

Department of Justice

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<u>DEPARTMENT OF THE ARMY OFFICIAL AND ALABAMA-BASED PRIVATE</u> CONTRACTOR CONVICTED ON PUBLIC CORRUPTION CHARGES

WASHINGTON – A federal jury in Montgomery, Ala., has convicted Jeffrey H. Stayton, 57, of Spotsylvania, Va., and William C. Childree, 69, of Enterprise, Ala., on public corruption charges after a week-long trial before U.S. District Judge William S. Duffey, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

Stayton, the former Chief of the Aviation Division for the U.S. Army Test and Evaluation Command (ATEC), and Childree, the sole owner and operator of Maverick Aviation, Inc. (Maverick), were each found guilty of two counts of honest services wire fraud. The jury also found Stayton guilty on one count of obstruction of justice. Each defendant was acquitted of a single bribery count.

The jury heard evidence that in November 2001, the government selected Maverick to procure and deliver two helicopters for use by the U.S. government. The contract was worth approximately \$4.7 million. Stayton, in his capacity as an ATEC official, took actions that favored Maverick's selection as the eventual contract recipient and misled government officials about Maverick's performance under the contract. Thereafter, Childree used a portion of the contract funds to pay off the entire mortgage on his personal residence in Enterprise, Ala., and secretly wired a third party more than \$61,000 from a Maverick bank account to satisfy the entire amount on a mortgage on Stayton's personal residence in Spotsylvania, Va. Stayton failed to disclose his solicitation or receipt of this payment to other ATEC or Army personnel, or in his required annual financial disclosure statements. A federal grand jury indicted both men on March 1, 2006.

The jury also heard evidence that on June 29, 2005, Stayton appeared before the grand jury and falsely testified that Childree's \$61,071.75 payment was a loan.

Stayton and Childree each face a maximum of 20 years on the honest services wire fraud charges. Stayton also faces a maximum sentence of 10 years on the obstruction of justice charge. Sentencing is scheduled for March 3, 2008, before Judge Duffey.

The case was prosecuted by Trial Attorneys Shaun M. Palmer, Matthew L. Stennes, and Eric G. Olshan of the Criminal Division's Public Integrity Section, headed by William M. Welch II, and by Mariclaire Rourke of the National Security Division's Counterespionage Section, headed by John J. Dion. The case was investigated by the Department of the Army,

Criminal Investigation Command, with additional support provided by the Federal Bureau of Investigation, Washington Field Office.

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