
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**
v. :
LOUIS BERGER INTERNATIONAL, : Mag. No. 15-3624 (MF)
INC. :

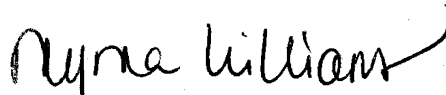
I, Myrna Williams, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Special Agent with the Federal Bureau of Investigation ("FBI") and that this Criminal Complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.




Myrna Williams
Special Agent, FBI

Sworn to before me and subscribed in my presence,

July 7, 2015
Date

at Newark, New Jersey
City and State

HONORABLE MARK FALK
United States Magistrate Judge


Signature of Judicial Officer

ATTACHMENT A

From in or about 1998 through in or about 2010, in the District of New Jersey and elsewhere, the defendant,

LOUIS BERGER INTERNATIONAL, INC.,

did willfully, that is with the intent to further the objects of the conspiracy, and knowingly conspire, confederate, and agree with others, known and unknown, to commit an offense against the United States, that is, being a domestic concern, to willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value, to a foreign official, and to a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised to a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing an improper advantage; and (iv) inducing such foreign official to use his influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist the Company and others in obtaining and retaining business for and with, and directing business to, LBI and others, contrary to Title 15, United States Code, Section 78dd-2(a).

In furtherance of the conspiracy and to effect the illegal purpose thereof, the overt acts set forth in paragraph 4 of Attachment B, among others, were committed in the District of New Jersey and elsewhere.

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

ATTACHMENT B

I, Myrna Williams, a Special Agent with the Federal Bureau of Investigation, having conducted an investigation, spoken with other individuals, and reviewed numerous documents, have knowledge of the following facts. Where conversations or statements are described, they are described in substance and in part. All dates, locations, quantities, and dollar amounts are approximate. Because this affidavit is being submitted for a limited purpose, I have not included all facts and information known to me concerning this matter.

1. At times relevant to this Complaint, unless otherwise stated:

The Foreign Corrupt Practices Act

- a. The Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Sections 78dd-1, *et seq.*, was enacted by Congress for the purpose of, among other things, making it unlawful for certain classes of persons and entities to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value, directly or indirectly, to a foreign government official for the purpose of obtaining or retaining business for, or directing business to, any person.

Relevant Entities and Individuals

- b. The defendant, Louis Berger International, Inc. (“LBI”), was a company incorporated under the laws of New Jersey and, thus, a “domestic concern” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(B). LBI was a wholly-owned subsidiary of Berger Group Holdings, Inc. (“BGH”), and as part of a corporate restructuring assumed responsibility for all international operations and liabilities of BGH previously conducted by other BGH subsidiaries or affiliates (hereinafter collectively referred to as “the Company”). The Company was a privately-held consulting firm that provided engineering, architecture, program and construction management services.

- c. Richard Hirsch was a high-level executive at the Company, located in the Philippines, who at times oversaw the Company’s overseas operations in, *inter alia*, Indonesia and Vietnam.

- d. James McClung was a high-level executive at the Company, located in India, who at times oversaw the Company’s overseas operations in Vietnam and India.

- e. “Employee 1” and “Employee 2” were citizens and nationals of Indonesia employed by the Company in Jakarta, Indonesia.

- f. “Employee 3” was a citizen and national of the United States

employed by the Company in Vietnam in various roles, including business development. Employee 3 owned or controlled several entities, including Firm A and Firm B.

g. "The Foundation" was a non-government organization which the Company engaged as its local sponsor, and which served as a key source for local labor and operational support in Vietnam.

The Conspiracy

Purpose of the Conspiracy

2. The purpose of the conspiracy was to make and conceal corrupt payments to foreign officials in India, Indonesia, Kuwait, Vietnam and elsewhere in order to obtain and retain contracts with government entities in those countries and, thus, to enrich the Company and the co-conspirators with the full economic benefits anticipated from such contracts.

