



United Nations Nations Unies

**OFFICE OF INTERNAL OVERSIGHT SERVICES  
PROCUREMENT TASK FORCE**

*This Report is protected under paragraph 18 of  
ST/SGB/273 of 7 September 1994*

**INTERIM REPORT ON AIR CHARTER  
CONTRACTS AND COMPANY AGENTS**

**, AND**

**CONCERNING MULTIPLE FORGED BIDS AND A SCHEME  
TO DEFRAUD**

**Report no. PTF-R011/08**

**Procurement Task Force case no. 034/07**

**Investigations Division case no. 0735/07**

**REDACTED**

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**30 December 2008**

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**I. INTRODUCTION**

1. The Procurement Task Force (the "Task Force") is a temporary investigative unit within the Office of Internal Oversight Services ("OIOS"), which focuses upon cases of procurement fraud, corruption, and violations of United Nations rules, regulations, and procedures. The remit of the Task Force is to investigate all procurement cases, including all matters that are within the jurisdiction of OIOS and involve procurement bidding exercises, contracts, procurement staff, and vendors doing business with the United Nations. All procurement-related cases referred to OIOS from January 2006 to present are referred to the Task Force. The Task Force expires on 31 December 2008 as the General Assembly did not renew its mandate or funding.

2. Under its Terms of Reference, the Task Force operates as part of OIOS, and reports directly to the Under-Secretary-General for OIOS through the Chairman of the Task Force. The Task Force's investigations have focused upon a number of procurement cases, including cases involving companies doing business with the Organization. Some of these matters are particularly complex and span significant periods of time.

3. This Report primarily focuses on several individuals who submitted fraudulent bids, including forged documents, on behalf of [REDACTED], a United Nations registered vendor.

**II. BACKGROUND**

4. During its investigation into the ITBS-[REDACTED] solicitation issued by the United Nations [REDACTED] ( [REDACTED] ) for the provision of a [REDACTED] aircraft to [REDACTED], the Task Force attempted to contact the representative listed on the bid submitted by [REDACTED], [REDACTED]. On [REDACTED] and [REDACTED], communication was made by investigators to the listed email address used by [REDACTED] in her cover letter in connection with her bid submission—" [REDACTED] ". As [REDACTED] did not reply contact was made with [REDACTED] directly.

5. On [REDACTED], [REDACTED], [REDACTED] for [REDACTED], informed investigators that he had read the Task Force's email with "profound shock," asserting that [REDACTED] did not employ anyone by the name of [REDACTED], nor had it had any dealings with any person of this name. When provided with a copy of the bid submission in which [REDACTED] claimed to be [REDACTED]'s representative, [REDACTED] informed the Task Force that this submission was fraudulent.

6. Through its investigation, the Task Force has ultimately established, as set forth herein, that [REDACTED], together with various individuals, including [REDACTED] and [REDACTED], as well as the companies [REDACTED] and [REDACTED], participated in a scheme to defraud the Organization by submitting at least

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ten forged bids fraudulently claiming to represent a United Nations vendor, [REDACTED].

### III. APPLICABLE REGULATIONS AND RULES

7. The following provisions of the **United Nations Procurement Manual** are relevant:

(i) **Section 4.3(3)(b)**: “The UN . . . [w]ill declare a firm ineligible, either indefinitely or for a stated period of time, to become a UN registered Vendor if it at any time determines that the firm has engaged in corrupt practices in competing for or in executing a UN Contract.”

(ii) **Section 4.3(3)(c)**: “The UN . . . [w]ill cancel or terminate a contract if it determines that a Vendor has engaged in corrupt practices in competing for or in executing a UN Contract.”

(iii) **Section 7.12.2(1)(a)**: “The criteria for suspension or removal from the Vendor Database . . . [include] [f]ailure to perform in accordance with the terms and conditions of one or more contract[s]” . . . or “[a]busive, unethical or unprofessional conduct, including corrupt practices and submission of false information.”

### IV. RELEVANT CONCEPTS OF CRIMINAL LAW

8. The following well-established common law concepts are applicable to this Report:

(i) **Conspiracy**: Conspiracy is an agreement between two or more persons to engage in an unlawful act. It is a mutual understanding, either spoken or unspoken, between two or more people to cooperate with each other to accomplish the unlawful act or goals.

(ii) **Fraud**: Fraud is a scheme to improperly obtain sums of money for personal benefit through contracts with the United Nations not properly due and owing to them, through false statements, material omissions and other corrupt acts.

(iii) **Aiding and Abetting an Offense**: Under the concept of aiding and abetting, the offense is committed by another. In order to aid and abet a crime, it is necessary that individuals involved associate themselves in some way with the crime, and that they participate in the crime by doing some act to help make the crime succeed. Individuals who aid and abet another in committing a criminal offense are equally as culpable as if they committed the offense themselves; and

(iv) **Forgery**: Forgery is the act committed by a person or persons to make a false document appear genuine or to be used as if it were genuine.

9. If any evidence of forgery or fraud or other criminal offense is revealed during the course of the Task Force’s investigations, a referral to the appropriate prosecutorial agency will be recommended.

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**V. METHODOLOGY**

10. Investigators interviewed relevant United Nations staff members, vendors, and vendor representatives in New York and in [REDACTED] in furtherance of this case. A written record of conversation was prepared after each meeting. Staff members and United Nations vendors were invited to review this record for accuracy and to sign this document. It should be noted that the Task Force provided all interviewees with the opportunity to provide any further documentation or witnesses and reviewed numerous documents with the relevant United Nations vendor.

11. In addition to conducting interviews, the Task Force also examined and analyzed documentary evidence, both in hard-copy and in electronic format.

12. Investigators collected and reviewed extensive documentation including:

- (i) Procurement files;
- (ii) Relevant bids and requisitions for the contract in question;
- (iii) Vendor registration files;
- (iv) Background materials;
- (v) Personnel files;
- (vi) Correspondence files;
- (vii) Telephone records; and
- (viii) Electronic evidence.

13. It is important to emphasize that the Task Force has limited coercive powers. Therefore, cooperation from third parties is entirely voluntary and the Task Force depends upon individual's or company's cooperation when seeking assistance. While vendors are obliged to cooperate with investigations, the breadth of such cooperation remains unclear.

**VI. FORGED BIDS****A.**

14. [REDACTED] ("[REDACTED]") is a [REDACTED] airline which was started in [REDACTED] as a charter company to provide humanitarian relief flights servicing [REDACTED], [REDACTED], and [REDACTED]. After several years of operation, the company received designation status as a national airline of [REDACTED] and began operating internal commercial flights, as well as carrying cargo for ten national airlines, in [REDACTED]. According to [REDACTED], [REDACTED], [REDACTED], the company shifted focus to commercial and cargo flights, as they could not rely exclusively on humanitarian relief operations, given that they are seasonal and situational in nature.

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15. [REDACTED] stated that in [REDACTED] he had met with [REDACTED] at the United Nations [REDACTED] and submitted an application to register as a United Nations supplier. On [REDACTED], [REDACTED] was approved for placement on the [REDACTED]'s registered vendor database for air transport and charter services. [REDACTED] was listed as the contact person. According to [REDACTED], [REDACTED] prepared only one proposal for submission to the [REDACTED], namely for Invitation to Bid ("ITBS")- [REDACTED] for the provision of two [REDACTED] aircraft for the [REDACTED] in [REDACTED]. However, [REDACTED] did not win, and was not awarded the contract.

B. [REDACTED]

16. [REDACTED] (referred to in this Report as "[REDACTED]"), located in [REDACTED], was established in [REDACTED] to engage in aviation related services including the sale and lease of aircrafts and spare parts, ticket sales, travel agency services and aviation consulting services. According to the Registration Certificate filed with the [REDACTED], it is a privately owned company registered to do business in aviation leasing. Although information regarding its top management is listed on its website, no further information as to its ownership appears, apart from the fact that the company was set up as "an independent financial structure."

C. [REDACTED]

17. [REDACTED], a [REDACTED] insurance company, was established in [REDACTED]. The company's [REDACTED] is [REDACTED], and the company's [REDACTED] is his son, [REDACTED]. In [REDACTED], [REDACTED] signed a partnership agreement with [REDACTED], another [REDACTED] insurance provider, forming an insurance group called [REDACTED]. [REDACTED] and [REDACTED] are located at the same address in [REDACTED] and utilize the same telephone and facsimile numbers. Both [REDACTED] and [REDACTED] are members of the Board of Directors of [REDACTED], and [REDACTED] also serves as the [REDACTED] of [REDACTED]. This company was a subject of a previous corruption investigation by the Task Force (see paragraph 20 below).

18. According to [REDACTED], [REDACTED], the company began providing insurance services to United Nations vendors as early as [REDACTED].

19. In an interview [REDACTED] confirmed that [REDACTED], the son of [REDACTED], is "involved" in [REDACTED]. In addition, [REDACTED] stated that [REDACTED] is primarily focused on the leasing of airplanes and helicopters, and that the company owns shares in [REDACTED], which, in turn, owns shares in [REDACTED].

20. [REDACTED] was the subject of a Task Force investigation and, on [REDACTED], the Task Force issued its Report no. [REDACTED], Report on [REDACTED], concluding that the company [REDACTED], [REDACTED], [REDACTED], and possibly other company officials, engaged in criminal acts, including bribery, corruption, and money laundering. Specifically, [REDACTED] made corrupt payments of

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approximately [REDACTED] through front companies in exchange for the assistance of a United Nations [REDACTED], namely [REDACTED] in favouring the company in procurement exercises to achieve United Nations business. [REDACTED] was ultimately convicted of fraud and corruption charges in the [REDACTED].

21. As a result of this earlier investigation, the Task Force recommended [REDACTED] be debarred from any joint ventures that involve [REDACTED] owners' [REDACTED] and [REDACTED] from conducting any business with the United Nations.

22. After reviewing the investigation report and deliberating on the matter, the UN [REDACTED] of the [REDACTED] debarred [REDACTED], as well as [REDACTED], [REDACTED], and [REDACTED]. This company and these officials were removed from [REDACTED]'s [REDACTED] on [REDACTED]. They were also banned from being utilized as an insurance contractor for other aviation companies. [REDACTED] remains off the registered United Nations [REDACTED].

23. However, another company with a similar name, [REDACTED] ([REDACTED]) (referred to in this Report as "[REDACTED]") registered as a United Nations vendor on or about [REDACTED], and remains active. The investigation has revealed that certain individuals working for [REDACTED] have direct relationships with persons connected to [REDACTED], and were working from an office located at [REDACTED] in [REDACTED].

**D.****AND [REDACTED]**

24. According to [REDACTED], [REDACTED] began conducting business to lease aircrafts through [REDACTED] in or about [REDACTED] or early [REDACTED]. [REDACTED]'s [REDACTED], indicated that [REDACTED], a representative of [REDACTED], was very skilled at sourcing the [REDACTED] aircrafts that [REDACTED] needed, as he was very knowledgeable about acquiring aircraft from [REDACTED]. According to [REDACTED], this was a difficult and complicated task as [REDACTED] has a complicated aviation system.

25. [REDACTED] stated that [REDACTED] would find for [REDACTED] the relevant [REDACTED] aircrafts that they desired to lease, and in turn [REDACTED] would sign the "wet" lease agreements for the aircraft through [REDACTED], rather than directly with the aircraft owner itself, or the holder of the Aircraft Operators Certificate ("AOC"). A wet lease is an agreement between two carriers whereby an aircraft, complete with crew, maintenance staff, and insurance, is provided by the lessor. During the term of a wet lease agreement, the aircraft remains registered with the lessor's country while the aircraft is operated under the terms of the lessee's operating license. By contrast, in a dry lease, only the aircraft is provided by the lessor, and arrangements for the flight crew, maintenance, and insurance become the responsibility of the lessee.

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26. [REDACTED] stated that since the departure of [REDACTED] from [REDACTED] in [REDACTED], [REDACTED] began dealing with [REDACTED], whom he believed to be [REDACTED]'s boss, at [REDACTED].

27. [REDACTED] indicated that in addition to leasing aircraft through [REDACTED], [REDACTED] had also authorized the use of its AOC, as well as its ground support and handling services in [REDACTED], to [REDACTED] for their implementation of contracts with the [REDACTED] [REDACTED] ("[REDACTED]"). [REDACTED] explained that [REDACTED] had secured contracts with [REDACTED] for food drops in [REDACTED] and other locations in [REDACTED]. Although [REDACTED] had entered into the contract with [REDACTED], [REDACTED] did not have the AOCs that were required to operate these aircraft. As [REDACTED] was authorized to operate [REDACTED] airplanes in [REDACTED], [REDACTED] leased to [REDACTED] the aircraft to be used in connection to the implementation of its contract with the [REDACTED] and, in turn, the AOC would be issued to [REDACTED] by the [REDACTED] aviation authorities. As [REDACTED] handled the operations and flying of the aircraft, [REDACTED] did not provide the pilots and flight crews for these aircraft.

28. According to [REDACTED], there were no signed agreements between [REDACTED] and [REDACTED] as it was a "gentleman's agreement" and, therefore, done verbally. Initially, [REDACTED] paid [REDACTED] per month for these services, which commenced in [REDACTED]. By the time that the informal arrangement ended, in or about [REDACTED], [REDACTED] was paying [REDACTED] approximately [REDACTED] per month for these services.

29. [REDACTED] stated that the various [REDACTED] Civil Aviation Authority ("[REDACTED]") documents, such as the AOCs, Air Service Licenses ("ASL"), and [REDACTED] letters approving [REDACTED] leases and other aviation related matters, were all documents that had been given to [REDACTED] for different lease arrangements that it had arranged on behalf of [REDACTED].

**E. THE [REDACTED] OFFICE: [REDACTED], [REDACTED], [REDACTED], AND [REDACTED]**

30. During the investigation regarding ITBS-[REDACTED] for the provision of a [REDACTED] aircraft to [REDACTED], Task Force investigators attempted to contact [REDACTED], who had submitted a bid on behalf of [REDACTED] for this exercise. As [REDACTED] did not reply, the Task Force contacted [REDACTED] directly. It was through this contact with [REDACTED] that it was discovered that [REDACTED] was not authorized to represent [REDACTED], and had never been employed by [REDACTED].

