the Noncommissioned Officer In Charge (NCOIC) of Operations Support, where he served until in or about January 2005. In his capacity as NCOIC, Finch had responsibility for trucking and transportation or "line haul" services at Bagram. Finch

coordinated line haul services into and out of Bagram, which required gathering requests for the transportation of supplies and other provisions from in and around Bagram to various forward-operating bases in Afghanistan and assigning those requests to various private contracting firms that held line haul blanket purchase agreements (BPA) at Bagram. A BPA is an indefinite delivery/indefinite quantity procurement vehicle by which DOD agrees to pay a contractor a specified price for a particular good or service. As NCOIC, Finch participated in evaluating, recommending, and facilitating the award of line haul BPAs at Bagram.

(c) AZ Corporation (AZ), a military contracting business which provided Bagram with, among other things, line haul transportation, was owned by brothers Assad John Ramin and Tahir Ramin. AZ was awarded line haul BPA W913TY-05-A-0005 at Bagram on or about October 15, 2004, a contract which was connected with and related to the prosecution of the war in Afghanistan.

(d) During the relevant period, defendant knowingly and unlawfully combined, conspired, confederated, and agreed with Finch and others to defraud the United States by impairing, impeding, and defeating the lawful functions of the DOD, and to commit an offense against the United States, namely bribery, by directly and indirectly, corruptly

demanding, seeking, receiving, accepting, and agreeing to receive and accept things of value, that is, among other things, money, in return for being influenced in the performance of official acts, and in return for being induced to do and omit to do acts in violation of official duty, including recommending and facilitating the award of a DOD line haul BPA to AZ and allowing AZ to collect payments therefrom, and defendant and his co-conspirators took overt acts to effect the illegal objects of this conspiracy.

(e) As part of the conspiracy, at a meeting where defendant was present in or about September 2004, Finch and John Ramin agreed that AZ would "take care of" Finch in return for favorable contracting actions for AZ.

(f) In or about September 2004, upon Finch's request, defendant provided Finch with the bank account number and other information for Da Spot's account at First Hawaiian Bank in Pearl City, Hawaii, which defendant controlled.

(g) On or about September 7, 2004, Finch emailed Tahir Ramin with the address for the branch of First Hawaiian Bank in Pearl City, Hawaii, where Da Spot held its bank account.

(h) On or about September 24, 2004, Tahir Ramin emailed an AZ employee with the account number and related information for Da Spot's bank account at First Hawaiian

Bank in Pearl City. Tahir Ramin directed the employee to send a \$50,000 payment to the Da Spot account.

(i) On or about September 27, 2004, John Ramin, Tahir Ramin, and AZ caused \$50,000 to be wired to the Da Spot account in Hawaii.

(j) On or about October 12, 2004, Finch drafted a memorandum recommending that AZ be awarded a DOD line haul BPA, and, on or about October 15, 2004, AZ was awarded line haul BPA W913TY-05-A-0005.

(k) On or about November 5, 2004, defendant's wife withdrew \$25,000 of funds received from AZ from the Da Spot bank account, for defendant's personal use.

(l) On or about February 4, 2005, defendant purchased an official bank check, payable to Finch, in the amount of \$24,000, with funds received from AZ, from the Da Spot bank account, which Finch cashed on or about February 4, 2005.

(m) Defendant knew or deliberately ignored that the \$50,000 payment received from AZ was a bribe in return for Finch's official acts, and defendant agreed to join the conspiracy and remit a portion of the funds to Finch knowing or deliberately ignoring the purpose of the payment.

(n) During the relevant period, AZ collected approximately \$20,067,104.07 in payments from DOD for line

haul services invoiced pursuant to BPA W913TY-05-A-0005, paid through personal property of the United States.

(o) During the relevant period, the value of the payment defendant received was at least more than \$30,000 but less than \$70,000.

(p) The offense involved public officials, including defendant and Finch, who held high-level decision-making and sensitive positions.

**POSSIBLE MAXIMUM SENTENCE**

5. Defendant understands that the statutory maximum penalties which may be imposed against him upon conviction for a violation of 18 U.S.C. § 371 are:

(a) a term of imprisonment for five (5) years (18 U.S.C. § 371);

(b) a fine in an amount equal to the greatest of: (1) \$250,000; (2) twice the gross pecuniary gain derived from the crime; or (3) twice the gross pecuniary loss caused to the victims of the crime; and

(c) a term of supervised release of not more than three years following any term of imprisonment. If defendant violates any condition of supervised release, defendant could be required to serve the entire term of supervised release in prison. 18 U.S.C. §§ 3559(a)(3); 3583(b)(2) and (e)(3); and United States Sentencing



Guidelines ("U.S.S.G.," "Sentencing Guidelines," or "Guidelines") § 5D1.2(a)(2).