Manner and Means of the Conspiracy

3. The manner and means by which the Company and its co-conspirators sought to accomplish the purpose of the conspiracy included, among other things, the following:

a. The Company, through its agents and employees, together with others, while in the District of New Jersey and elsewhere, would and did discuss in person, via telephone and via electronic mail ("e-mail") making bribe payments to foreign government officials, including foreign government officials in India, Indonesia, Kuwait and Vietnam to secure their assistance in awarding business to the Company.

b. The Company, through its agents and employees, together with others, while in the District of New Jersey and elsewhere, would and did offer to pay, promise to pay and authorize the payment of bribes, directly and indirectly, to and for the benefit of foreign government officials, including foreign government officials in India, Indonesia, Kuwait and Vietnam to secure their assistance in awarding business to the Company.

c. The Company, through its agents and employees, together with others, while in the District of New Jersey and elsewhere, would and did discuss in person, via telephone and via e-mail the manner and means by which the bribe payments were to be paid.

d. The Company, through its agents and employees, together

with others, while in the District of New Jersey and elsewhere, would and did use terms like “commitment fee,” “counterpart per diem,” “marketing fee,” and “field operation expenses” as code words to conceal the true nature of the bribe payments and by utilizing cash disbursement forms and invoices which did not truthfully describe the services provided or the purpose of the payment.

e. The Company, through its agents and employees, together with others, while in the District of New Jersey and elsewhere, would and did use the Foundation as a conduit for the payment of bribes to foreign government officials in Vietnam to conceal the bribe payments.

f. The Company, through its agents and employees, together with others, while in the District of New Jersey and elsewhere, would and did cause to be wired certain funds from the bank accounts of the Company in New Jersey for the purpose of making payments to foreign government officials in exchange for the officials’ assistance in awarding business to the Company.

g. The Company, through its agents and employees, together with others, while in the District of New Jersey and elsewhere, would and did make and cause to be made bribe payments directly and indirectly to foreign government officials, including to foreign government officials in India, Indonesia, Kuwait, Vietnam and elsewhere, totaling approximately \$3,934,431.

h. Members of the conspiracy, while in the District of New Jersey and elsewhere, would and did create ostensibly legitimate but ultimately illicit accounts, or “slush funds,” for the payment of bribes through third parties.

Overt Acts

4. In furtherance of the conspiracy and to achieve the objects thereof, at least one of the co-conspirators committed or caused to be committed, in the District of New Jersey and elsewhere, at least one of the following overt acts, among others:

Corrupt Conduct in Indonesia

(1) In or about August 2003, an agent of the Company sent an e-mail to Richard Hirsch regarding projects in Indonesia, stating,

Commitment fee is the misnomer for bribe money. The fee ranges from 3.5 percent to 20 percent. It is based on foreign and local currency remuneration. It is estimated that the balance on commitment fee payable for existing projects stands at about \$210,000. A percentage of the commitment fee is initially paid after

the mobilization advance is received, and the balance is spread out during the life of the contract.

(2) On or about May 18, 2004, an agent of the Company sent an e-mail to Richard Hirsch stating, “[Employee 2] called me about the ‘counterpart’ per diem for our subcontractors. Apparently, [Employee 1] has not received them in her account.”

(3) On or about May 18, 2004, Richard Hirsch responded to the e-mail from an agent of the Company referenced in Overt Act (2) above, stating, “That’s surprising. I’ll check with [the Company’s home office in New Jersey] today and advise.”

(4) On or about November 15, 2006, an agent of the Company sent an e-mail to Richard Hirsch stating, “If the commitment fee issue can’t be avoided, what if we went in as a sub and got a few choice slots and let the selected lead firm deal with any fees? Perhaps even [a] firm upstairs of me [which was operated by a former Company employee] might be appropriate” to use as a prime contractor so that the Company would directly be responsible for the bribe payment.

(5) On or about November 15, 2006, Richard Hirsch responded to the e-mail from an agent of the Company referenced in Overt Act (4) above, stating,

[e]xcellent idea to sub to another firm as the lead which would be responsible for client relations. I am not willing to pay any commitment fees, however we could agree to a ‘management fee’ taken from our invoices by the lead firm. Go ahead and speak with [a consultant with whom we have worked] if you can and see if he’s interested. I’m not sure what we could bring to the table that he could not bring himself, but that’s a separate question, I guess.