31. A review of [REDACTED] United Nations registration file revealed that the only contact name listed was that of [REDACTED], the [REDACTED] for [REDACTED]. There was no reference in the file to anyone by the name of [REDACTED].

32. A search of the United Nations vendor registration database reveals that [REDACTED] was listed in the vendor database as the representative both for [REDACTED], based in [REDACTED], [REDACTED], and [REDACTED], based in [REDACTED], [REDACTED].

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The address listed for [REDACTED] in the vendor registration file for [REDACTED] is [REDACTED]. In addition, the vendor registration files of three other vendors—namely, [REDACTED] (based in [REDACTED]), [REDACTED] (based in [REDACTED]) and [REDACTED] (“[REDACTED]” based in [REDACTED])—also list [REDACTED] as their respective company representative. Although these three vendors do not provide a [REDACTED] address in their respective files, all three vendors provide as a contact both the telephone number [REDACTED], which is the number associated with [REDACTED] in [REDACTED], and the number [REDACTED], which corresponds to [REDACTED] mobile phone.

33. During its investigation, investigators identified that the address of [REDACTED], [REDACTED], [REDACTED], [REDACTED], is also the office for [REDACTED], [REDACTED], and [REDACTED], and that [REDACTED] is listed as the vendor representative for these entities. [REDACTED] is also listed in the UN vendor database as the representative for [REDACTED] with a [REDACTED] address.

34. The Task Force investigation identified that [REDACTED] was listed in the vendor registration database as the [REDACTED] contact person and company representative with the United Nations. [REDACTED] confirmed in its [REDACTED] correspondence with the Task Force that [REDACTED] has been serving as its [REDACTED] since [REDACTED].

35. According to [REDACTED], despite the fact that [REDACTED] was not based in [REDACTED], he gave the latter permission to use the [REDACTED] office address and phone number as the contact number for [REDACTED] in all communications with the [REDACTED].

**F. FORGED BIDS**

36. Over a period of [REDACTED], from [REDACTED] to [REDACTED], [REDACTED], [REDACTED], [REDACTED], and other individuals claiming to be the authorized representatives of [REDACTED], submitted bids for ten United Nations Invitation to Bid Solicitations (“ITBS”) from the office at [REDACTED]. These ten procurement exercises involved the provision of air charters for the Organisation as described below.

**1. ITBS-[REDACTED] – [REDACTED] aircraft for [REDACTED]**

37. On [REDACTED], the [REDACTED] issued ITBS-[REDACTED], which called for the provision to [REDACTED] of one medium passenger aircraft with an option for one additional aircraft for a period of two years. Of the ninety-two vendors who were invited to submit bids, only five vendors—namely, [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED]—returned the United Nations Annex E Acknowledgement Letter confirming the company’s intention to submit a bid by the [REDACTED] deadline.

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38. According to documents sent to the [REDACTED] by [REDACTED], [REDACTED]'s bid was significantly higher than its competitors. [REDACTED] offered [REDACTED], as the other four bids ranged between [REDACTED] and [REDACTED].

39. The technical assessment of the bid submissions performed by the [REDACTED] ("[REDACTED]") of the [REDACTED] ("[REDACTED]") determined that [REDACTED]'s offer did not meet the operational requirements because the aircraft offered by [REDACTED] was only authorized to transport cargo, and not passengers, as was required by [REDACTED]. Thus, [REDACTED] was eventually awarded the contract.

40. The bid opening for ITBS-[REDACTED] took place on [REDACTED]. [REDACTED] signed the attendance register for the opening as "Rep" of [REDACTED].

**REDACTED**

**Figure: Bid Opening Attendance Register ([REDACTED])**

41. [REDACTED], the [REDACTED] responsible for all bid scheduling and openings since [REDACTED], stated that the [REDACTED] always asked representatives who attended bid openings to identify the company they were representing. According to [REDACTED], generally, representatives were required to bring an Acknowledgement Letter to the bid opening; however, since she was responsible for all bid openings and, therefore, was familiar with many of the representatives, she only asked to see such a letter for those vendors or representatives with whom she was not familiar. [REDACTED] indicated to the [REDACTED] that at the time of the [REDACTED] bid opening, she was already familiar with [REDACTED], as she had attended prior bid openings for ITBs on behalf of various aviation companies she represented, including [REDACTED], [REDACTED], and [REDACTED] ([REDACTED]).

42. A review of the Procurement Manual applicable in [REDACTED] did not reveal any guidelines or rules regarding verification of representative information. Although the [REDACTED] would ask for a letter to verify that a person present for a bid opening was representing the company for which they claimed to be a representative, according to several staff members, the [REDACTED] generally did not verify the information included in such a letter or ask for any further form of identification to ensure that the individual was an authorized company representative.

43. The [REDACTED] received two Acknowledgement Letters—the first, from [REDACTED] on [REDACTED], and the second, from [REDACTED] (this time spelled "[REDACTED]") on [REDACTED]—on behalf of [REDACTED] confirming the company's intention to submit an offer for ITBS-[REDACTED]. [REDACTED] explained to the [REDACTED] that even though [REDACTED] sent the confirmation letter, dated [REDACTED], the company did not actually submit an offer for this ITBS.

44. The Task Force did not find any notes or email communications in the procurement file from the case officer or anyone else in the [REDACTED] that raised questions as to [REDACTED]'s submission of two different Acknowledgement Letters signed by two different individuals.

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45. A copy of both the Acknowledgement Letter from [REDACTED] and that from [REDACTED] are set forth below. It should be noted that the Acknowledgement Letter provided by [REDACTED] is not the same as the UN Annex E letter that is sent to vendors (see below).

**REDACTED**

**Figure: Acknowledgement Letter sent by [REDACTED] ([REDACTED])**

46. A copy of the Acknowledgement Letter sent by [REDACTED] on [REDACTED] is set forth below.

**REDACTED**

**Figure: Acknowledgement Letter sent by [REDACTED] ([REDACTED])**

47. The offer received from [REDACTED] was accompanied by a cover letter from [REDACTED] addressed to [REDACTED] and [REDACTED] of the [REDACTED]. The letter stated that [REDACTED] was offering one [REDACTED] aircraft, and that there was a second aircraft available, but that the company was “not able to assemble the required documentation in time for the bid opening”; however, [REDACTED] expected “to have the documents for the second plane complete no later than [REDACTED].” A copy of this letter is set forth below.

**REDACTED**

**Figure: Letter sent with [REDACTED]’s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

48. The bid package submitted by [REDACTED] also included the following: (i) an Aircraft Wet Lease Agreement, dated [REDACTED], between [REDACTED] and [REDACTED] for the lease of the [REDACTED] aircraft; (ii) a Certificate of Insurance issued by [REDACTED] for the [REDACTED] aircraft, dated [REDACTED]; and, (iii) a Certificate of Registration, dated [REDACTED], issued by the Civil Aviation Administration of the [REDACTED], which states that the aircraft is owned by [REDACTED], but that it is operated by a different company, [REDACTED].

49. According to [REDACTED], [REDACTED] was introduced to [REDACTED] by the representative of [REDACTED], [REDACTED], during negotiations for the [REDACTED] aircraft, registered as [REDACTED], in [REDACTED]. Although these original negotiations fell through in [REDACTED], a lease agreement was eventually signed for the aircraft in [REDACTED], and executed in [REDACTED].

50. When [REDACTED] was presented with the lease agreement of [REDACTED] between [REDACTED] and [REDACTED], he stated that his signature on this document had been forged, and that he had never signed this agreement.

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**REDACTED**

**Figure:** [REDACTED] Lease agreement ([REDACTED]) (submitted by [REDACTED] for ITBS-[REDACTED])

51. [REDACTED] provided the [REDACTED] with a copy of the legitimate wet lease agreement, set forth below, which [REDACTED] signed with [REDACTED] for the lease of an [REDACTED] aircraft.

**REDACTED**

**Figure:** [REDACTED] and [REDACTED] legitimate Lease Agreement ([REDACTED]) (showing the first and the last pages of a six-page document)

52. This aircraft, which had originally been registered under a different number, had been re-registered with the [REDACTED] Civil Aviation, as [REDACTED] registered planes ([REDACTED]) could not be utilized in [REDACTED] in light of the fact that there was no Memorandum of Understanding between the [REDACTED] Civil Aviation Authority and the [REDACTED] Aviation Authority. Therefore, the aircraft registration number was changed from [REDACTED] to [REDACTED] and leased as such to [REDACTED]. Furthermore, [REDACTED] stated that this was the first and only time [REDACTED] had leased an aircraft from [REDACTED].

53. [REDACTED] provided a copy of the email communication that was sent to him by [REDACTED] of [REDACTED]. This email reflects that the aircraft [REDACTED] was removed from the [REDACTED] Civil Aviation Authority aircraft registry. This email, as well as the email address [REDACTED], shows that [REDACTED] was involved with and working on behalf of [REDACTED].

**REDACTED**

**Figure:** [REDACTED] email to [REDACTED] ([REDACTED])

54. Also included with [REDACTED]'s purported bid submission was a letter dated [REDACTED] from [REDACTED] to the "[REDACTED]" of the United Nations [REDACTED], nominating "[REDACTED]" as its "representative with the [REDACTED]" and authorizing her to "negotiate on behalf of [REDACTED]." This letter, written on what appears to be [REDACTED]'s office stationery, was purportedly signed by [REDACTED]. A copy of this letter is set forth in the figure below.

**REDACTED**

**Figure:** Letter sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])

55. [REDACTED] reviewed the letter, dated [REDACTED], set forth above, and stated that, in his view, it was a forgery, as not only was the signature not his, but also the letterhead was missing [REDACTED]'s information on the bottom of the page and the logo was

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not in the correct place on the page. According to [REDACTED], the logo is located in the top right hand corner rather than the top centre of the page, as is customary on official [REDACTED] letterhead.

56. In addition to the lease agreement and documents submitted by [REDACTED], the bid also included a photocopy of a check issued by [REDACTED] (“[REDACTED]”), listing the address [REDACTED], [REDACTED], and dated “[REDACTED].” The check was in the amount of [REDACTED] and made payable to the order of the “[REDACTED]” as “Bid Bond Assurance.” A copy of the check is set forth below.

**REDACTED**

**Figure: Check sent with [REDACTED]’s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

57. According to the [REDACTED] and [REDACTED] Annual Report, [REDACTED] was incorporated in [REDACTED] by [REDACTED], who is listed in the incorporation documents as its [REDACTED], and [REDACTED]’s [REDACTED], as [REDACTED]. In addition, a Lexis-Nexis search of [REDACTED] address “[REDACTED], [REDACTED], [REDACTED], [REDACTED]” indicated that [REDACTED] is also listed as a former resident of this same address.

58. The [REDACTED] presented a copy of the check, set forth above, to [REDACTED] and [REDACTED], who, in turn, both stated that they had never before seen this check, and that they were not familiar with a [REDACTED].

## 2. ITBS-[REDACTED] – [REDACTED] Aircraft for [REDACTED]

59. ITBS-[REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision to [REDACTED] of one [REDACTED] aircraft, with an option for the provision of an additional aircraft, for a period of two years. Out of a total of 110 invitees, only two vendors, [REDACTED] and [REDACTED], submitted bids by the [REDACTED] deadline. [REDACTED] submitted a bid of [REDACTED] for a [REDACTED] aircraft, whereas, according to documents sent to the [REDACTED] by [REDACTED], [REDACTED] submitted a bid of [REDACTED] for an [REDACTED] aircraft.

60. The bid opening for ITBS-[REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as “rep,” i.e., representative, of [REDACTED]. A copy of the attendance register is set forth below.

**REDACTED**

**Figure: Bid Opening Attendance Register ([REDACTED])**

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61. The offer received from [REDACTED] was accompanied by the same cover letter sent in connection to ITBS-[REDACTED] from [REDACTED] addressed to [REDACTED] and [REDACTED] of the [REDACTED], but dated [REDACTED]. The letter stated that [REDACTED] was offering one [REDACTED] aircraft and that while it had a second aircraft available, the company was “not able to assemble the required documentation in time for the bid opening [i.e., [REDACTED]],” but expected “to have the documents for the second plane complete no later than [REDACTED].”

**REDACTED**

**Figure: Letter sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

62. This letter, set forth in the figure above, was presented to [REDACTED], who confirmed that it was written on official [REDACTED] letterhead, but stated that no person by the name of [REDACTED] had ever worked for [REDACTED], nor had he ever heard of this person. Indeed, [REDACTED] stated that [REDACTED] never issued this letter. In addition, when questioned as to whether [REDACTED] uses representatives or agents in [REDACTED] or anywhere else, [REDACTED] replied that it does not.

63. According to [REDACTED], the letterhead utilized in this instance is original [REDACTED] letterhead that is used by the company's finance department for invoices and statements of account that are sent via email to clients, including [REDACTED]. Therefore, he surmised that [REDACTED] most likely had received this letterhead, deleted the text, and inserted this new text.

64. The aircraft offered by [REDACTED], purportedly on behalf of [REDACTED] in the letter set forth above was an [REDACTED], is registered in [REDACTED] with the number [REDACTED], and owned by [REDACTED] (“[REDACTED]”).

65. [REDACTED], acting on behalf of [REDACTED], again offered the same [REDACTED]-registered [REDACTED] aircraft, owned by [REDACTED] (“[REDACTED]”), that was submitted in connection to ITBS-[REDACTED]. In fact, the complete bid package submitted by [REDACTED] for ITBS-[REDACTED] contained the same set of documents as the offer she submitted for ITBS-[REDACTED].

66. As was the case with ITBS-[REDACTED], [REDACTED] sent an Acknowledgement letter on behalf of [REDACTED], which is set forth in the figure below, stating the company's intention to submit a bid offer. However, in this Acknowledgement letter (for ITBS-[REDACTED]), her last name was spelled “[REDACTED]” as opposed to “[REDACTED]” in the Acknowledgement letter for ITBS-[REDACTED].