6. In addition, defendant understands that:

(a) pursuant 18 U.S.C. §§ 3663(a)(3) or 3583(d), the Court shall order him to pay restitution to the victims of the offense; and

(b) pursuant to 18 U.S.C. § 3013(a)(2)(A), the Court is required to order defendant to pay a \$100.00 special assessment upon conviction.

**SENTENCING GUIDELINES**

7. Defendant understands that the Sentencing Guidelines are advisory, not mandatory, and that the Court must consider the Guidelines in effect on the day of sentencing, along with the other factors set forth in 18 U.S.C. § 3553(a), in determining and imposing sentence. Defendant understands that the Guidelines determinations will be made by the Court by a preponderance of the evidence standard. Defendant understands that although the Court is not ultimately bound to impose a sentence within the applicable Guidelines range, its sentence must be reasonable based upon consideration of the sentencing factors set forth in 18 U.S.C. § 3553(a). Defendant agrees that this Plea Agreement, along with the record that will be created by the United States and defendant at the plea hearing and any sentencing memorandum, will provide sufficient information concerning defendant, the crimes charged,

and defendant's role in the crimes to enable the meaningful exercise of the Court's sentencing authority as required by 18 U.S.C. § 3553.

**SENTENCING AGREEMENT**

8. For purposes of calculating the sentence directed by the Sentencing Guidelines, the United States and defendant agree to recommend the following calculation, which the parties agree provides a fair, just, and reasonable resolution of this matter:

(a) The November 1, 2010, edition of the Guidelines applies;

(b) The controlling Guideline applicable to Count One is U.S.S.G. § 2X1.1, which cross-references the Guideline of the substantive offense, namely U.S.S.G. § 2C1.1;

(c) Pursuant to Guideline § 2C1.1(a)(1), the base offense level is 14;

(d) The value of the payment was at least more than \$30,000 but less than \$70,000, and thus a six-level increase is appropriate pursuant to U.S.S.G. §§ 2C1.1(b)(2) and 2B1.1(b)(1)(D);

(e) The offense involved public officials, including defendant and Finch, who held high-level decision-making and sensitive positions, and thus, an additional four-level increase is appropriate pursuant to U.S.S.G. § 2C1.1(b)(3); and

(f) The parties agree that either side may tender argument regarding whether defendant was a minor participant in the offense, and whether a two-level decrease may be appropriate pursuant to U.S.S.G. § 3B1.2(b).

9. The United States does not oppose a two-level reduction in defendant's combined offense level, based upon defendant's apparent prompt recognition and affirmative acceptance of personal responsibility for his criminal conduct. The United States may oppose any adjustment for acceptance of responsibility if 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, the United States, or the Probation Office; (e) obstructs or attempts to obstruct justice; (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.

10. Defendant understands that there is no agreement as to the sentencing provisions set out in Chapter Four of the Guidelines, and that the foregoing sentencing guidelines calculations could change based upon his criminal history category, or if he is a career offender, or if the instant offense was part of a pattern of criminal conduct from which he derived a substantial portion of his income.

11. The United States and defendant agree that with respect to the calculation of the advisory Guidelines range, no other offense characteristics, Sentencing Guidelines factors, potential departures or adjustments as set forth in Chapters 2, 3, 4, or 5 of the Sentencing Guidelines will be raised, argued, or are in dispute.

12. Defendant, his attorney, and the United States acknowledge and agree that the above calculations are preliminary in nature and based on facts known to the United States as of the time of this Plea Agreement. Defendant understands that the Probation Office will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and that the Court's determinations govern the final Guidelines calculation. The validity of this Plea Agreement is not contingent upon the probation officer's or the Court's concurrence with the above calculations and defendant has no right to withdraw his Plea Agreement if the probation officer or the Court do not agree or concur with the calculations, stipulations, or recommendations of the parties. Defendant further understands that, as provided in Federal Rule of Criminal Procedure 11(c)(3)(B), if the Court does not impose a sentence consistent with the calculations, stipulations, or recommendations contained in this Plea Agreement, he nevertheless has no right to withdraw his plea of guilty.

