

Conversion—“An authorized assumption and exercise of the right of ownership over goods ... belonging to another ... Any unauthorized act which deprives an owner of his property permanently or for an indefinite time. Unauthorized and wrongful exercise of dominion and control over another’s personal property ... See also Embezzlement, ... Fraudulent Conversion ...”

-- Black’s Law Dictionary, 6th Edition

On July 22, 2010, the Department of Justice [announced](#) that Robert Hearn, of Temple, Texas, had been arrested and indicted for wire fraud and conversion, stemming from an alleged “orchestration” of the transfer of “ approximately 60 accommodations caravans and other equipment from the site of a U.S.-funded power plant project in Khor Az Zubair, Iraq, to the port” of Umm Qasr, in Basra, Iraq. Mr. Hearn was employed by the State Department and assigned to the Iraq Reconstruction Management Office (IRMO) from April 2005 through September 2006, where he “was responsible for providing advice to the director of the port,” who was “an official with the Iraqi Ministry of Transportation.”

The indictment alleges that Mr. Hearn, who was allegedly reassigned for “failure” to properly advise the port director, carried out a number of unauthorized acts while assigned to port Umm Qasr. Among the allegedly unauthorized acts were the following—

- (Allegedly) in December 2005, Mr. Hearn accepted the transfer of the 60 “accommodations caravans” to IRMO, even though he lacked the authority to do so and “U.S. officials notified Hearn that IRMO did not have the necessary property-management structure and therefore could not take control of the equipment.” Subsequently, Mr. Hearn (allegedly) “directed an Iraqi employee of the Ministry of Transportation to sign for and accept the equipment on behalf of the Iraqi government.”

- (Allegedly) the individual who signed for the equipment also was employed by Bawabet Al Amer Company (BAC), a private Iraqi company operating at the port. BAC provided security, through subcontractors, as well as lodging, office space and dining services for government and private personnel. The indictment alleges that from the summer of 2005 to the fall of 2006, Hearn controlled the day-to-day operations of BAC, and on behalf of BAC and a silent investor, negotiated business contracts, provided input in BAC’s hiring decisions and directed the work of BAC employees.

- (Allegedly) Hearn signed a three-year lease agreement on Jan. 1, 2006, on behalf of IRMO, permitting BAC to use a portion of the port, which during Hearn’s tenure became known as “Bob’s Camp.” Hearn ... had no authority to enter into this agreement in his official capacity with IRMO and did not discuss it with his supervisors. A portion of the transferred accommodations caravans was installed by BAC employees in “Bob’s Camp.”

- (Allegedly) on Sept. 14, 2006, the day before Hearn was scheduled to be reassigned to IRMO’s Baghdad office, he ... negotiated a rental agreement on behalf of BAC involving several of the transferred accommodations caravans. ... Hearn directed that rental payments be wired to a bank account in Conroe, Texas, which he controlled. In this manner, Hearn allegedly received \$147,000 from the lessee business, which he used for personal and business expenses.

Written by Administrator
Thursday, 29 July 2010 00:00

The DOJ announced notes that, “if convicted, Hearn faces 20 years in prison and a \$250,000 fine on each of the four wire fraud counts. If convicted on the conversion charge, he faces a maximum of 10 years in prison and a \$250,000 fine.” For those doing the math, Mr. Hearn is facing 30 years in prison and \$1,250,000 in fines. How come he gets the book thrown at him when others, including [Major Sublett](#), [Sergeant Chase](#), and [Captain Mike](#), get away comparatively scott-free? Are the notorious bleeding-hears of Foggy Bottom actually tougher on miscreants than the Department of Defense? One can only wonder

Former State Department Employee, IRMO Advisor, Charged with Wire Fraud and “Conversion”

Written by Administrator

Thursday, 29 July 2010 00:00