**REDACTED**

**Figure: Acknowledgement Letter sent on behalf of [REDACTED] ([REDACTED])**

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67. In addition to the Acknowledgement letter, [REDACTED] also submitted to the [REDACTED] a Bid Submission Price Schedule, set forth in the figure below, purportedly on behalf of [REDACTED] in connection to ITBS-[REDACTED].

**REDACTED**

**Figure: Price Schedule sent with [REDACTED]'s submission for ITBS-[REDACTED] ([REDACTED])**

68. When presented with the Price Schedule, set forth above, [REDACTED] of [REDACTED] stated that the price of [REDACTED] per flight hour was "excellent" and that in his opinion the UN should have taken the contract as he had a lease for this aircraft at [REDACTED] per flight hour in or about [REDACTED]. According to [REDACTED], [REDACTED] would have charged approximately [REDACTED] if it had, in fact, submitted a bid in response to ITBS-[REDACTED]. [REDACTED] explained that the market rate in [REDACTED] for an [REDACTED] aircraft was approximately between [REDACTED] and [REDACTED] per hour. As such, he raised the question as to why someone would submit this bid at such a low price relative to the rest of the market—that is, according to [REDACTED], unless they owned the aircraft and, therefore, had better access to the plane or was willing to lose money.

69. The technical assessment of the bid submissions performed by [REDACTED] ([REDACTED]) found [REDACTED]'s offer "unacceptable" in light of the fact that the aircraft offered—namely, an [REDACTED] plane—did not meet several operational requirements, including seating capacity, as well as casualty and medical evacuation specifications. Thus, the [REDACTED] offer was not considered any further, and [REDACTED] was eventually awarded the contract.

### 3. ITBS-[REDACTED] – [REDACTED] Aircraft for [REDACTED]

70. ITBS-[REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision of one [REDACTED] aircraft for a period of two years to the [REDACTED] ([REDACTED]). Only six vendors out of 126 invitees submitted bids by the [REDACTED] deadline—namely, [REDACTED], [REDACTED], [REDACTED], and [REDACTED].

71. The bid opening for ITBS-[REDACTED] took place on [REDACTED], and was attended by [REDACTED], who signed the attendance register as "rep"—i.e., representative—of [REDACTED]. [REDACTED] did not send a representative to the bid opening. A copy of the attendance register is set forth below.

**REDACTED**

**Figure: Bid Opening Attendance Register ([REDACTED])**

72. The technical assessment of the bid submissions performed by [REDACTED] found [REDACTED]'s offer "unacceptable" in light of the fact that the aircraft offered did not meet several operational requirements, and that the documents provided by [REDACTED] displayed

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inconsistencies—specifically, that the AOC issued by the [REDACTED] Civil Aviation authorities was not endorsed for the type of aircraft proposed, indicating that [REDACTED] “does not operate this type of aircraft.” The evaluation also noted that the “[REDACTED] offered in the bid is under a wet lease agreement and is not authorized to carry passengers. Certificates of registration and Airworthiness are under the name of a third company ‘[REDACTED]’, whereas these documents should indicate [REDACTED] as the operator of the aircraft.”

73. [REDACTED]’s bid was also found “unacceptable” by [REDACTED]. This company’s offer not only failed to meet certain operational requirements, but also included documents with significant inconsistencies, as was also found in the case of [REDACTED]’s bid. Specifically, the assessment noted that the [REDACTED] aircraft offered in the bid was under a wet lease agreement with “[REDACTED],” a company that was not registered with the United Nations. In addition, although the certificate of registration for this aircraft, which was owned by “[REDACTED],” was issued by the [REDACTED] CAA under the name of “[REDACTED],” ATS found that this certificate should have been issued instead by the [REDACTED] civil aviation authorities to [REDACTED] as the operator of the aircraft.

74. As was the case with ITBS-[REDACTED] and ITBS-[REDACTED], [REDACTED] sent an Acknowledgement letter, purportedly on behalf of [REDACTED], stating the company’s intention to submit a bid offer. A copy of this letter is set forth below.

**REDACTED**

**Figure: Acknowledgement Letter sent on behalf of [REDACTED] ([REDACTED])**

75. The offer received from [REDACTED], which was sent via facsimile from the number “[REDACTED]” (one of the numbers associated with the [REDACTED] office) was accompanied by a cover letter, dated [REDACTED], from [REDACTED] addressed to [REDACTED] and [REDACTED] of the [REDACTED]. The letter stated that [REDACTED] was offering one [REDACTED] aircraft and that the plane was “available and ready.”

76. Specifically, [REDACTED] offered an [REDACTED] aircraft registered in [REDACTED] with registration number [REDACTED]. According to the documents submitted by [REDACTED], this aircraft was owned by [REDACTED] (“[REDACTED]”). The bid package submitted by [REDACTED] also included an Air Operator Certificate (“AOC”) issued by the [REDACTED] Civil Aviation Authority authorizing the company to transport mail and cargo. A copy of this AOC is set forth below.

**REDACTED**

**Figure: AOC sent with [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

77. When the AOC (accompanied by [REDACTED] purported bid submission in connection to ITBS-[REDACTED]) set forth above was shown to [REDACTED] of [REDACTED], he explained that although it was a copy of [REDACTED]’s authentic AOC, it was, however, an outdated version because it did not include a reference to the [REDACTED] aircraft.

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78. [REDACTED] further explained that although the AOC was issued to [REDACTED], which handled the ground services for this [REDACTED] aircraft, the aircraft was, in fact, operated by [REDACTED] in furtherance of the latter's contract with [REDACTED].

79. According to [REDACTED], [REDACTED] had found for [REDACTED] an [REDACTED] aircraft to lease from [REDACTED] with the registration number [REDACTED], for which [REDACTED] had signed a lease on [REDACTED]. In addition, [REDACTED] stated that it was routine practice for [REDACTED] to send the AOC and other [REDACTED] civil aviation documents via email to [REDACTED] for [REDACTED]'s lease agreements.

80. As part of [REDACTED]'s bid submission [REDACTED] also included the following: (i) an Aircraft Wet Lease Agreement, dated [REDACTED], between [REDACTED] and [REDACTED] in connection to the lease for the [REDACTED]; (ii) a Certificate of Insurance, dated [REDACTED], and issued by [REDACTED] for the [REDACTED] aircraft; (iii) a Certificate of Registration, dated [REDACTED], issued by the Civil Aviation Administration of the [REDACTED], stating that the aircraft is owned by [REDACTED], but it is operated by a company, [REDACTED]; and (iv) a photocopy of the check issued by [REDACTED], identical to those which were submitted on behalf of [REDACTED] for ITBS-[REDACTED] and ITBS-[REDACTED].

81. On [REDACTED] [REDACTED] sent an email communication to [REDACTED], [REDACTED]. In this communication, [REDACTED]—who, in this email spelled her last name as “[REDACTED]”—informed [REDACTED] that [REDACTED] had participated in the ITBS-[REDACTED] exercise and that “our offer came in one of the lowest.” Further, [REDACTED] wrote that given that the positioning of the aircraft in the mission was expected for [REDACTED], “which allows for very limited time for preparation . . . we kindly ask you [i.e., the [REDACTED]] to give us any indication of your interest in our offer.” [REDACTED] signed the email as “[REDACTED]” and included her cell phone number, as well as the telephone number [REDACTED], and the fax number [REDACTED].

82. On that same day, [REDACTED] sent to [REDACTED] a second email communication to which she attached a letter from the [REDACTED] Civil Aviation Authority concerning the inclusion of an [REDACTED] aircraft in [REDACTED] AOC. This email was forwarded by [REDACTED] of the [REDACTED] to [REDACTED] of [REDACTED] for his review. In his response to [REDACTED], [REDACTED] stressed that the [REDACTED] offered by [REDACTED] was under a wet lease agreement with another company, [REDACTED]. As [REDACTED] was not registered with the United Nations, [REDACTED] did not have any information about this company. In addition, [REDACTED] noted that the lease agreement between [REDACTED] and [REDACTED] was only for cargo transportation and not for passengers, as was a requirement of ITBS-[REDACTED]. Thus, according to [REDACTED], [REDACTED]'s offer remained unacceptable, and [REDACTED] was eventually awarded the contract.

83. A copy of the lease agreement sent by [REDACTED] as part of [REDACTED]'s bid submission is set forth below.

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**REDACTED**

**Figure: Lease Agreement sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

84. [REDACTED] provided the Task Force with a copy of their wet lease agreement for the [REDACTED] that was signed on [REDACTED].

**REDACTED**

**Figure: [REDACTED] and [REDACTED] Wet Lease Agreement ([REDACTED])**

85. [REDACTED] confirmed that [REDACTED] had never submitted a bid for ITBS-[REDACTED]. When investigators presented [REDACTED] with the wet lease agreement, dated [REDACTED], between [REDACTED] and [REDACTED] for the [REDACTED] aircraft for his review, he stated that the signature on this agreement had been forged, as it was not his own. [REDACTED] of [REDACTED] also reviewed the lease agreement with investigators, and stated that this was not the type of wet lease agreement that [REDACTED] normally would use.

86. [REDACTED], however, confirmed that the [REDACTED] letter, dated [REDACTED], that was submitted with the bid regarding the lease agreement between [REDACTED] and [REDACTED] for an [REDACTED] aircraft appeared to be authentic. A copy of this letter is set forth below.

**REDACTED**

**Figure: Letter from [REDACTED] sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

87. When asked how [REDACTED] might have obtained a copy of this letter, [REDACTED] replied that it was routine practice for [REDACTED] to send this [REDACTED] letter via email to [REDACTED] for [REDACTED]'s lease agreements.

88. A review of the ITBS-[REDACTED] bid submissions received by the [REDACTED] on [REDACTED] indicates that [REDACTED], through a representative by the name of [REDACTED], submitted a bid offering for the same [REDACTED] aircraft [REDACTED] that [REDACTED] had offered for ITBS-[REDACTED] and ITBS-[REDACTED] on [REDACTED] and [REDACTED], respectively. The bid package submitted by [REDACTED] included a "Statement of Aircraft Ownership," indicating that the offered aircraft was registered in the Republic of [REDACTED] and that the registration was issued to [REDACTED]. An "Operator's Certificate" issued by the Civil Aviation Administration of [REDACTED] to [REDACTED] authorizing the company to operate the [REDACTED] and [REDACTED] was also included with the submission. [REDACTED] also sent a copy of a wet lease agreement, executed on [REDACTED] between [REDACTED] and [REDACTED] for the lease of two [REDACTED] aircraft,

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the [REDACTED] and the [REDACTED]. The lease was set to expire on [REDACTED] with an option for renewal by mutual consent of the parties.

89. A copy of the aircraft configuration section submitted by [REDACTED] is set forth below.

**REDACTED**

**Figure: [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

90. According to the documents purportedly submitted on behalf of [REDACTED] by [REDACTED] for ITBS-[REDACTED] and ITBS-[REDACTED] respectively, [REDACTED] leased the [REDACTED] from [REDACTED] for a period of one year commencing on [REDACTED]. By contrast, two weeks later, in its submission for ITBS-[REDACTED], [REDACTED] offered the exact same aircraft—namely, the [REDACTED] registration no. [REDACTED]—which it presented as having access to a one year lease agreement with [REDACTED], dated [REDACTED]. A copy of the lease agreements for the [REDACTED] aircraft that were submitted as part of the bid submission package for ITBS-[REDACTED] by [REDACTED] and for ITBS-[REDACTED] by [REDACTED] respectively are set forth below.

**REDACTED**

**Figure: [REDACTED] Lease agreement submitted by [REDACTED] for ITBS-[REDACTED] ([REDACTED])**

**REDACTED**

**Figure: Lease agreement submitted by [REDACTED] for ITBS-[REDACTED] ([REDACTED])**

91. Notably, the wet lease agreement between [REDACTED] and [REDACTED] and other documents presented by [REDACTED] in its submission for ITBS-[REDACTED], all indicate that they were faxed through [REDACTED]' office at [REDACTED], [REDACTED]. In fact, all of these documents (which included the bid bond, the Appendix A-A Safety Report, the AOC, and a letter from [REDACTED] stipulating the conditions for insurance of an [REDACTED] aircraft), were faxed from [REDACTED] to [REDACTED], [REDACTED], which, in turn, faxed the documents back to [REDACTED] prior to that company's bid submission to the [REDACTED]. A copy of the AOC submitted by [REDACTED], set forth below, demonstrates this sequence of facsimile transmissions.

**REDACTED**

**Figure: AOC sent with [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

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92. Further, an examination of the bid offer submitted by [REDACTED] reflects that this offer was in fact submitted from the same fax machine that was used to submit [REDACTED]'s bid. Specifically, a comparison of Annex E-Part 1 of [REDACTED] bid submission with Annex E – Part 1 of [REDACTED] bid submission, both in connection to ITBS-[REDACTED], indicates that the facsimile machine from which [REDACTED]'s bid submission was sent, as well as that from which [REDACTED] submission was sent, both indicate the date in error as [REDACTED].

93. In order to demonstrate these points more clearly, a copy of [REDACTED] Annex E-Part 1 is set forth below, followed by a copy of [REDACTED]'s Annex E-Part 1.

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

94. For the sake of comparison, a copy of [REDACTED]'s Annex E – Part 1 is set forth below.

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

95. Further comparison of the company information presented in Annex E – Part I of [REDACTED] bid submission with that which was included in [REDACTED] bid submission reflects that they both have the same format, including an identical typeface, as well as sections “j” and “k,” listing the names of the respective company’s representatives in italics. In addition, Annex E – Part I of [REDACTED] bid submission identifies the time at which it was faxed as approximately twelve minutes prior to [REDACTED] bid submission to the [REDACTED]—i.e., [REDACTED] submission was received at 13:30, while [REDACTED] submission was received at 13:42. Based on the comparison of the document submitted by [REDACTED] with that submitted by [REDACTED], compels a reasonable conclusion that both offers were, in fact, submitted to the [REDACTED] from the same fax machine.