(6) On or about November 15, 2006, an agent of the Company responded to the e-mail from Richard Hirsch referenced in Overt Act (5) above, stating, “[the consultant] seemed happy for the news and open to the association.”

(7) On or about September 15, 2008, in anticipation of an interview by the Company’s lawyers of Employee 1 in connection with the bribery scheme, an agent of the Company sent an e-mail to Employee 1 with a draft letter purporting to be from Employee 1 to Richard Hirsch for the purpose of passing on to the Company’s lawyers, stating, “I do not wish that the [Company] lawyers call me regarding their on-going internal reviews due to the long time that I have

not worked with [the Company] and my current age, health and memory problems.”

(8) On or about September 16, 2008, Employee 1 sent an e-mail to one of the Company’s outside lawyers, adopting the language of the letter referenced in Overt Act (7) above.

(9) On or about February 9, 2009, Richard Hirsch sent an e-mail from his personal e-mail account to an agent of the Company stating,

[P]lease don’t send any other emails about evaluation committees and commitment expectations. I know you’re trying to say this properly but really there is no way to do so and if our emails are audited or intercepted these words are real red flags which forensic auditors will definitely understand. Fortunately your message and my reply was on Mozcom and not on the [Company] server so this is not a problem in this case, but please don’t ever forget this.

(10) On or about April 6, 2010, Richard Hirsch sent an e-mail to Employee 1 stating,

As it turns out the lawyers and US govt are still asking questions about our old books and invoices in Indonesia. So we do not to create [sic] the impression you are working for us now, and thus subject to inquiry by the lawyers, I have been advised to stop all payments to you, however small an amount, for your expenses. I hope you will understand this and not be upset. At some point these questions will end and we can get back to a normal relationship. In the meantime, thanks for your patience.

(11) On or about April 7, 2010, an agent of the Company sent an e-mail to Richard Hirsch stating, “To keep [Employee 1] happy and cover some of her expenses, is there any way to increase my current \$40 / day per diem rate and give the per diem rate increase to her? Just an idea.”

(12) On or about April 7, 2010, Richard Hirsch responded to the e-mail from the Company’s agent referenced in Overt Act (11) above, stating, “No, not possible. We have to cut her off right now. We’ll move through this but it’s for her own good.”

Corrupt Conduct in Vietnam

(13) On or about August 1, 2003, a draft invoice to the Company was created on the computer used by Richard Hirsch's assistant, which purported to invoice the Company for an amount due of \$18,000.

(14) On or about August 1, 2003, an identical invoice to the one described in Overt Act (13) above, in the same amount of \$18,000, but on the letterhead of the Foundation, was submitted and approved by defendant Richard Hirsch for the purpose of passing on bribe money to government officials in Vietnam.

(15) In or around 2005, as James McClung assumed responsibility for Vietnam, Richard Hirsch explained to James McClung that McClung would need to find a new way to generate bribe money for foreign officials because the Foundation would soon cease operations.

(16) On or about March 10, 2005, an agent of the Company sent a memorandum to another agent of the Company stating, "my personal observation is that the members of the Evaluation Committee is [sic] giving [the Company] a hard time at this point in time, to force [the Company] to a 'commitment fee', which was customary in our old Vietnam projects, like [a prior project] for instance."

(17) On or about February 9, 2007, an employee of the Company sent an e-mail stating, "I need a detailed info on which proposals work is being done for as well as descriptions of other staff involved [sic] in this. 25K is a handsom [sic] amount of money and more information is required."

(18) On or about February 10, 2007, an employee of the Company responded to the e-mail referenced in Overt Act (17) above, stating, "I am ok to tell you what is to be paid for. But I am thinking whether it should be written throw [sic] e-mail or not. So I think better [a Company employee] will tell you today."

