



Department of Justice

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TWO SENTENCED IN \$1.4 MILLION VIRGIN ISLANDS BRIBERY SCANDAL

WASHINGTON – A former U.S. Virgin Islands fireman and an Atlanta businessman were sentenced today in U.S. District Court for the District of the Virgin Islands for their role in an elaborate bribery and kickback scheme to defraud the U.S. Virgin Islands government of approximately \$1.4 million in federal and local funds, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Anthony J. Jenkins of the District of the Virgin Islands announced today.

Chief Judge Curtis Gomez sentenced Earl E. Brewley, 47, to 21 months in prison, and Esmond J. Modeste, 59, to 30 months in prison. Both defendants were ordered to pay more than one million in restitution and sentenced to three years of supervised release.

Brewley and Modeste pleaded guilty on July 12, 2006, to engaging in a five-year conspiracy to commit bribery concerning programs receiving federal funds, honest services mail fraud, and structuring currency transactions. Brewley was a Virgin Islands Fire Service employee and a self-employed taxi driver. Modeste, an Atlanta businessman, was the purported Project Manager of a fictitious company named Elite Technical Services (Elite). As part of their pleas, they admitted that in early 2000, they and others formed Elite and then used it and other companies to seek and be awarded at least seven government contracts valued at approximately \$1.4 million. Although little or no actual work was performed on the contracts, which were awarded by the Virgin Islands Department of Planning and Natural Resources (DPNR) and the Department of Property and Procurement (DP&P) on behalf of DPNR and the Virgin Islands Fire Service, payments totaling over \$1.1 million were made to Elite and the other companies. Once the contract proceeds were paid to Elite and the other companies, Brewley, Modeste and others paid bribes and kickbacks totaling between \$300,000 and \$350,000 to at least four territorial government officials. One of those government officials, former DPNR Director of Environmental Protection Hollis L Griffin, has pleaded guilty and been sentenced to four years in prison for his role in the fraudulent scheme.

Many of the false contracts were funded with federal monies, and both the DPNR and the Fire Service otherwise receive annual appropriations of federal funds with which to fund such programs and contract awards. Brewley and Modeste admitted that certain documents and checks sent, as part of the illegal conspiracy, were delivered by U.S. Mail and Federal Express. Brewley, Modeste, and others also made a series of \$9,900 cash withdrawals—totaling over \$350,000—after depositing certain contract proceeds into FirstBank, Wachovia, and Banco Popular. These cash withdrawals were made in order to pay the bribes and kickbacks in cash while avoiding the filing of Currency Transaction Reports (CTRs) by the local banks.

This case is being jointly prosecuted by Armando O. Bonilla and John P. Pearson of the U.S. Department of Justice, Criminal Division, Public Integrity Section, headed by Chief William M. Welch II. The matter continues to be investigated by a task force comprised of: the Federal Bureau of Investigation, the Criminal Investigation Division of the Internal Revenue Service, the U.S. Postal Inspection Service, and the U.S. Environmental Protection Agency Office of the Inspector General. The Virgin Islands Office of the Inspector General also assisted in this investigation.

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