#### **4. ITBS-[REDACTED] – Aircraft for [REDACTED]**

96. ITBS-[REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision to [REDACTED] of two aircraft for a period of two years with the option of a third year. Eight vendors out of ninety invitees submitted bids by the [REDACTED] deadline: [REDACTED], [REDACTED], [REDACTED], and [REDACTED].

97. The bid opening for ITBS-[REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as “rep”—i.e., representative—of [REDACTED].

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REDACTED

**Figure: Bid Opening Attendance Register ( )**

98. [REDACTED] of [REDACTED] stated that in [REDACTED] had considered bidding for ITBS-[REDACTED] with the offer of three [REDACTED] aircraft (Registration Nos. [REDACTED]; [REDACTED] and [REDACTED]) [REDACTED] had leased from [REDACTED] ([REDACTED]). However, [REDACTED] was unable to provide the required bid bond for the offer. [REDACTED] further explained that when he told [REDACTED] of [REDACTED] that [REDACTED] would not be able to bid for ITBS-[REDACTED] due to its inability to provide a bid bond, [REDACTED] offered [REDACTED] assistance by submitting a bid bond on behalf of [REDACTED]. [REDACTED] accepted this offer from [REDACTED] and proceeded to send all relevant [REDACTED] documents pertaining to the submission for ITBS-[REDACTED] to [REDACTED]. The agreement was for [REDACTED] to send the submission, including a bid bond cheque to be provided by [REDACTED], to the [REDACTED] on behalf of [REDACTED]. [REDACTED] provided the [REDACTED] with a copy of an [REDACTED] email communication he sent to [REDACTED], in which he attached the documents to be submitted on behalf of [REDACTED] for ITBS-[REDACTED]. A copy of this email is set forth below.

REDACTED

**Figure: [REDACTED] email to [REDACTED] regarding [REDACTED] ITBS-[REDACTED] proposal**

99. [REDACTED] further confirmed that ITBS-[REDACTED] was the only United Nations procurement exercise for which [REDACTED] actually bid; however, [REDACTED] had never received any response or otherwise heard from the United Nations with regard to its bid. According to [REDACTED], when he questioned [REDACTED] as to the outcome of this particular bidding exercise [REDACTED] responded that the bidding process “takes time.”

100. The [REDACTED] compared the documents that [REDACTED] had sent to [REDACTED] of [REDACTED] for ITBS-[REDACTED] with the documents that [REDACTED] submitted, purportedly on behalf of [REDACTED], in connection to ITBS-[REDACTED]. The [REDACTED] noted that the information and documents that [REDACTED] had submitted for ITBS-[REDACTED] includes, in part, the same information that [REDACTED] had prepared for the ITBS-[REDACTED] submission.

101. In her submission purportedly on behalf of [REDACTED], [REDACTED] offered the same three [REDACTED] aircraft, registered in [REDACTED], and with registration numbers [REDACTED], [REDACTED] and [REDACTED], that [REDACTED] intended to offer for ITBS-[REDACTED] and about which [REDACTED] referenced in his [REDACTED] email to [REDACTED]. Indeed, a close examination of both sets of documents—i.e., those sent by [REDACTED] to [REDACTED] and those submitted by [REDACTED] to the [REDACTED] for ITBS-[REDACTED]—reveals that several sections are identical—specifically, “Section I-Documentation & Aircraft Specifications,” “Section II-Other Important Information,” “Part V-Statement of

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Aircraft Ownership-Lease Arrangements,” and “Annex E-Part II – Aircraft Configuration.”

102. Significantly, the “Part IV-Price Schedule” sent by [REDACTED] as part of the [REDACTED] package submission for ITBS-[REDACTED] is very different from the one prepared by [REDACTED] and which he sent to [REDACTED] to include in [REDACTED]’s bid for that particular exercise. In particular, the Price Schedule submitted by [REDACTED] lists prices that are almost double those offered by [REDACTED].

103. A copy of the Price Schedule prepared by [REDACTED] is set forth below.

**REDACTED**

**Figure: Part IV-Price Schedule sent by [REDACTED] to [REDACTED] for ITBS-[REDACTED] ([REDACTED])**

104. A copy of the Price Schedule submitted by [REDACTED] is set forth below.

**REDACTED**

**Figure: Part IV-Price Schedule submitted by [REDACTED] for ITBS-[REDACTED] ([REDACTED])**

105. [REDACTED] included in her bid offer for ITBS-[REDACTED] the same photocopy of the check issued by [REDACTED], which she had submitted, purportedly on behalf of [REDACTED], in connection to ITBS-[REDACTED], ITBS-[REDACTED], and ITBS-[REDACTED].

106. Ultimately, the Technical Evaluation Committee found [REDACTED]’s bid unacceptable as the proposed aircraft did not meet all technical requirements. [REDACTED], as the only vendor that submitted a technically compliant bid, was awarded this contract.

**5. ITBS-[REDACTED] – [REDACTED] Aircraft for [REDACTED]**

107. ITBS-[REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision to [REDACTED] of one [REDACTED] aircraft for a period of two years with the option of a third year. Four vendors out of 108 invitees submitted bids by the [REDACTED] deadline: [REDACTED], [REDACTED], [REDACTED], and [REDACTED].

108. The bid opening for ITBS-[REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as “rep”—i.e., representative—of [REDACTED].

**REDACTED**

**Figure: Bid Opening Attendance Register ([REDACTED])**

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109. The offer purportedly received from [REDACTED] was accompanied by a cover letter from [REDACTED] that was identical, except for the date, to the one she had submitted in connection to ITBS-[REDACTED] ([REDACTED] aircraft for [REDACTED]) addressed to [REDACTED] and [REDACTED] of the [REDACTED]. The letter stated that [REDACTED] was offering one [REDACTED] aircraft and that the plane was "available and ready." In fact, [REDACTED] again offered the [REDACTED] registered [REDACTED] [REDACTED], owned by [REDACTED], on behalf of [REDACTED].

110. Indeed, the bid package submitted by [REDACTED] for ITBS-[REDACTED] contained, for the most part, the same set of documents as the offer she submitted for ITBS-[REDACTED]. However, two important documents—namely, the AOC and the wet lease agreement—were different in this submission, as compared to that for ITBS-[REDACTED]. The AOC issued by the Civil Aviation Authority of [REDACTED] submitted by [REDACTED] for ITBS-[REDACTED] is identical to the one she had submitted for ITBS-[REDACTED] except for the fact that the one submitted for ITBS-[REDACTED] authorized the transportation of passengers. A copy of the AOC submitted for ITBS-[REDACTED] is set forth below.

**REDACTED**

**Figure: AOC sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

111. The Task Force presented the documents submitted for ITBS-[REDACTED] by [REDACTED] to [REDACTED] and [REDACTED] of [REDACTED]. When [REDACTED] was presented with the AOC sent by [REDACTED] with [REDACTED]'s purported bid submission for ITBS-[REDACTED], he indicated that this was a legitimate AOC that the [REDACTED] had issued to [REDACTED].

112. The wet lease agreement submitted by [REDACTED] in connection to ITBS-[REDACTED] differs from the one she had submitted for ITBS-[REDACTED], even though both documents were purportedly signed by the same parties, [REDACTED] and [REDACTED], and for the exact same aircraft, the [REDACTED], registration No. [REDACTED]. Notably, the agreement submitted for ITBS-[REDACTED] was dated [REDACTED], as compared to that submitted for ITBS-[REDACTED], which was dated [REDACTED]. In addition, the signatures for both parties also differed between these two lease agreements, as did the address given for [REDACTED] in the two documents. A copy of the page that includes the signatures and addresses of the signatories for the wet lease agreement presented on behalf of [REDACTED] for ITBS-[REDACTED] is set forth below.

**REDACTED**

**Figure: Wet Lease Agreement sent with [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

113. A copy of the page that includes the signatures and addresses of the signatories for the wet lease agreement presented on behalf of [REDACTED] for ITBS-[REDACTED] is set forth below.

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**REDACTED**

**Figure: Wet Lease Agreement sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

114. [REDACTED] and [REDACTED] were presented with the lease agreement, set forth in the second figure above, dated [REDACTED], between [REDACTED] and [REDACTED] that was submitted in connection to ITBS-[REDACTED]. [REDACTED] stated that [REDACTED] could not have been a party to this lease agreement, as the company did not have an [REDACTED] aircraft in [REDACTED], and had only leased this aircraft for the first time in [REDACTED].

115. Upon reviewing the signatures that appear on the wet lease agreement submitted in connection to ITBS-[REDACTED], set forth above, [REDACTED] stated that the signature for [REDACTED], the other [REDACTED], appeared to have been forged. [REDACTED] provided the [REDACTED] with a sample of [REDACTED]'s authentic signature, set forth in the figure below, to support his claim that this was not the same signature as that included in the lease submitted for ITBS-[REDACTED] by [REDACTED].

**REDACTED**

**Figure: Sample of [REDACTED] signature**

116. Set forth below is [REDACTED]'s forged signature as it appears on the lease agreement submitted on behalf of [REDACTED] for ITBS-[REDACTED].

**REDACTED**

**Figure: [REDACTED]'s forged signature on lease agreement submitted for ITBS-[REDACTED]**

117. As compared with the bids submitted by other companies in connection to ITBS-[REDACTED], the bid submitted by [REDACTED] purportedly on behalf of [REDACTED] was competitively priced and indeed below the competition. For example, [REDACTED] bid was [REDACTED] for three years, whereas [REDACTED] which also offered an [REDACTED] aircraft, submitted a bid for [REDACTED] for three years.

118. Nevertheless, the technical committee's assessment of the bid submissions performed by [REDACTED] found the offer submitted by [REDACTED] to be "unacceptable" in light of the fact that the AOC issued by the [REDACTED] Civil Aviation authorities had not been endorsed for the type of aircraft proposed, the [REDACTED]. According to [REDACTED], the fact that the AOC had not been endorsed signified that [REDACTED] "does not operate this type of aircraft." [REDACTED] also noted that the "[REDACTED] offered in the bid is under a wet lease agreement; and is not authorized to carry passengers." In fact, according to the technical assessment, the proposed aircraft was owned by [REDACTED], a company not registered with the United Nations. Further, the Certificates of Registration and Airworthiness were under the name of a third company, [REDACTED], whereas in order for the bid submission

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to be deemed acceptable, these documents should have indicated [REDACTED] as the operator of the aircraft. Thus, the offer submitted by [REDACTED], purportedly on behalf of [REDACTED], was not considered further. Ultimately, [REDACTED] was awarded the contract for this exercise.

**6. ITBS-[REDACTED] – [REDACTED] aircraft for [REDACTED]**

119. ITBS-[REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision of two [REDACTED] aircraft to the [REDACTED] with an option of an additional aircraft for a period of two years, as well as the option of a third year. Five vendors out of eighty-nine invitees submitted bids by the [REDACTED] deadline: [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED].

120. The bid opening for ITBS-[REDACTED] took place on [REDACTED]. In connection with this exercise, [REDACTED] signed the attendance register as “rep,” i.e., the representative, of [REDACTED], [REDACTED], and [REDACTED] did not send representatives to the bid opening.

121. The [REDACTED] bid was submitted by [REDACTED], who signed the submission as [REDACTED] “Authorized Representative,” and listed “[REDACTED]” as his telephone number and “[REDACTED]” as his fax number. A copy of Annex E-Part 1 of the bid submission is set forth below.

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED]’s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

122. Whereas with the other four ITBS exercises noted above, [REDACTED] was the individual who submitted bid documents and Acknowledgement Letter purportedly on behalf of [REDACTED], in connection to ITBS-[REDACTED], a “[REDACTED]” sent an Acknowledgement Letter on behalf of [REDACTED] stating that company’s intention to submit a bid offer.

123. [REDACTED], through its representative [REDACTED], submitted an offer for the same [REDACTED] aircraft ([REDACTED]) that it had submitted in connection with ITBS-[REDACTED] ([REDACTED] aircraft for [REDACTED]). This aircraft was the same as [REDACTED] had offered in connection with ITBS-[REDACTED] ([REDACTED]) and ITBS-[REDACTED] ([REDACTED]). Notably, [REDACTED] signature, as it appears on Annex E – Part 1 Company Information of the bid submission for ITBS-[REDACTED], is significantly different from the signature that appears on the same annex for ITBS-[REDACTED]. A copy of [REDACTED] Annex E – Part 1 for ITBS-[REDACTED] is set forth below.

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REDACTED

Figure: Annex E-Part 1 of [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])

124. A copy of Annex E – Part 1 for ITBS-[REDACTED] is set forth below.

REDACTED

Figure: Annex E-Part 1 of [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])

125. The bid package submitted by [REDACTED] for ITBS-[REDACTED] also included a Certificate of Registration from the Civil Aviation Administration of [REDACTED] for the [REDACTED], which indicated that the owner of this aircraft was “[REDACTED]” and the operator was [REDACTED]. No certificates of insurance or copies of any lease agreements were provided to the [REDACTED] with [REDACTED]'s submission.

126. The submission by [REDACTED], purportedly on behalf of [REDACTED], included an offer for three [REDACTED] aircraft, namely, the [REDACTED], and [REDACTED]—all of which were registered in [REDACTED]. [REDACTED] was not listed as the contact name in the vendor registration database for [REDACTED]. However, [REDACTED] is listed in this database as the representative for [REDACTED]. [REDACTED] confirmed that [REDACTED] was its [REDACTED] since [REDACTED].

127. Both [REDACTED] and [REDACTED] stated that they knew [REDACTED]. [REDACTED] confirmed to the Task Force that [REDACTED] was “someone she knew from [REDACTED]” and that she had done some translations for him on behalf of [REDACTED], the company for which she believed [REDACTED] worked. [REDACTED] indicated that since [REDACTED] was based in [REDACTED], [REDACTED] had given permission for [REDACTED] to use the [REDACTED] address for UN correspondence, as the UN wanted a local contact number and address.

