

U.S. Department of Justice

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NEWS RELEASE

**FOR IMMEDIATE RELEASE
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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Timothy M. Edwards, age 37, of Garden Grove, California, pleaded guilty before Judge Leonie M. Brinkema, to one count of knowingly engaging in misleading conduct toward another person with intent to prevent or hinder the communication of information to a law enforcement officer relating to a federal crime. Edwards faces a maximum penalty of ten years imprisonment and a \$250,000 fine. Sentencing is set for April 11, 2003.

TRW, through its Space and Electronics Division in Redondo Beach, California, performed contracts for the National Reconnaissance Office in Chantilly, Virginia. In October 2000, in the Eastern District of Virginia, the Federal Bureau of Investigation opened an investigation which focused on the possibility that general contractors were violating the Anti-Kickback Statute by paying kickbacks or gratuities to TRW building managers as a reward for doing work for TRW, and that the cost of these kickbacks or gratuities was being passed on to the National Reconnaissance Office in Chantilly, Virginia.

Defendant Timothy M. Edwards and his brother, Michael A. Edwards, were TRW building managers at Redondo Beach who had discretion to hire Bob Parrett Construction Company ("Parrett Construction") as a general contractor.

In January 2001, at the request of FBI agents seeking to gather incriminating evidence against Parrett Construction, defendant Timothy Edwards agreed to cooperate and to engage in a recorded conversation with a Parrett Construction employee about earlier gratuities Parrett Construction had given to TRW building managers. However, in an effort to prevent the FBI from gathering evidence against his brother, Michael, who had received substantial gratuities from Parrett Construction, Timothy Edwards alerted the Parrett Construction employee that a recorded conversation for the FBI was about to take place. Timothy initiated the topic of gratuities in the recorded conversation with the employee, thereby enabling the employee to make false exculpatory statements, and then, without disclosing that the employee knew the conversation had been recorded, delivered the recording device to an FBI agent, telling the agent that he had not elicited any incriminating statements from the Parrett Construction employee.

The investigation was conducted by special agents of the FBI, Defense Criminal Investigative Service, and the Office of the Inspector General of the National Reconnaissance Office. The prosecution of the case is being handled by Assistant United States Attorney Stephen Learned.