



Department of Justice

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Former Army Contractor Employee and Two Former U.S. Army Staff Sergeants Plead Guilty to Roles in Afghanistan Contract Fraud Scheme

WASHINGTON – A former employee of a U.S. Army contractor and two former U.S. Army staff sergeants pleaded guilty today for their roles in a fraud scheme involving a contract to provide armored vehicles to the U.S. Military in Afghanistan, announced Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division.

Raul Borcuta, 34, of Chicago, pleaded guilty before U.S. District Judge Ronald A. Guzman in the Northern District of Illinois to one count of wire fraud. Former U.S. Army Staff Sergeants Zachery Taylor, 42, of Ft. Belvoir, Va., and Jarred Close, 43, of St. Paul, Minn., each pleaded guilty before Judge Guzman to one count of receiving a gratuity.

According to court documents, in February 2010, Borcuta operated a defense contracting firm in Farah Province, Afghanistan, and Taylor and Close were U.S. Army staff sergeants assigned to a Provincial Reconstruction Team in Afghanistan. A Provincial Reconstruction Team is a multi-agency civil affairs task force charged with awarding and administering development contracts. Taylor and Close awarded Borcuta a \$200,000 contract to provide the U.S. military with two armored vehicles to be used by the governor of Farah Province, who had received death threats from Taliban insurgents. According to court documents, Taylor and Close authorized a \$200,000 payment to Borcuta before he delivered the vehicles. Borcuta collected the payment, paid Taylor and Close \$10,000 each, and failed to deliver the vehicles.

At sentencing, Borcuta faces a maximum penalty of 20 years in prison, and Taylor and Close each face up to two years in prison. Borcuta is scheduled to be sentenced on April 2, 2013. Taylor and Close are scheduled to be sentenced on April 3, 2013.

This case is being prosecuted by Brian R. Young and Thomas B.W. Hall of the Criminal Division's Fraud Section, with assistance from the U.S. Attorney's Office for the Northern District of Illinois and Heather Schmidt of the National Security Division's Counterespionage Section. The case was investigated by the

Special Inspector General for Afghanistan Reconstruction, the Defense Criminal Investigative Service, the U.S. Army Criminal Investigation Division and the FBI.

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Criminal Division