128. [REDACTED] and [REDACTED] both confirmed that they knew a [REDACTED], as he was [REDACTED]'s boss, and the person with whom [REDACTED] dealt with at [REDACTED] after [REDACTED]'s departure in [REDACTED].

129. According to the Certificate of Aircraft Registration (“CAR”) issued by the [REDACTED] of the [REDACTED] and submitted by [REDACTED] purportedly on behalf of [REDACTED], the [REDACTED] aircraft was owned by [REDACTED] located in [REDACTED], and operated by [REDACTED] located in [REDACTED]. Both the CAR for the [REDACTED] and that for the [REDACTED] listed [REDACTED], located at [REDACTED].

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[REDACTED], as the owner of the aircraft, the operator being [REDACTED].

130. [REDACTED] informed investigators that for all [REDACTED] lease payments, [REDACTED] would make payments in US dollars to a bank account in the [REDACTED] under the name of [REDACTED], the company that was listed on the CAR as the owner of the [REDACTED] and [REDACTED] aircraft. [REDACTED], [REDACTED], confirmed that information for these lease payments were based on invoices and emails that [REDACTED] would send to [REDACTED] regardless of whether the aircraft was leased from [REDACTED], [REDACTED], or [REDACTED]. In addition, [REDACTED] provided the Task Force with a copy of an email sent by [REDACTED], a representative of [REDACTED], to [REDACTED] on [REDACTED] (the email was in relation to a payment request). The email noted that the address for [REDACTED] had changed from [REDACTED] to [REDACTED]. Notably, the more recent address for [REDACTED] is the same address listed on the CAR for two of the aircraft referenced in the aforementioned bid submission by [REDACTED].

131. [REDACTED]'s bid submission also included a copy of a document entitled "Aircraft Dry Lease Agreement" between [REDACTED] and [REDACTED], dated [REDACTED], in which [REDACTED] agreed to lease the [REDACTED], the [REDACTED], and the [REDACTED] aircrafts to [REDACTED] for the period between [REDACTED] and [REDACTED]. A copy of this dry lease agreement is set forth below.

**REDACTED**

**Figure: Dry Lease Agreement submitted on behalf of [REDACTED] for ITBS-[REDACTED] ([REDACTED])**

132. When the Task Force presented [REDACTED] with the lease agreement, set forth above, [REDACTED] stated that [REDACTED] had individual lease agreements for each aircraft [REDACTED], [REDACTED] and [REDACTED] and that they would not have had one lease agreement for all three of these aircraft. In support of [REDACTED]'s statement, [REDACTED] provided the Task Force with copies of its lease agreements with [REDACTED] for [REDACTED] registration nos. [REDACTED] (dated [REDACTED]), [REDACTED] (dated [REDACTED]), and [REDACTED] (dated [REDACTED]), all of which were signed either by [REDACTED] or [REDACTED].

133. Furthermore, [REDACTED] noted that the signature on the lease agreement submitted in connection to ITBS-[REDACTED] purportedly on behalf of [REDACTED] was forged as it included the signature of [REDACTED], a former accountant for [REDACTED], who had left the company in or about [REDACTED] or [REDACTED]. As such, [REDACTED] could not have signed a lease executed in [REDACTED].

134. A Certificate of Insurance, issued by [REDACTED], was provided for the [REDACTED] aircraft covering the period [REDACTED] to [REDACTED]. A Certificate of Insurance, listing [REDACTED] as the "[REDACTED]" and issued by [REDACTED]

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[REDACTED] was provided for the [REDACTED] aircraft for the period spanning from [REDACTED] to [REDACTED].

135. When the Task Force presented [REDACTED] with the insurance certificate, issued by [REDACTED], for the [REDACTED] aircraft, [REDACTED] stated that he was certain that this certificate was not the insurance record that [REDACTED] had in its files for this aircraft, which had been issued by a different company, namely [REDACTED].

**REDACTED**

**Figure: Insurance Certificate submitted on behalf of [REDACTED] for ITBS-[REDACTED] ([REDACTED])**

136. [REDACTED] further stated that although the [REDACTED] and [REDACTED] aircraft were flown by [REDACTED] in connection with its [REDACTED] contract, [REDACTED] had provided the AOC for these aircraft on behalf of [REDACTED]. In addition, [REDACTED] offered that the third aircraft, [REDACTED], was flown by [REDACTED], and not by [REDACTED].

137. In connection to ITBS-[REDACTED], [REDACTED] submitted a bid offer on behalf of [REDACTED], signing the submission as the company's "Authorized Representative." [REDACTED] listed "[REDACTED]" as his telephone number and "[REDACTED]" as his fax number—notably, these were the same numbers listed by [REDACTED] in his bid submission which was purportedly on behalf of [REDACTED]. A copy of Annex E-Part 1 is set forth below.

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

138. In his submission for [REDACTED], which was faxed from the number [REDACTED], [REDACTED] included a cover letter addressed to [REDACTED] that was written on [REDACTED] stationery and signed by [REDACTED]. This letter was, in fact, prepared for another exercise, ITBS-[REDACTED], and then adapted for ITBS-[REDACTED], as indicated in the text of the letter which is set forth in the figure below.

**REDACTED**

**Figure: Letter sent with [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

139. [REDACTED] offered two [REDACTED] aircraft, both of which were registered in [REDACTED]. The CAR from the [REDACTED] civil aviation authorities indicates that one of these aircraft, registered as [REDACTED], was owned by [REDACTED], located in the [REDACTED] and that the other, registered as [REDACTED] was owned by [REDACTED], located in [REDACTED] in the [REDACTED].

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140. In connection to this exercise, [REDACTED] was acting as a [REDACTED] representative. Furthermore, [REDACTED] (spelling her name both as [REDACTED] and [REDACTED]) faxed [REDACTED] submission from the [REDACTED] number, which had previously been used to fax the [REDACTED] submission for ITBS-[REDACTED] as well as the [REDACTED] submission for the same ITBS-[REDACTED]. A copy of Annex E – Part 1 of [REDACTED]'s submission is set forth below.

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

141. [REDACTED] submission for two [REDACTED] aircraft was rejected because the company was not a registered United Nations vendor at the time of the bid submission.

142. According to the commercial evaluation performed by the [REDACTED] for [REDACTED], [REDACTED], and [REDACTED]—i.e., the three companies that submitted bids based on the [REDACTED] aircraft—the total hourly costs to the UN were offered as follows: [REDACTED]; [REDACTED]; and [REDACTED]. [REDACTED] offered the [REDACTED] at [REDACTED] per hour.

143. The breakdown of costs for [REDACTED] is strikingly similar to that of [REDACTED]. Indeed, the total hourly cost presented by [REDACTED] was [REDACTED], as compared to [REDACTED] for [REDACTED]—a difference of only [REDACTED]. A copy of the commercial evaluation for ITBS-[REDACTED] prepared by the [REDACTED] is set forth below.

**REDACTED**

**Figure: Commercial Evaluation for ITBS-[REDACTED] ([REDACTED])**

144. The technical assessment of the bid submissions performed by [REDACTED] found [REDACTED] offer “acceptable” on the condition that the company was able to provide proof of certain operational requirements and evidence that the aircraft underwent a maintenance ageing program.

145. [REDACTED] offer was also deemed “acceptable” on the condition that the company submitted proof that the aircraft was equipped with certain devices, had undergone maintenance ageing programs, and submitted a valid COA for the [REDACTED].

146. [REDACTED] bid was found “unacceptable” by [REDACTED], as the company’s offer not only failed to meet certain operational requirements, but also due to the fact that the assessment by [REDACTED] noted that the COA and COR submitted were under the name of [REDACTED] rather than that of [REDACTED]. Further, [REDACTED] failed to submit a Certificate of Insurance or copy of the lease agreement for the aircraft that it was offering.

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147. Ultimately, [REDACTED], being the “lowest substantially conforming bid” was awarded the contract on [REDACTED].

**7. ITBS-[REDACTED] – [REDACTED] aircraft for [REDACTED]**

148. Invitation to Bid [REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision of two [REDACTED] aircraft to [REDACTED] for a period of [REDACTED] years with the option of an additional, [REDACTED] year. Six vendors out of eighty-six invitees submitted bids by the [REDACTED] deadline: namely, [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), and [REDACTED].

149. A [REDACTED]—i.e., [REDACTED], who, as noted above, in the context of other ITB exercises had submitted prior bid submissions on behalf of [REDACTED]—sent an Acknowledgement letter on behalf of [REDACTED], stating the company’s intention to submit a bid offer.

150. [REDACTED] also submitted an additional letter dated [REDACTED] on [REDACTED] letterhead stating that she was [REDACTED]’s representative and authorized to negotiate on its behalf. Notably, this was the same letter of representation that [REDACTED] had submitted on behalf of [REDACTED] for seven other ITBs exercises—namely, ITBS-[REDACTED], ITBS-[REDACTED], ITBS-[REDACTED], ITBS-[REDACTED], ITBS-[REDACTED], ITBS-[REDACTED], and ITBS-[REDACTED].

151. Despite representations by [REDACTED] to the [REDACTED], [REDACTED] of [REDACTED] confirmed that the company had not submitted a bid for ITBS-[REDACTED], and did not know anyone by the name of [REDACTED].

152. When [REDACTED] was presented with this letter, which includes his signature, he stated that it had been forged, as he had never signed such a document, and again confirmed that he did not know or ever authorize a [REDACTED] to represent [REDACTED]. [REDACTED] noted as further evidence that this letter had been forged, that the letterhead on which this letter was written was missing [REDACTED] information at the bottom of the page. Further, [REDACTED] stated that [REDACTED] was not a registered vendor with the United Nations until [REDACTED], [REDACTED] after the date of this letter; as such, it would not have made sense for him to issue this letter to the [REDACTED] until after [REDACTED] had been registered as a UN vendor.

153. Moreover, [REDACTED] explained to the Task Force that [REDACTED] does not use either agents or representatives in [REDACTED] or elsewhere.

154. Nevertheless, for this bid, [REDACTED] purportedly on behalf of [REDACTED], offered three [REDACTED] aircraft, registered in [REDACTED] with registration numbers [REDACTED], [REDACTED] and [REDACTED]. These were the same aircraft that she had also submitted purportedly on behalf of [REDACTED] in connection with ITBS-[REDACTED]. According to the documents submitted by [REDACTED], these aircraft were owned by [REDACTED], [REDACTED] and [REDACTED], all located in [REDACTED].

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155. The bid package submitted by [REDACTED], purportedly on behalf of [REDACTED], also included the AOC issued by the [REDACTED] Civil Aviation Authority that authorized [REDACTED] only to transport cargo and mail, and not passengers. This AOC had been submitted by [REDACTED] for ITBS-[REDACTED], ITBS-[REDACTED], ITBS-[REDACTED], and ITBS-[REDACTED]. [REDACTED] also included with the bid package the same photocopy of the check issued by [REDACTED], submitted on behalf of [REDACTED] for ITBS-[REDACTED], ITBS-[REDACTED], ITBS-[REDACTED], and ITBS-[REDACTED].

**REDACTED**

**Figure: Bid bond check submitted on behalf of [REDACTED] for ITBS-[REDACTED], [REDACTED], [REDACTED], and ITBS-[REDACTED]**

156. The Task Force investigators showed to [REDACTED] the bid proposal that was submitted by [REDACTED] purportedly on behalf of [REDACTED] in connection with ITBS-[REDACTED]. Upon reviewing this document, [REDACTED] stated that this was the same proposal and information he had sent to [REDACTED] as part of a bid submission for ITBS-[REDACTED] (provision of two aircraft for [REDACTED]).

157. For ITBS-[REDACTED], [REDACTED] bid offer was submitted by [REDACTED]. According to [REDACTED], [REDACTED] was a summer intern who had worked for his office over two years ago. During his internship, [REDACTED] would routinely drop off bids and attend bid openings on behalf of [REDACTED]. However, according to the Annex E-Part 1 that was submitted with [REDACTED]'s bid package, [REDACTED] is listed as the company representative. It should be noted that Task Force investigators were unable to locate him for comment.

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED]'s Bid Submission for ITBS-[REDACTED] ([REDACTED])**

158. [REDACTED] offered the same [REDACTED] aircraft [REDACTED] that it had offered in connection to ITBS-[REDACTED] and ITBS-[REDACTED], and that [REDACTED] had offered in connection with ITBS-[REDACTED] and ITBS-[REDACTED]. In addition, [REDACTED] offered the [REDACTED], which it had previously offered in connection to ITBS-[REDACTED].

159. The bid opening for ITBS-[REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as "rep," i.e., representative, of [REDACTED]. [REDACTED] attended that bid opening as representative for [REDACTED].

**REDACTED**

**Figure: Bid Opening Attendance Register ([REDACTED])**

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160. The technical assessment of the bid submissions performed by [REDACTED] found [REDACTED] offer to be “unacceptable” both because the aircraft offered did not meet several operational requirements, and because the AOC issued by the [REDACTED] Civil Aviation authorities only authorized [REDACTED] to transport mail and cargo, and not passengers, as was required by the United Nations.

161. [REDACTED]’s bid was also found to be “unacceptable” by [REDACTED] because its offer failed to meet certain operational requirements. In addition, [REDACTED] found irregularities with documents submitted—specifically, [REDACTED]’ assessment noted that the offer did “not demonstrate acceptable ownership and operational control over the aircraft.”

162. Ultimately, another company, [REDACTED], was awarded the contract.

**8. ITBS-[REDACTED] – Aircraft for [REDACTED]**

163. Invitation to Bid [REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision to the [REDACTED] (“[REDACTED]”) of one [REDACTED] aircraft for a period of [REDACTED] with the option of an additional [REDACTED]. Three vendors submitted bids by the [REDACTED] deadline: specifically, [REDACTED] ([REDACTED]), [REDACTED], and [REDACTED].

164. A copy of Annex E – Part 1 is set forth below, in which [REDACTED] is listed as the authorized representative of [REDACTED].

