



U.S. Department of Justice



United States Attorney
District of Maryland

Rod J. Rosenstein
United States Attorney

36 South Charles Street
Fourth Floor
Baltimore, Maryland 21201

410-209-4800
TTY/TDD: 410-962-4462

Vickie E. LeDuc
Public Information Officer

410-209-4885
FAX 410-962-3091
Vickie.LeDuc@usdoj.gov

November 20, 2015
FOR IMMEDIATE RELEASE
www.justice.gov/usao/md

**Contact AUSA VICKIE E. LEDUC or
MARCIA MURPHY at (410) 209-4885**

DEFENDANT SENTENCED TO 8 YEARS IN PRISON FOR THREE FRAUD SCHEMES

*Husband and Wife Fraudulently Obtained Over \$30 Million in Government Service Contracts,
Embezzled Over \$1.6 Million from Employee Benefits Plans
and Evaded Payment of \$492,961 in Taxes*

Baltimore, Maryland – U.S. District Judge J. Frederick Motz sentenced Shaun Tucker, a/k/a “Shawn Turner,” and “Mark Tyler,” age 50, of Keymar, Maryland, today to eight years in prison followed by three years of supervised release in connection with defrauding the United States of over \$30 million in obtaining government contracts, stealing over \$1.6 million in employee benefits and evading taxes. Judge Motz also entered an order that Shaun Tucker forfeit \$30 million and his residence in Keymar; and pay restitution of \$1.6 million for the employee benefit fraud, and \$492,961 to the IRS for tax evasion.

The sentence was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Steven Anderson, of the Washington Regional Office, U.S. Department of Labor - Office of Inspector General, Office of Labor Racketeering and Fraud Investigations; Special Agent in Charge Thomas Jankowski of the Internal Revenue Service - Criminal Investigation, Washington, D.C. Field Office; Marc I. Machiz, Director of the Philadelphia Regional Office of the Labor Department’s Employee Benefits Security Administration; Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office; Small Business Administration Inspector General Peggy E. Gustafson; and Brigadier General Keith M. Givens, Commander Air Force Office of Special Investigations.

“Shaun Tucker’s criminal actions deprived the federal contract employees of Quantell and Intaset of rightfully earned benefits under the Service Contract Act,” stated Special Agent in Charge Steven D. Anderson, of the Washington Regional Office, U.S. Department of Labor - Office of Inspector General, Office of Labor Racketeering and Fraud Investigations. “This sentencing sends a clear message that this type of criminal activity is reprehensible and will be aggressively prosecuted.”

“Today’s sentencing action brings an appropriate conclusion to a twisted web of lies, deceit, and greed,” said Robert Craig, Special Agent in Charge for the DCIS, Mid-Atlantic Field Office. “For individuals to line their pockets and purchase lavish material goods through fraudulent contracts at the expense of disabled veterans and while our soldiers are in harm’s way is both incomprehensible and completely unacceptable. DCIS and its law enforcement partners remain committed to bringing these unscrupulous individuals to justice and restoring faith in the government’s contracting system.”

According to his plea and court documents, Shaun Tucker and his wife Joanne were controlling officers and majority shareholders of Quantell, Inc. and Intaset Technologies Corporation from 2007 to 2010. Quantell and Intaset provided labor services to federal government agencies. In 2010, the Tuckers sold Intaset, but continued to influence its operation.

Federal Procurement Fraud

From 2007 to 2013, the Tuckers and their co-conspirators made false representations to the government regarding the eligibility of Quantell and Intaset for small business contracts, Service Disabled Veteran Owned Small Business contracts and other set-aside contracts, including: the 2007 Camp Lejeune contract; 2007 Battle Creek, Michigan contract; 2008 Andrews Air Force Base contract; 2008 Beale Air Force Base contract; 2011 Langley Air Force Base contract; and 2011 Camp Lejeune contract. The Tuckers and their co-conspirators falsely represented the past revenues, ownership, controlling officers, distribution of profits, location and other key attributes of Quantell and Intaset to multiple federal agencies. When bid protests were lodged by competing firms, the Tuckers and co-conspirators prepared and submitted false responses. The Tuckers' actions prevented other companies, which the government meant to support with set-aside contracts, from providing contracting services to the federal government.

The Tuckers used the money from the government contracts for their own personal benefit, including: building, purchasing and leasing a 5,000 square foot residence in Swanton, Maryland; additions to property in Taneytown, Maryland, including a personal residence, gym, bar and break room equipped with high definition TVs, top of the line weight equipment, video games and combat wrestling equipment; additions to their residence in Keymar; a 45 foot sailboat named "Quantell;" 2008 Audi A8; 2011 BMW; and mortgage payments related to real estate, watercraft and vehicles.

