

# ***NEWS RELEASE***

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## ***OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA***

*San Diego, California*

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*For Immediate Release*

### **INTERNATIONAL BRIBERY SCHEMES UNCOVERED INVOLVING HUNDREDS OF MILLIONS OF DOLLARS IN DEFENSE CONTRACTS**

*United States Naval Commander, NCIS Supervisory Special Agent and  
International Businessman Arrested Today*

#### **NEWS RELEASE SUMMARY – September 17, 2013**

SAN DIEGO, CA – Three individuals – a commander in the United States Navy, a special agent for the Naval Criminal Investigative Service (NCIS) and the CEO of a multinational defense contractor – were charged in criminal complaints unsealed today in connection with two separate bribery schemes.

The complaints allege that Leonard Glenn Francis, the CEO of Singapore-based Glenn Defense Marine Asia Ltd. (GDMA), paid U.S. Navy Commander Michael Vannak Khem Misiewicz and NCIS Supervisory Special Agent John Bertrand Beliveau II with luxury travel and prostitutes in exchange for confidential information and other assistance in relation to hundreds of millions of dollars in Navy contracts.

Francis was arrested in San Diego yesterday evening and made his initial appearance in federal court this afternoon before U.S. Magistrate Judge Karen S. Crawford. Also yesterday, Misiewicz and Beliveau were arrested in Colorado and Virginia, respectively. The next date in the cases is a hearing set for Friday, September 20, 2013 at 9:30am before U.S. Magistrate Judge William McCurine Jr., in federal court in San Diego, to determine whether Francis should be detained as a flight risk and as a risk to obstruct justice. Francis will remain in custody without bond pending Friday's hearing. The United States will seek the removal of Misiewicz and Beliveau to San Diego to face the charges.

U.S. Attorney Laura E. Duffy of the Southern District of California and Acting Assistant Attorney General Mythili Raman of the Justice Department's Criminal Division made the announcement after the complaints were unsealed.

As set forth in the complaints, Francis, a Malaysian national who resides in Singapore, is the chief executive officer and president of Glenn Defense Marine Asia Ltd. (GDMA), a multi-national corporation with headquarters in Singapore and operating locations in other countries, including Japan, Singapore, Thailand, Malaysia, Korea, India, Hong Kong, Indonesia, Australia, Philippines, Sri Lanka and the United States. GDMA provides hundreds of millions of dollars in "husbanding" services to the U.S. Navy, which involves the coordinating, scheduling and procurement of items and services required by ships and submarines when they arrive at port. These services include, for example, providing tugboats and fenders; paying port authority and customs fees; furnishing security and transportation; supplying provisions, fuel and water; and removing trash and collecting liquid waste.

Misiewicz, 46, is a commander and captain-select in the U.S. Navy, assigned to U.S. Northern Command located at Peterson Air Force Base in Colorado Springs, Colo. Before this position, he served as the deputy operations officer for the U.S. Commander, Seventh Fleet aboard the USS Blue Ridge. The Seventh Fleet's area of operations consists of 48 million square miles extending from Japan to Diego Garcia in the Indian Ocean and from Vladivostok, Russia, to Australia. As the deputy operations officer, Misiewicz had high-level exposure to the operational planning for ships in the Seventh Fleet and for any U.S. Navy ship traveling through the Seventh Fleet's area of responsibility. He also held influence in determining or modifying the schedule of port visits for U.S. Navy vessels.

Beliveau, 44, is a supervisory special agent for NCIS at Quantico, Va. In that position, he has had access to the internal NCIS database containing investigative reporting, including reports into an investigation by NCIS into possible fraud committed by GDMA in billing the U.S. Navy under its contracts.

According to one of the criminal complaints, Misiewicz and Francis allegedly engaged in a conspiracy to commit bribery. As part of the conspiracy, Misiewicz sent to Francis information that the Navy had classified as "Confidential," including schedules reflecting the movements of Navy ships months in advance. Misiewicz also operated as an advocate within the Navy for GDMA's interests, urging decisions about port visits and contractor usage that were designed to benefit GDMA. In return, Francis provided Misiewicz with paid travel, luxury hotel stays and prostitution services. To communicate with Francis privately, Misiewicz set up a special personal email account with a name that included Francis's initials.

As set forth in another complaint, Beliveau and Francis allegedly entered into a separate bribery conspiracy. As part of that conspiracy, Beliveau provided Francis with confidential information about the NCIS criminal fraud investigation into GDMA by secretly downloading reports from the NCIS database and conveying the information to Francis. Beliveau also allegedly provided Francis guidance as to how to deal with NCIS inquiries. In exchange, Francis provided Beliveau with, among other things, paid travel, luxury hotel stays and prostitution services.

Each defendant was charged with conspiring to commit bribery, which carries a maximum penalty of five years in prison. A criminal complaint is merely an allegation, and every defendant is presumed innocent until proven guilty beyond a reasonable doubt.

This ongoing investigation is being conducted by NCIS, the Defense Criminal Investigative Service, the Defense Contract Audit Agency, and the Drug Enforcement Administration. The Criminal Division's Office of International Affairs provided significant assistance in this matter, and the Royal Thai Police and Singapore Police Force also provided law enforcement assistance. This case is being prosecuted by Assistant U.S. Attorneys Mark Pletcher and Robert Huie of the Southern District of California and Catherine Votaw, Director of Procurement Fraud for the Criminal Division's Fraud Section.

Those with information relating to fraud, corruption or waste in government contracting should contact the NCIS anonymous tipline at [www.ncis.navy.mil](http://www.ncis.navy.mil).

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## **DEFENDANTS**

### **Case Number: 13-MJ-3456**

Leonard Glenn Francis  
John Bertrand Beliveau II

### **Case Number: 13-MJ-3457**

Leonard Glenn Francis  
Michael Vannak Khem Misiewicz

## **SUMMARY OF CHARGES**

### **Case Number: 13-MJ-3456**

Conspiracy to Commit Bribery in violation of 18 U.S.C. § 371

### **Case Number: 13-MJ-3457**

Conspiracy to Commit Bribery in violation of 18 U.S.C. § 371

## **INVESTIGATING AGENCIES**

Defense Criminal Investigative Service  
Naval Criminal Investigative Service  
Homeland Security Investigations  
Drug Enforcement Administration