**RESTITUTION**

13. Defendant agrees to the entry of a restitution order for the full amount of the victim's losses pursuant to 18 U.S.C. §§ 3556, 3663A(c)(1)(A)(ii), and 3664(f)(1)(A), which the United States and defendant agree is \$50,000 owed to the United States Department of Defense.

**GOVERNMENT'S AGREEMENT**

14. Upon the Court's acceptance of the guilty plea called for by this Plea Agreement and the imposition of the sentence, the United States will not bring further criminal charges against defendant for any act or offense committed before the date of this Plea Agreement that was undertaken in furtherance of the crimes arising from the facts set forth in Counts One, Four, and Six of the Indictment and in this Plea Agreement ("Relevant Offenses"). The terms of this Plea Agreement do not apply to civil or administrative matters of any kind, to any violation of the federal tax or securities laws, or to any crime of violence. The defendant understands that this Plea Agreement is binding only upon the Criminal Division, United States Department of Justice, and the United States Attorney's Office for the District of Hawaii, and does not bind the United States Department of Defense, Department of the Army, Department of the Air Force, or any other federal, state, or local entity.

**REPRESENTATION BY COUNSEL**

15. Defendant has reviewed all legal and factual aspects of this case with his attorney and is fully satisfied with his attorney's legal representation. Defendant has thoroughly reviewed this Plea Agreement with his attorney and has received satisfactory explanations from his attorney concerning each paragraph of this Plea Agreement and alternatives available to defendant other than entering into this Plea Agreement. After conferring with his attorney and considering all available alternatives, defendant has made a knowing and voluntary decision to enter into this Plea Agreement.

**VOLUNTARY PLEA**

16. Defendant's decision to enter into this Plea Agreement and to tender a plea of guilty is freely and voluntarily made and is not the result of force, threats, assurances, promises, or representations other than the representations contained in this Plea Agreement. The United States has made no promises or representations to defendant as to whether the Court will accept or reject the recommendations contained within this Plea Agreement.

**VIOLATION OF PLEA AGREEMENT**

17. Defendant agrees that should the United States determine in good faith, during the period that any Relevant Proceeding is pending, that defendant has violated any provision

of this Plea Agreement, the United States will notify defendant or his counsel in writing by personal or overnight delivery or facsimile transmission and may also notify his counsel by telephone of its intention to void any of its obligations under this Plea Agreement (except its obligations under this paragraph), and defendant shall be subject to prosecution for any federal crime of which the United States has knowledge including, but not limited to, the substantive offenses relating to the investigation resulting in this Plea Agreement. Defendant agrees that, in the event that the United States is released from its obligations under this Plea Agreement and brings criminal charges against defendant for any of the Relevant Offenses, the statute of limitations period for such offenses will be tolled for the period between the date of the signing of this Plea Agreement and six (6) months after the date the United States gave notice of its intent to void its obligations under this Plea Agreement.

18. Defendant understands and agrees that in any further prosecution of him resulting from the release of the United States from its obligations under this Plea Agreement based on defendant's violation of the Plea Agreement, any documents, statements, information, testimony, or evidence provided by his attorneys or agents of the United States, federal grand juries, or courts, and any leads derived therefrom, may be used against him in any such further prosecution. In addition, defendant

unconditionally waives his right to challenge the use of such evidence in any such further prosecution, notwithstanding the protections of Federal Rule of Evidence 410.

**ENTIRETY OF AGREEMENT**

19. This Plea Agreement constitutes the entire agreement between the United States and defendant concerning the disposition of the criminal charges in this case. This Plea Agreement cannot be modified except in writing, signed by the United States and defendant.

20. The undersigned attorneys for the United States have been authorized by the Attorney General to enter this Plea Agreement on behalf of the United States.

21. A facsimile or other electronically transmitted signature shall be deemed an original signature for the purpose of executing this Plea Agreement. Multiple signature pages are authorized for the purpose of executing this Plea Agreement.

Dated: 7/29/2011

Respectfully submitted,



\_\_\_\_\_  
Mark W. Pletcher  
Emily W. Allen  
Trial Attorneys  
United States Department of Justice  
1400 New York Avenue, 4<sup>th</sup> Floor  
Washington, DC 20530



I have read this agreement 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 stipulations with my attorney, and I do not wish to change any of them. I am completely satisfied with the representation of my attorney.

7/29/11  
Date

  
Gary M. Canteen

I am Gary Canteen's attorney. I have carefully reviewed every part of this agreement with him. To my knowledge, his decision to enter into this agreement is informed and voluntary.

7/29/11  
Date

  
William Harrison, Esq.  
Counsel for Gary Canteen