The Tuckers and their co-conspirators used aliases and false identities to communicate with the U.S. Department of Defense (DOD) in order to falsely portray the past performance of Quantell. They created a fake corporate entity named Staff-It with a fake period of performance from 2005 to 2008 involving more than \$12 million of work by Quantell for Staff-It. They falsely indicated that Quantell was supplying service workers at military treatment facilities for Staff-It. Then they created phone lines and had conspirators participate in false phone conversations with DOD representatives so as to deceptively win the 2011 Camp Lejeune contract. The Tuckers and their co-conspirators carried out similar schemes with respect to other past performances, establishing internet phone lines to spoof the location of businesses, and labeling the phone lines based on the fake company contact person.

The Tuckers admit that as a result of the procurement fraud conspiracy, the full value of the contracts awarded to Quantell and Intaset based on false representations was at least \$30 million.

Employee Benefit Fraud

The service contracts awarded by the United States to Quantell and Intaset, as well as the McNamara-O'Hara Service Contract Act (SCA), required Quantell and Intaset to provide bona-fide health and welfare benefits to the service contract employees of Quantell and Intaset hired to do the work for the federal government.

Quantell and Intaset had previously used FCE Benefits Administrators, Inc. (FCE) as a third party administrator, assisting Quantell and Intaset in fulfilling their obligations under the SCA. FCE used the SCA funds to create ERISA Plans for Quantell and Intaset. In July 2009, Shaun Tucker sent letters to FCE and the trustees of employee retirement plans so that he could obtain approximately \$285,000 from the existing retirement plans into which the SCA money had previously been paid. The letters falsely claimed that Quantell and Intaset were transferring money to another health and welfare plan, when in fact the Tuckers knew that the money was instead being transferred into a bank account Joanne Tucker had asked a relative to open. Joanne Tucker caused such money to be spent on the

Tuckers' vacation home in Western Maryland and other personal benefits.

In a related fraud, the Tuckers lied to employees of Quantell and Intaset, to FCE and to multiple federal agencies, regarding the compliance of Quantell and Intaset with the SCA, so that the Tuckers and their co-conspirators could divert more than \$1 million in SCA monies paid by the government to Quantell and Intaset under service contracts for their own personal benefit. The Tuckers and their co-conspirators used shell companies and companies that they were associated with to conceal the diversion of SCA funds to them. The Tuckers falsely told employees that they would be receiving health and welfare benefits, when they knew in fact that the money was being diverted to buy luxury vehicles, and make improvements on the Tuckers' residences.

As a result of the fraud involving employee benefits, more than \$1.6 million of the SCA funds was fraudulently diverted for the co-conspirators' benefit from at least 350 individual employees.

Tax Fraud

Finally, the Tuckers attempted to evade income tax due of \$492,961 for tax years 2009, 2010 and 2011.

Joanne Tucker, a/k/a "Joanne Krcma," "Jill Swanson," and "Jocelyn Turner," age 50, of Keymar, Maryland, previously pleaded guilty to her participation in the fraud schemes. Joanne Tucker and the government have agreed that if the Court accepts her plea agreement, she will be sentenced to between six and 18 months in prison. Joanne Tucker further agrees to pay forfeiture of at least \$20 million, and forfeit her residence in Keymar. Joanne Tucker also agreed to pay restitution of at least \$1.6 million in connection with the employee benefit fraud, and \$492,961 to the IRS for tax evasion. Judge Motz has scheduled sentencing for Joanne Tucker for December 3, 2015, at 9:30 a.m.

In a related case, co-conspirator Jonathan Mickle, age 43, of Asheville, North Carolina, formerly of Taneytown, Maryland, pleaded guilty on June 25, 2015 to conspiracy to commit wire fraud and tax fraud in connection with the fraud schemes. Judge Motz has scheduled sentencing for February 19, 2016, at 11:00 a.m.

The National Procurement Fraud Task Force was formed in October 2006 to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in government contracting activity for national security and other government programs. The Procurement Fraud Task Force includes the United States Attorneys' Offices, the FBI, the U.S. Inspectors General community and a number of other federal law enforcement agencies. This and other cases brought by members of the Task Force demonstrate the Department of Justice's commitment to helping ensure the integrity of the government procurement process.

United States Attorney Rod J. Rosenstein commended the U.S. Department of Labor – OIG/Office of Labor Racketeering and Fraud Investigations, IRS – Criminal Investigation, U.S. Department of Labor - Employee Benefits Security Administration, DCIS, SBA Office of Inspector General, and Air Force Office of Special Investigations for their work in the investigation. Mr. Rosenstein thanked Assistant U.S. Attorneys Harry Gruber and Judson Mihok, who prosecuted the case.