(19) On or about February 10, 2007, an employee of the Company responded to the e-mail referenced in Overt Act (18) above, stating, "No problem with detailed description—but probably not via e-mail message. I'll contact [James McClung] via telephone or sms. Could you please check with [James McClung], say Sunday evening, and process the fund request."

(20) On or about February 3, 2008, an employee of the Company sent an e-mail to a regional accountant and others stating, "I'll be requesting personal advance from Bangkok office (THB equivalent to about US\$13,000). [James McClung] has approved this request."

(21) On or about May 6, 2008, an employee of the Company sent an e-mail to Employee 3 stating,

Need urgent help from you. Need a [sic] invoice from either [a third-party vendor of the Company] or [another third-party vendor of the Company] to liquidate my advance for you know what . . . Can you send me an [sic] signed invoice statement (as usual) with the following: . . . "In reference with above, we are herewith submitting invoice in the amount of US\$13,000 – logistics support and travel cost."

(22) On or about August 26, 2008, an agent of the Company sent an e-mail to another agent of the Company stating, "Here is the settlement of [the regional director's] advance \$13,657.72. The amount paid was Thai Baht 425,705 (equivalent to US\$13,000). The main frame was using different exchange rate that's why the advance per your book was \$13,657.52."

(23) On or about April 20, 2010, an agent of the Company sent an e-mail to James McClung describing a meeting with another agent of the Company regarding several projects, stating,

[The Company's agent] stated that he agreed to \$200,000 for [the previous director of the government customer], wants to pay \$15,000 to [a government official] in Hanoi, wants to pay \$10,000 to [another government official].... He explained that he had discussed these figures of \$200,000 for [government customer] only, with [James McClung] and [James McClung] had agreed to it. I told him that I will discuss with [James McClung] and will get back to him about the total costs.....The new [government agency] director and some other [agency] staff is [sic] already asking for money.

(24) On or about July 2, 2010, an agent of the Company sent an e-mail to an accountant for the Company "re: Funds for Danang" stating, "Just to let you know that \$30,124 has been credited in my account on July 1, 2010."

Corrupt Conduct in India

(25) On or about December 30, 2009, a consortium partner sent an e-mail to agents of the Company, stating, "I enclose the working for the shares between the firms for the Goa Project. Pls go through the same and we could

discuss. Pls see the sheet 'Master.'”

(26) On or about August 17, 2010, a consortium partner sent an e-mail to James McClung, stating, “As discussed I enclose the details as provided by [third-party intermediary]. I have also added the details of amounts paid to [the Company] as of date by [the consortium partner] in the same sheet.” The attachment included an entry, “Paid by [an agent of the Company] to Minister on behalf of agent.”

(27) On or about August 26, 2010, a consortium partner prepared a payment tracking schedule stating that the Company had paid \$976,630 in bribes in connection with the Goa Project to date.

Corrupt Conduct in Kuwait

(28) On or about September 8, 2010, a local joint venture partner to the Company sent an email to a high-level executive at the Company as follows:

Yesterday the cheque of KD 10,000 was credited in [Kuwaiti government official's] co. Which is a part/installment of KD 40,000, the rest will be followed by intervals of KD 10,000 on weekly bases [sic]. All the above was conveyed & noted to [the Kuwaiti government official] & he agreed.

(29) In an e-mail to a high-level executive at the Company dated December 1, 2010, an agent of the Company confirmed a meeting with a Kuwaiti government official for December 16, 2010.

(30) On or about December 28, 2010, the joint venture partner sent an email to a high-level executive with the Company attaching a draft contract for services to be provided by an intermediary firm which would, in turn, funnel payments to a Kuwaiti government official.

(31) On or about December 28, 2010, the high-level executive responded to the email referenced in Overt Act (30) as follows: “I don't know what you are referring to.”

(32) On or about December 28, 2010, the joint venture partner responded to the high-level executive's email referenced in Overt Act (31) as

follows: "It's what was discussed in the meeting on the cash part [the Kuwaiti government official] seeked for [sic], will talk about it tomorrow."