**REDACTED**

**Figure: Annex E-Part 1 of [REDACTED] Bid Submission for ITBS-[REDACTED] ([REDACTED])**

165. Although [REDACTED], whose last name is spelled as “[REDACTED]” in documents submitted in connection to ITBS-[REDACTED], signed and submitted the bid offer purportedly on behalf of [REDACTED], it was [REDACTED], who had been listed as the representative of [REDACTED] in connection to ITBS-[REDACTED], who sent the Acknowledgement Letter purportedly on behalf of [REDACTED]. In it, he stated [REDACTED]’s intention to submit a bid offer for ITBS-[REDACTED]. A copy of this Acknowledgement Letter is set forth below.

**REDACTED**

**Figure: Acknowledgement Letter sent on behalf of [REDACTED] ([REDACTED])**

166. [REDACTED] of [REDACTED] was presented with the Acknowledgement Letter set forth above. [REDACTED] responded that [REDACTED] had not submitted a bid in connection to ITBS-[REDACTED], and, as such, this letter was fraudulent. When asked if he knew a [REDACTED], [REDACTED] replied that he did not. He further confirmed that he never asked or authorized [REDACTED] to represent or act on behalf of [REDACTED].

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167. The bid opening for ITBS- [REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as "rep," i.e., representative, of [REDACTED]. [REDACTED] did not send a representative to the bid opening.

168. Notably, [REDACTED] had attended the bid opening for ITBS- [REDACTED] on behalf of [REDACTED] only [REDACTED] prior to that for ITBS- [REDACTED], which was held on [REDACTED]. Since [REDACTED] stated to the Task Force that [REDACTED] was an intern in his office for the summer of [REDACTED], a reasonable inference based upon all the facts is that [REDACTED] was sent by [REDACTED] to attend the bid openings for ITBS- [REDACTED] and ITBS- [REDACTED] where [REDACTED] represented [REDACTED] in the former and [REDACTED] in the latter.

169. Further, only [REDACTED] after the [REDACTED] owned by [REDACTED] had been submitted in an offer by [REDACTED] on behalf of [REDACTED] for ITBS- [REDACTED], it was now offered by [REDACTED] on behalf of [REDACTED] for ITBS- [REDACTED]. It should also be noted that [REDACTED] had also offered this same aircraft on behalf of [REDACTED] for ITBS- [REDACTED] and ITBS- [REDACTED].

170. For ITBS- [REDACTED], [REDACTED] included the same documents, including the wet lease agreement dated [REDACTED] and signed by [REDACTED] and [REDACTED] as well as the [REDACTED] check issued on [REDACTED]. She had previously submitted these documents purportedly on behalf of [REDACTED] for ITBS- [REDACTED] and ITBS- [REDACTED].

171. [REDACTED] offered a [REDACTED] registered [REDACTED], number [REDACTED] aircraft, also owned by [REDACTED]. This bid submission was faxed from the number [REDACTED]—the fax number associated with [REDACTED]. [REDACTED]'s offer was not evaluated by [REDACTED] because the Annex-E aircraft specifications section of the bid was not submitted with the package.

172. In a [REDACTED] email communication to [REDACTED], [REDACTED] entitled "[REDACTED] Bid Response to [REDACTED]: Lowest: Price," which is set forth in the figure below, [REDACTED] wrote the following: "At the bid opening ITBS- [REDACTED] on [REDACTED] . . . [REDACTED]'s bid came in the lowest. We understand that the award decision will be completed after evaluation and approval processes by the [REDACTED] and appropriate committees. But since the proposed schedule requires for our aircraft to leave base early and these flights involve clearances, we would very much appreciate if you could give us an indication as soon as possible whether or not our bid is successful."

**REDACTED**

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

173. When the Task Force presented [REDACTED] with the email communication, set forth in the figure above, he stated that he did not know anyone by the name of [REDACTED] and had never requested that he send this email or serve as a representative of [REDACTED].

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174. On [REDACTED], [REDACTED] sent an email to [REDACTED], entitled "ITBS- [REDACTED]. Documentation requests & Questions." In this communication addressed to "[REDACTED]," [REDACTED] informed her that in order to further evaluate [REDACTED] bid the company needed to provide the crew dangerous goods training records. Further, [REDACTED] listed three additional points that needed clarification or a response from [REDACTED]:

1. The copy of the Air Operator Certificate issued by the [REDACTED] CAA is for the transportation of Cargo and Mail and not passengers. Is [REDACTED] authorized to transport passengers? If so, please provide the respective certificate.
2. The Certificate of Airworthiness does not indicate operational specifications for the aircraft offered. Could you provide the respective documentation?
3. The Lease Agreement does not allow transportation of weapons for military purposes and lease is for cargo transportation only not passengers. Please clarify and provide additional documents.

175. On [REDACTED], [REDACTED] emailed [REDACTED] a copy of [REDACTED] Air Service License, dated [REDACTED], although in the text of the email she referred to the attachment as the "Air Operator Certificate." [REDACTED] forwarded this email to [REDACTED] of [REDACTED] who responded that an "AOC supersedes the Air Service License" and the AOC submitted by [REDACTED] was only for transportation of mail and cargo. Upon receiving this response from [REDACTED] [REDACTED] forwarded [REDACTED]'s comments to [REDACTED], informing her that unless [REDACTED] provided an AOC authorizing them to transport passengers its offer would be assessed as unacceptable.

176. [REDACTED] responded to [REDACTED]'s email that "we will be writing separate emails to answer each of your questions," attaching dangerous goods training certificates, which [REDACTED] immediately forwarded to [REDACTED] for his review.

177. [REDACTED] wrote an email to [REDACTED] and [REDACTED] on [REDACTED] stating that "we are working very hard to provide all necessary information to satisfy the requirements of ITBS-[REDACTED]." A copy of this email is set forth below.

**REDACTED**

**Figure:** [REDACTED] email to [REDACTED] ([REDACTED])

178. [REDACTED] also attached a copy of the dry lease agreement for the [REDACTED] aircraft. This agreement between [REDACTED] and [REDACTED] for the lease of the [REDACTED] aircraft was dated [REDACTED] and its stated validity was [REDACTED] "from the date of conclusion of Acceptance act," but it seemed to be incomplete as the last page where the parties signatures should appear was not included. It should be noted that in its bid submission for ITBS-[REDACTED] of [REDACTED], [REDACTED] offered the same [REDACTED] aircraft while including a copy of a wet lease agreement for this aircraft signed

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by [REDACTED]—the operator of the aircraft—and [REDACTED] on [REDACTED], as shown under in this Report (see Section on ITBS-[REDACTED]).

179. After [REDACTED] forwarded [REDACTED] email attaching a copy of the dry lease agreement, [REDACTED] responded that [REDACTED] still did not meet the requirements for the ITBS because the lease agreement provided by [REDACTED] stated that the aircraft could be used for the transportation of passengers and cargo, whereas, [REDACTED]'s AOC only allowed for cargo and mail transportation. Further, [REDACTED] also noted that the COR and COA listed [REDACTED] as the aircraft's operator, instead of [REDACTED].

180. On [REDACTED] sent an email communication to [REDACTED] copying the exact statement from [REDACTED] in which he described the reasons why [REDACTED]'s offer was still unacceptable:

**REDACTED**

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

181. [REDACTED] responded to [REDACTED], informing her that she would forward an amended AOC with the necessary amendments for passenger transportation.

**REDACTED**

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (sent on behalf of [REDACTED])

182. [REDACTED] reviewed the email communication, set forth above, and explained that the [REDACTED] is not a passenger airplane, and, as such, the [REDACTED] would never certify this on the AOC; therefore, according to [REDACTED], the information provided by [REDACTED] to the [REDACTED] is factually wrong. Furthermore, [REDACTED] stated that the [REDACTED] was not included on [REDACTED] AOC until [REDACTED] and not in [REDACTED], as implied by the email communication, set forth above, sent by [REDACTED]. Indeed, [REDACTED] provided the Task Force with a copy of its AOC, dated [REDACTED], set forth below, which clearly shows that [REDACTED] was not authorized to operate the [REDACTED] in [REDACTED]. It was not until [REDACTED] that the [REDACTED] was added to [REDACTED] AOC. (See AOC below showing [REDACTED] now listed with date of [REDACTED])

**REDACTED**

Figure: [REDACTED] Civil Aviation Authority Air Operator Certificates ([REDACTED] and [REDACTED])

183. No further emails or any other correspondence from [REDACTED] were found in the contract file for ITBS-[REDACTED].

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184. Ultimately, the technical assessment of the bid submissions performed by [REDACTED] found [REDACTED] offer "unacceptable" because the AOC issued by the [REDACTED] Civil Aviation authorities only authorized [REDACTED] to transport mail and cargo, and not passengers, as required by the ITBS. Further, the assessment noted that the COA submitted did not indicate the operational specifications for the aircraft offered, crew training records were not provided, and the lease agreement did not allow for transportation of weapons for military purposes, nor passengers.

185. Although no notice of a contract award appears in the file, [REDACTED] minutes indicate that the contract for ITBS-[REDACTED] was awarded to [REDACTED] as the [REDACTED] recommended.

**9. ITBS-[REDACTED] – Aircraft for [REDACTED]**

186. Invitation to Bid [REDACTED], issued by the [REDACTED] on [REDACTED], called for the provision of one medium passenger aircraft for a period of [REDACTED] plus an optional [REDACTED] for [REDACTED]. Four vendors out of 118 invitees submitted bids by the [REDACTED] deadline: namely, [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), and [REDACTED].

187. Just as in the case with ITBS-[REDACTED], [REDACTED] sent an Acknowledgement Letter purportedly on behalf of [REDACTED] stating [REDACTED]'s intention to participate in the bid, while [REDACTED] submitted the offer on behalf of [REDACTED]. [REDACTED] again confirmed that he did not know [REDACTED] nor was he authorized to represent [REDACTED].

188. [REDACTED] offered the [REDACTED]-registered [REDACTED] on behalf of [REDACTED], owned by [REDACTED], which she had previously submitted for ITBS-[REDACTED] and ITBS-[REDACTED]. This bid package submitted by [REDACTED] (spelled [REDACTED] on Annex E Part 1 of the bid submission) included the AOC issued by Civil Aviation Authority of [REDACTED] only authorizing the company for cargo and mail transportation; the [REDACTED] Civil Aviation COR showing [REDACTED] as the owner of the aircraft and [REDACTED] as its operator, the Air Service license issued by [REDACTED] and a copy of the [REDACTED] check issued on [REDACTED] as bid bond. No copy of a lease agreement for the aircraft was submitted with [REDACTED] offer. The bid submission was sent via facsimile from [REDACTED], the fax number associated with the [REDACTED] office.

189. The bid opening for ITBS-[REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as "rep" of [REDACTED] Aviation.

190. The technical assessment of the bid submissions performed by [REDACTED] found [REDACTED]'s offer "unacceptable," noting, as it had in the case of prior bid submissions, that the AOC issued by the [REDACTED] authorities was not endorsed for transportation of passengers. The evaluation also noted that although the aircraft was leased, no lease agreement documents were submitted. For those reasons [REDACTED]'s offer was not considered further and [REDACTED] was eventually awarded the contract for this exercise.

191. [REDACTED] was presented with the bid package submitted by [REDACTED] for ITBS-[REDACTED]. Although [REDACTED] identified the bid submission as fraudulent, he noted

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that the air service license submitted by [REDACTED] was, in fact, legitimate. [REDACTED] noted that the license shows that passengers could not be carried on the aircraft, confirming that which [REDACTED] had already noted in its evaluation of this submission.

**10. ITBS-[REDACTED] – [REDACTED] aircraft for [REDACTED]**

192. Invitation to Bid [REDACTED], issued by the [REDACTED] on [REDACTED] called for the provision to [REDACTED] of one [REDACTED] aircraft with an option for an additional aircraft for a period of [REDACTED] with the option of [REDACTED]. Only two vendors submitted bids by the [REDACTED] deadline: namely, [REDACTED] ([REDACTED]), and [REDACTED].

193. The bid opening for ITBS-[REDACTED] took place on [REDACTED] and [REDACTED] signed the attendance register as “rep” of [REDACTED]. A copy of the attendance register is set forth below.

**REDACTED****Figure: Bid Opening Attendance Register ([REDACTED])**

194. [REDACTED] sent an Acknowledgement Letter stating [REDACTED]'s intention to participate in the bid, and [REDACTED] submitted the offer purportedly on behalf of [REDACTED]. The submission was sent to [REDACTED] inside an envelope, indicating [REDACTED] as the return address, a copy of which is set forth below.

**REDACTED****Figure: Front of envelope from [REDACTED]'s bid submission for ITBS-[REDACTED] ([REDACTED])**

195. When asked if [REDACTED] had an office at [REDACTED], [REDACTED] stated that the company did not have an office at this address in specific, or in [REDACTED] in general. Furthermore, [REDACTED] confirmed that [REDACTED] had never sent any documents to this address to be submitted on its behalf to the United Nations.

196. [REDACTED] (spelled [REDACTED] on the Annex E – Part 1 of the bid submission) purportedly on behalf of [REDACTED] offered the same [REDACTED]-registered [REDACTED] that she had previously submitted for ITBS-[REDACTED], ITBS-[REDACTED], and ITBS-[REDACTED]. In fact, [REDACTED] submitted the exact same bid package as she did for ITBS-[REDACTED], with the exception that for this submission she included a copy of a dry lease agreement between [REDACTED] and [REDACTED], dated [REDACTED].

197. [REDACTED] was presented with the dry lease agreement between [REDACTED] and [REDACTED] dated [REDACTED]. [REDACTED] stated that although the [REDACTED] stamp that appears on the signature page was authentic, the signature was not his. [REDACTED] and [REDACTED] also noted that this was a fraudulent document because [REDACTED] would never enter into a dry lease agreement.

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**REDACTED**

**Figure: Signature page of the Dry Lease Agreement (sent with [REDACTED] bid submission for ITBS-[REDACTED], dated [REDACTED])**

198. The technical assessment of the bid submissions performed by [REDACTED] found [REDACTED] offer to be “unacceptable” due to operational issues, as well as the fact that, as noted above in the case of prior bid submissions, the AOC issued by the [REDACTED] Civil Aviation authorities was not endorsed for the aircraft proposed. The evaluation also noted that the documents provided showed that [REDACTED], not [REDACTED], was the operator of the aircraft. Thus, [REDACTED]’s offer was not considered further. In light of the fact that [REDACTED] offer was also assessed as “not acceptable” by [REDACTED], ITBS-[REDACTED] was ultimately cancelled.

## G. SUBJECT INTERVIEWS

1. [REDACTED]

199. During her interview with the Task Force, [REDACTED] confirmed that she had come to [REDACTED] sometime in or about [REDACTED] or [REDACTED] to work for [REDACTED], a [REDACTED]-based air charter company, selling airline tickets at their office located at [REDACTED] in [REDACTED]. When asked if she acted as the agent or representative for any other company, [REDACTED] stated that she only helped certain companies by acting as their contact person in dealings with the United Nations, but denied that she was ever the agent or the representative for any company. [REDACTED] described her role as sometimes attending a bid opening ceremony on behalf of a company, or assisting companies by inquiring with the [REDACTED] regarding their registrations, bids, or flight schedules. According to [REDACTED], it made sense to assist certain companies, although she did not identify them, as there were language problems since many representatives of these companies often did not speak English. Further, she explained that the time difference between [REDACTED] and the [REDACTED] often, in her view, made it difficult for UN personnel to reach a company official at the company’s place of business. As a result, she was often listed as the contact number in case there were any problems.

200. The Task Force investigators asked [REDACTED] to identify companies she had assisted in connection with dealings with the United Nations. Other than two companies unrelated to the matters set forth herein, she was not able to specify any other company for which she had performed such services concerning UN business.

201. When investigators queried [REDACTED] as to her connection to [REDACTED] and [REDACTED] in light of the fact that her name is listed in the UN database as their representative, [REDACTED] stated that these companies may have just put her name down as a contact person without actually employing her services.

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202. Although [REDACTED] name is listed as the representative for [REDACTED] in the UN vendor database, when asked if she had ever assisted this company, [REDACTED] said she was uncertain as this company had someone by the name of "[REDACTED]" who served as their primary point of contact with the UN.

203. When asked if she had ever helped [REDACTED], an airline based in [REDACTED], in any way, [REDACTED] responded that she had only done translation work for this company in connection to UN business, and their representative was [REDACTED]. [REDACTED] indicated that although [REDACTED] had never worked out of the [REDACTED] office in [REDACTED], he was someone she knew from [REDACTED].

204. In addition, [REDACTED] denied that she had ever delivered any bid submissions on behalf of any company for an UN [REDACTED] exercise or that any company had ever sent their bid submissions to the [REDACTED] office to be submitted on their behalf, as she explained that generally companies sent the bids from [REDACTED] directly to the [REDACTED] either by mail or facsimile. [REDACTED] stated that she only attended bid openings to record the results.

205. [REDACTED] stated that she had returned to [REDACTED] in [REDACTED] of [REDACTED] to have a family and that she no longer worked in the [REDACTED] office, as well as that she did not maintain contact with any of the aforementioned airline companies.

## 2. [REDACTED]

206. The Task Force visited the office of [REDACTED], [REDACTED] and interviewed [REDACTED] and a person who was in the office at the time who initially identified herself as "[REDACTED]" and [REDACTED]. Prior to this interview, [REDACTED] had informed the Task Force investigators that he had consulted with the [REDACTED] about the Procurement Task Force, and advised that [REDACTED] had provided some information to him about the Task Force.

207. [REDACTED] confirmed that he had represented [REDACTED], [REDACTED], and [REDACTED], although the latter he had only represented since [REDACTED]. [REDACTED] explained that [REDACTED] was bought by [REDACTED] (phonetic) and changed its name to [REDACTED] sometime in [REDACTED] or [REDACTED]. According to [REDACTED], [REDACTED] bought [REDACTED] in [REDACTED] and he henceforth became the representative for [REDACTED].

208. [REDACTED] stated that at one point between [REDACTED] and [REDACTED] he did represent [REDACTED], in light of the fact that it was owned by the [REDACTED] from [REDACTED] until [REDACTED]. [REDACTED] indicated that [REDACTED] became part of the [REDACTED] sometime in the calendar year [REDACTED].

209. When the Task Force asked [REDACTED] whether he still represents or has ever represented any other company in connection to UN-related business, he responded that many companies from [REDACTED] and other [REDACTED] nations

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ask him for help when dealing with the United Nations because they do not have representatives in [REDACTED] and they know that he is very familiar with UN [REDACTED] practices. He did not specify to which companies he was referring, but stated that he only assists these companies with technical questions. For example, after a contract is awarded, if there is an issue of re-scheduling that needs to be addressed, he will contact the relevant person in the company to inform them of any schedule change. [REDACTED] further explained that due to both the time difference between [REDACTED] and [REDACTED], and the fact that many times these companies do not have personnel that speak fluent English, he sometimes helps them communicate with the [REDACTED]. [REDACTED] stated that he only helps out these other companies which he informally assists in getting their questions answered or to follow-up with invoice payments with the United Nations, but does not represent them in any official capacity and is not involved in any of their bid submissions, nor does he share any information about their respective bids with companies to which he lends his assistance.

210. When asked if he knew anyone by the name of [REDACTED], [REDACTED] stated that he was familiar with [REDACTED], who worked for [REDACTED] an aviation company located in [REDACTED]. [REDACTED] stated that [REDACTED], who is based in [REDACTED] did not work out of [REDACTED] office, but that he had informed [REDACTED] that he could use the [REDACTED] address for UN correspondence as the Organization wanted a local contact number and address.

211. [REDACTED] was then asked if he knew a person by the name of [REDACTED]. At the time this question was presented to [REDACTED], "[REDACTED]" informed Task Force investigators that, in fact, her name was [REDACTED]. [REDACTED] was then asked by investigators to explain her relationship to [REDACTED], an [REDACTED]-based aviation company, to which she replied that it first opened an office in [REDACTED] in [REDACTED] and that she was hired as its [REDACTED] to help establish the office. However, she left [REDACTED] in [REDACTED]. [REDACTED] also indicated that [REDACTED]'s [REDACTED] offices are currently located in [REDACTED].

212. [REDACTED] explained that [REDACTED] is the president of [REDACTED] and that the company performs mostly cargo charters.

213. [REDACTED] was then asked to describe the relationship between the [REDACTED] and [REDACTED], to which she replied that there was no relationship between the two companies as they were two separate and distinct entities. [REDACTED] further stated that she believed that [REDACTED] was a "broker" company and not an "AOC" holder.

214. When asked if he was familiar with a [REDACTED], [REDACTED] stated that she was an employee of [REDACTED] and had worked out of the [REDACTED] office from approximately [REDACTED] through [REDACTED]. During her interview with the Task Force [REDACTED] stated that she had moved back to [REDACTED] in [REDACTED]. [REDACTED] was then asked as to whether [REDACTED] was a representative or agent for any other vendor, to which he replied that she could not be a representative or

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agent for any other vendor since she did not have any aviation experience or knowledge of aviation and, thus, no company would "trust her to be an agent."

215. The Task Force also inquired with [REDACTED] as to his familiarity with [REDACTED] and [REDACTED], who were also associated with the [REDACTED] office. According to [REDACTED], [REDACTED] was an office intern in or about [REDACTED] for a period of approximately [REDACTED], and in this capacity would sometimes deliver bids to the UN or attend bid openings on behalf of [REDACTED]. [REDACTED] also informed the Task Force that [REDACTED] had recently worked for him as an office intern and had returned to [REDACTED] in or about [REDACTED].

3. [REDACTED]

216. The Task Force investigation identified that [REDACTED] was listed in the vendor registration database as the [REDACTED] contact person and company representative with the United Nations. [REDACTED] confirmed in its [REDACTED] correspondence with the Task Force that [REDACTED] had served as its [REDACTED] since [REDACTED].

217. [REDACTED] applied to become a registered United Nations vendor in [REDACTED] and was accepted in [REDACTED]. One of the reference sources in the "Supplier Registration Form" submitted by [REDACTED] on [REDACTED] was [REDACTED]. In the letter of reference, dated [REDACTED], and signed by "[REDACTED]," [REDACTED] indicated that [REDACTED] has become its "strategic partner" and that both companies were planning "new spheres of future developments." As part of its submission for registration as a UN vendor, [REDACTED] submitted a Certificate of Insurance issued by [REDACTED] in [REDACTED].

218. In [REDACTED], [REDACTED] wrote to [REDACTED] and [REDACTED] requesting that [REDACTED] be invited to bid for helicopter services. (At that time, the United Nations had only approved [REDACTED] for fixed-wing aircraft.) [REDACTED] sent this communication via email from the address "[REDACTED]," and copied it to the following email addresses: "[REDACTED]," "[REDACTED]," and "[REDACTED]" among others.

219. Notably, [REDACTED] is also a registered vendor with the [REDACTED]. In [REDACTED]'s directory of registered vendors [REDACTED] and [REDACTED] are two of the contact persons listed for [REDACTED], and their respective email addresses are listed as [REDACTED] and [REDACTED]. Indeed, [REDACTED] and [REDACTED] of [REDACTED] stated that [REDACTED] and [REDACTED] were the [REDACTED] representatives with whom they had dealt regarding the leasing of aircraft.

220. [REDACTED] had confirmed to the Task Force that [REDACTED] was [REDACTED] representative. However, he did not work out of the [REDACTED] office in [REDACTED] but was someone she knew from [REDACTED] and had assisted him with

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some translations, although she did specify on behalf of what entity she had offered such assistance.

221. According to [REDACTED], despite the fact that [REDACTED] was not based in [REDACTED], he gave the latter permission to use the [REDACTED] office address and phone number as the contact number for [REDACTED] in communications with the [REDACTED].

**VII. EVALUATION**

222. The totality of evidence, presented above, demonstrates that [REDACTED], [REDACTED], and [REDACTED], [REDACTED], and others known and unknown, made numerous false representations and offered multiple forged documents purportedly acting on behalf of [REDACTED], a true company and an actual United Nations vendor, in numerous bidding exercises to provide various peacekeeping missions with various types of aircraft. In furtherance of the scheme, the participants submitted forged documents on behalf of [REDACTED] for ten separate procurement exercises in an effort to obtain air charter contracts over a period of [REDACTED], from [REDACTED] through [REDACTED]. These actions, although ultimately unsuccessful, constituted a scheme to defraud the United Nations.

223. The investigation has revealed that based upon the review of the relevant documentation in connection with these ten bid submissions with [REDACTED] senior management, the submissions made on behalf of [REDACTED] were indeed fraudulent, and the submissions included the presentation of forged documents, including forged letters of representations and lease agreements. Indeed, [REDACTED] and [REDACTED] confirmed that [REDACTED] had never employed or authorized any of the four individuals who claimed to represent [REDACTED] in these bid submissions—namely, [REDACTED], [REDACTED], [REDACTED], and [REDACTED]—to act on the company's behalf or represent [REDACTED] in dealings with the Organization.

224. With regard to the aircraft documents, such as the Air Operators Certificates, Licenses, and [REDACTED] Civil Aviation letters that were submitted purportedly on behalf of [REDACTED] as part of these bids, [REDACTED] and [REDACTED] confirmed that although these were authentic documents, they were not submitted by [REDACTED] in connection to any of the ten bidding exercises.

225. Based on the review of all bid submission documents, [REDACTED]'s documents and emails, and interviews conducted with [REDACTED]'s management, the investigation has determined with a reasonable degree of certainty that [REDACTED] shared documents, including, *inter alia*, the Air Operators Certificates, Licenses, and [REDACTED] Civil Aviation letters, fraudulently submitted on its behalf for the ten bidding exercises with [REDACTED] and [REDACTED], employees of [REDACTED], a broker company which arranged all of [REDACTED]'s aircraft lease agreements during the relevant time period.

226. As noted above, [REDACTED] and [REDACTED] explained that as their broker, [REDACTED], had access to documents that were fraudulently submitted on behalf of [REDACTED] in

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connection to these bid exercises, as well as knowledge as to what aircraft [REDACTED] was interested in leasing. It was [REDACTED] who negotiated [REDACTED]'s leases with third parties which provided aircraft, thereby, giving [REDACTED] access to and copies of all [REDACTED]'s lease agreements, and the signatures of [REDACTED] and other [REDACTED] employees, as well as to the company's official company stamp and letterhead. Thus, according to [REDACTED], in light of [REDACTED]'s privileged access to [REDACTED]'s documents, the link between all ten of these forged and fraudulent bid submissions was [REDACTED] and [REDACTED] of [REDACTED].

227. In turn, the fact that these documents were submitted purportedly on behalf of [REDACTED] by [REDACTED], [REDACTED] and [REDACTED]—all of whom were operating out of the [REDACTED] office in [REDACTED]—clearly indicates that these individuals joined [REDACTED] in the scheme, and perpetuated it on its behalf. Given the fact that both [REDACTED] and [REDACTED] confirmed that they not only knew [REDACTED], but had allowed him to use the [REDACTED] office and phone numbers as his contact information in dealings with the United Nations [REDACTED], it is evident that [REDACTED] was the link between [REDACTED] and the fraudulent bid submissions presented by [REDACTED] and [REDACTED]. Indeed, as the [REDACTED] representative to [REDACTED], [REDACTED] had both the knowledge of and access to all of [REDACTED]'s air charter documents needed to prepare and submit the bid proposals for air charter contracts. In fact, [REDACTED] himself sent one of the fraudulent bid submissions purportedly on behalf of [REDACTED], in connection with ITBS-[REDACTED], in which he falsely claimed to be [REDACTED]'s authorized representative before the Organization, further demonstrating his knowing participation in this scheme.

228. As further evidence of this scheme, during the review of bid submissions made purportedly on behalf of [REDACTED], it is significant to note that a bid bond check, issued by [REDACTED], and dated [REDACTED] for [REDACTED], had been submitted with seven of the ten fraudulent ITBS bid submissions described in this report—specifically, ITBS [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED].

229. According to the [REDACTED] of [REDACTED] and the [REDACTED]'s Annual Report, [REDACTED] was incorporated in [REDACTED] by [REDACTED], who also serves as its [REDACTED], and [REDACTED], who serves as the company's [REDACTED]. From the available evidence, the nature of business conducted by this company is not identified.

230. According to available records, [REDACTED] is located at [REDACTED], [REDACTED], in [REDACTED], which is a condominium owned by [REDACTED] and [REDACTED]. Notably, [REDACTED], who falsely presented herself as [REDACTED] representative in connection to eight of the ten fraudulent bid submissions made on behalf of [REDACTED], is listed as a former resident of this same address in [REDACTED].

231. The Task Force's review of the Vendor Registration database did not find [REDACTED] as a registered UN vendor.

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232. The fact that [REDACTED] bond checks were included as part of the [REDACTED] fraudulent ITBS submissions for [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED] indicates that the owner of [REDACTED], [REDACTED], who also rents the office space at [REDACTED] in [REDACTED], participated in this scheme by providing the bid bonds for these submissions. [REDACTED] directly participated in the scheme by furthering one of [REDACTED] fraudulent bid submission, namely ITBS-[REDACTED].

233. Further, [REDACTED]'s intern, [REDACTED], also participated in the scheme. [REDACTED], who operated as well out of the office at [REDACTED] during the summer of [REDACTED], fraudulently represented himself as a representative of [REDACTED] and submitted several of the bids to the Organization which are subject of this report, purportedly on behalf of [REDACTED]. Given both [REDACTED]'s involvement in the scheme, and the fact that [REDACTED] served as an intern under [REDACTED] at the time he submitted bids and also participated in the scheme, it can reasonably be inferred that [REDACTED] operated at the direction of [REDACTED].

234. Indeed, evidence identified in connection to ITBS-[REDACTED] is illustrative of the scheme perpetrated by [REDACTED], [REDACTED], and [REDACTED]. [REDACTED] informed the Task Force that he had intended for [REDACTED] to submit a bid for this procurement exercise, ITBS-[REDACTED]. However, [REDACTED] did not have the available funds for the bid bond. When [REDACTED] informed [REDACTED] of [REDACTED] (who they believed to be a subordinate of [REDACTED]) that [REDACTED] did not have the available funds for the bid bond, [REDACTED] offered that [REDACTED] could provide the bid bond on behalf of [REDACTED], and requested that [REDACTED] send its proposal to him. In turn, [REDACTED] sent to [REDACTED] the proposal, including the price schedule he was offering the Organization, as confirmed by the email provided by [REDACTED] to the Task Force.

235. Although, according to [REDACTED] did not ultimately submit a bid for ITBS-[REDACTED], and he had never authorized [REDACTED] to represent [REDACTED], the procurement file for this exercise indicates that [REDACTED], in fact, submitted a bid purportedly on behalf of [REDACTED]. Included in the bid package submitted by [REDACTED] were many of the documents that [REDACTED] had sent to [REDACTED]—specifically, a price schedule, which had been altered from that which was originally sent by [REDACTED] to [REDACTED]. In fact, this price schedule had been modified so as to reflect that [REDACTED] intended to charge the Organization approximately twice the amount that [REDACTED] had proposed. It is evident, therefore, that [REDACTED] had passed on to [REDACTED] the documents given by [REDACTED] to him in his position as a representative of [REDACTED]; and, in turn, [REDACTED] used these documents to assume [REDACTED]'s corporate identity and submit a fraudulent bid on behalf of [REDACTED].

236. Thus, based on the review of all bid submission documents, [REDACTED] documents and emails, and interviews conducted with [REDACTED] management, the Task Force finds that [REDACTED], [REDACTED], and [REDACTED], as well as [REDACTED] and [REDACTED], conspired to defraud and attempted to defraud the Organization by means of assuming the corporate identity of [REDACTED] through forged and fraudulent documents, as

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well as false representation, in connection to ten bidding exercises during the period from [REDACTED] through [REDACTED].

## VIII. WEAKNESSES IN THE BID OPENING PROCESS

237. During the course of this investigation, the Task Force identified that this scheme went undetected over a period of [REDACTED] from [REDACTED] through [REDACTED] in part because of several weaknesses within the [REDACTED]'s procedures concerning company representatives.

238. Acknowledgement Letters issued by the [REDACTED] as part of an ITBS package sent to invited vendors stipulate that the company's "authorized representative must present a completed copy of this letter in order to observe the public opening procedure." During her interview with the Task Force, [REDACTED], a [REDACTED], who has been responsible for all bid scheduling and openings since [REDACTED] stated that she routinely inquired with representatives who attended a bid opening about the identity of the company he or she was representing. According to [REDACTED], the representatives were required to bring the Acknowledgement Letter to the bid opening; however, since she was familiar with many of the representatives, she only verified whether a representative had such a letter in the case of vendors or representatives with whom she was not familiar.

239. [REDACTED] confirmed that she was familiar with [REDACTED], as she had attended bid openings for ITBs on behalf of a number of aviation companies she represented or claimed to represent, such as [REDACTED], [REDACTED], and [REDACTED]. As a result, [REDACTED] was allowed to attend bid openings on behalf of several companies, including [REDACTED], interchangeably and simultaneously and was not asked to provide any proof or authorization from any of these vendors, which she claimed to represent.

240. With regard to ITBS [REDACTED] the Task Force identified that the [REDACTED] had received two Acknowledgement letters from individuals alleging to represent [REDACTED]. Nevertheless, the Task Force did not find any evidence in the procurement file from the case officer or anyone else in procurement questioning the two different Acknowledgement Letters signed by two different individuals, both claiming to represent [REDACTED].

241. When the Task Force spoke with [REDACTED] regarding how the [REDACTED] handles multiple bid submissions by the same vendor, she explained that it is not unusual to receive two bids from one vendor for exercises where there are "last-minute" changes in deadlines. For "straight-forward" bids (where there are no changes) it sometimes is the case that the vendor will fax one bid, and then its agent or representative will bring a different bid to the bid opening. In these cases, [REDACTED] explained that at the bid opening she would hand the first bid back to the agent and, instead, accept the latter bid presented by the company's agent or representative. In the case that two bids are submitted by the same vendor, but there is no agent or

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representative of the vendor present at the time of the bid opening, then she just opens and registers both submissions. When asked how the [REDACTED] determined which of the bids to accept in this situation, [REDACTED] stated that she was not entrusted with this decision, as she only recorded the information received and passed it on to the designated [REDACTED].

242. According to [REDACTED], [REDACTED], [REDACTED], the [REDACTED] is responsible for checking and confirming the representative and other vendor information; therefore, he will check the Vendor Registration database to ensure that a representative's name is listed in this database. [REDACTED], [REDACTED], [REDACTED], [REDACTED] confirmed that a vendor's representatives are usually listed on the vendor registration documents, or, in the case that they are not, a representative needs a letter stating that he or she is authorized to represent the company. When asked if the [REDACTED] confirms as to whether a vendor representative is listed on vendor registration documents, [REDACTED] stated that his Section does not confirm this, but rather only that the company is a registered vendor.

243. It is clear from the scheme detailed in this Report that the lack of verification of vendor representative information by the [REDACTED] allowed for this scheme to go undetected over a [REDACTED] period. Indeed, the ten fraudulent bid submissions purportedly made on behalf of [REDACTED] were unequivocally accepted by the [REDACTED]. Without proper verification procedures, the Organisation is subjected to the risk of awarding contracts to unauthorized individuals and unregistered vendors who have not been properly vetted and approved by the Organisation..

**IX. DUE PROCESS**

244. The Task Force afforded [REDACTED] and [REDACTED] with ample opportunity to provide information regarding their role on behalf of [REDACTED] during their interviews that were conducted, respectively, on [REDACTED] and [REDACTED]. Numerous attempts were made by the investigators to solicit information by both individuals as to what companies they had represented and what this "representation" entailed. Further, [REDACTED], now living in [REDACTED], [REDACTED], told the Task Force that she may not be available for any further interviews as she was expecting a child; however, she was not able to provide a specific due date or when she would not be available.

245. The Task Force was unable to contact [REDACTED] as he no longer worked for [REDACTED] and attempts to find contact information were unsuccessful. Therefore, the Task Force was unable to interview him regarding these matters.

246. The Task Force was unable to find any contact information for [REDACTED] and therefore was unable to interview him regarding these matters.

247. The Task Force sought to meet with [REDACTED] in [REDACTED], but the investigators were advised by the [REDACTED]



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was false in that she did not truly represent this company, nor was she authorized to do so.

252. The Task Force also finds that [REDACTED] participated in this scheme by providing the bid bonds through the [REDACTED], incorporated under his name and for which he serves as [REDACTED], that were included as part of the [REDACTED] fraudulent ITBS bid submissions for ITBS-[REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED]. [REDACTED] had not authorized [REDACTED] to engage in these acts or use its identity.

253. The Task Force further finds that [REDACTED], an intern for [REDACTED], fraudulently presented himself as a true representative of [REDACTED] in dealings with the United Nations [REDACTED], and submitted several bids to the Organization purportedly on behalf of [REDACTED], which in fact was false in that he did not truly represent this company, nor was he authorized to do so.

254. The Task Force finds that the Organization did not suffer a monetary loss as the scheme was unsuccessful and these individuals and entities did not achieve the contracts which they corruptly sought (a total of at least ten procurement exercises). However, through this attempted fraud, the participants corrupted the procurement processes, and these acts may trigger recoverable damages in certain jurisdictions, through civil court process.

**B. THE [REDACTED]**

255. The Task Force did not find any evidence or indication that any United Nations [REDACTED] participated in this scheme in any way.

256. The Task Force finds, however, that the [REDACTED] should have exercised a greater degree of care when reviewing [REDACTED] bid submissions and persons claiming to be representatives of [REDACTED], especially since [REDACTED], who falsely presented herself as [REDACTED] representative, claimed to represent multiple companies at different times.

257. In particular, the Task Force finds that the [REDACTED]'s *de facto* policy of not requiring representatives to provide any proof or authorization from the vendors they claim to represent served in part to permit the scheme to continue undetected throughout at least ten different bidding exercises. The presentation of an acknowledgement letter from the vendor does provide sufficient assurances of authorized representation, as it is clear from this case that this document can be copied or recreated easily, as was done multiple times by [REDACTED] in connection with this scheme.

**XI. CONCLUSION**

258. Based on the totality of evidence, the Task Force concludes that [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED], engaged in conspiracy to defraud, and an attempt to defraud, the United Nations through active, intentional, and knowing participation in the scheme, in violation of criminal law.

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259. The Task Force further concludes that [REDACTED], [REDACTED], [REDACTED], and [REDACTED], [REDACTED], [REDACTED], as well as possibly other [REDACTED] and [REDACTED] company officials, engaged in the criminal acts, including forgery, aiding and abetting an offence, fraud and conspiracy.

260. The Task Force also concludes that the evidence of [REDACTED]'s role and participation in the scheme, namely as a representative of both [REDACTED] and [REDACTED], in consideration of the facts adduced during the investigation and set forth herein, demonstrates that [REDACTED] is related and connected to [REDACTED].

261. The Task Force concludes that the execution of this scheme compromised the integrity of the [REDACTED] processes at issue, and placed the Organization at an unacceptable risk of monetary loss.

262. The Task Force notes the full cooperation of [REDACTED] with the investigation, and thanks the company for all its assistance. In this regard, it should be emphasized that there is no evidence to indicate that [REDACTED], or any of its employees, participated in this scheme in any way. To the contrary, it appears that [REDACTED] was a victim of these offenses.

263. The Task Force concludes that [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED], violated the following provisions of the United Nations Procurement Manual:

(i) **Section 4.3(3)(b):** "The UN . . . [w]ill declare a firm ineligible, either indefinitely or for a stated period of time, to become a UN registered Vendor if it at any time determines that the firm has engaged in corrupt practices in competing for or in executing a UN Contract."

(ii) **Section 4.3(3)(c):** "The UN . . . [w]ill cancel or terminate a contract if it determines that a Vendor has engaged in corrupt practices in competing for or in executing a UN Contract."

(iii) **Section 7.12.2(1)(a):** "The criteria for suspension or removal from the Vendor Database . . . [include] [f]ailure to perform in accordance with the terms and conditions of one or more contract[s]" . . . or "[a]busive, unethical or unprofessional conduct, including corrupt practices and submission of false information."

## XII. RECOMMENDATIONS

### A. RECOMMENDATION PTF-R011/08/1

264. The Task Force recommends that the [REDACTED] immediately [REDACTED]

[REDACTED]

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**B. RECOMMENDATION PTF-R011/08/2**

265. The Task Force further recommends that the [REDACTED] consider [REDACTED]  
[REDACTED]

**C. RECOMMENDATION PTF-R011/08/3**

266. The Task Force recommends that the United Nations [REDACTED]  
[REDACTED]

**D. RECOMMENDATION PTF-R011/08/4**

267. The Task Force recommends that the United Nations [REDACTED] immediately discontinue the practice of allowing representatives to act on behalf of multiple companies in one bidding exercise, and require concrete proof of authorization of representation.

**E. RECOMMENDATION PTF-R011/08/5**

268. The Task Force recommends that the United Nations [REDACTED] develop detailed procurement guidelines for the verification of vendor agents and representatives including the type of documents and information that the agent or representative are required to present for bid openings or bid submissions, as well as procedures that require United Nations [REDACTED] to verify the agent and representative information, together with the contact person and number listed in the United Nations vendor registration database. Furthermore, this should include a revision of the procedures followed during the bid opening; particularly those that pertain to the receipt of multiple bid documents from the same vendor, and proof of authorized vendor representation.