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1 2 3 4 5 6		FILED JUN 2 3 2006 CLERK, U.S. DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA BY UN DEPUTY	
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8	UNITED STATES DISTRICT COURT		
9	FOR THE SOUTHERN DI	STRICT OF CALIFORNIA	
10	UNITED STATES OF AMERICA,)	
11	Plaintiff,) <u>INFORMATION</u>)	
12 13	V.) Title 15, United States Code,) Sections 78m(b)(2)(A),	
13 14	STEVEN LYNWOOD HEAD, Defendant.) 78m(b)(5), and 78ff) Falsifying the Books, Records) and Accounts of an Issuer of	
15	Derendant.) Securities	
16	The United States Attorney charges, at all times relevant to		
17	this Information:		
18	<u>COUNT ONE</u>		
19	(15 U.S.C. §§ 78m(b)(2)(A), 78m(b)(5), and 78ff		
20	FALSIFICATION OF BOOKS, RECOR	RDS AND ACCOUNTS OF AN ISSUER)	
21	1. Titan Corporation was	a publicly traded corporation	
22	headquartered in San Diego, Cal	lifornia. Titan Corporation and	
23	certain of its subsidiaries, incl	luding Titan Wireless, Inc., Titan	
24	Africa, Inc., and Titan Africa,	, S.A. (hereinafter collectively	
25	referred to as "TITAN"), were en	gaged in, among other things, the	
26	business of developing and constr	cucting wireless telephone systems	
27		Titan Wireless, Titan Africa,	
28	Inc., and Titan Africa,	S.A., although separately	
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incorporated, shared employees, officers, and personnel with Titan
 Corporation.

3 2. Titan Corporation was an "issuer" of securities within 4 the meaning of the Securities and Exchange Act of 1934, and, as 5 such, was subject to the provisions of the Foreign Corrupt 6 Practices Act of 1977, 15 U.S.C. §§ 78dd-1 <u>et seq.</u>, including its 7 accounting provisions, 15 U.S.C. § 78m(b).

8 3. From 1998 to 2002, Defendant STEVEN LYNWOOD HEAD
9 ("Defendant") was employed by TITAN as an Assistant to the CEO of
10 Titan Corporation and, later, as President and CEO of Titan Africa,
11 Inc. Beginning in late 1999, Defendant acted as the program
12 manager of TITAN's business activities in Benin.

13 4. In 1998, TITAN embarked on a project to develop a 14 telephone system in the African nation of the Republic of Benin and 15 to generate revenue from operating the system for a number of 16 years.

17 5. In 1998, Defendant and other TITAN personnel traveled to 18 Benin and discussed the project with the Benin Minister of 19 Telecommunications and the Director General of the Postal and 20 Telecommunications Office of the Republic of Benin ("OPT"), an 21 office under the Benin Ministry of Telecommunications. During this 22 visit Defendant was introduced to a Beninese national ("The Benin 23 Agent") who could act as a sales agent for TITAN and who had a 24 substantial relationship with the President of Benin.

6. In 1999, TITAN entered into a Consulting Agreement with
 the Benin Agent making him TITAN's agent in Benin. Prior to
 TITAN's engagement of the Benin Agent, Defendant was aware that the

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Benin Agent had a substantial relationship with the Benin Head of
 State.

3 7. In 1999, with the consent of the OPT, TITAN acquired the rights to develop and operate, among other things, a wireless 4 5 telephone system in Benin. TITAN also entered into an agreement with the OPT, known as the "BCT Contract," under which TITAN would 6 7 build, among other things, a wireless telephone network that would 8 be transferred to the OPT after TITAN was paid in full for 9 equipment and services provided by TITAN. Under the BCT contract, 10 the OPT had to obtain sites for telecommunications facilities, to 11 secure authorization for use of specific wireless frequencies, and 12 to assist in obtaining an exoneration of all customs, duties and 13 taxes on equipment and products which TITAN imported into Benin for 14the BCT project.

15 The BCT Contract required that a supervisory group known 8. 16 as the BCT Steering Committee be established to supervise the 17 project. This Committee consisted of Defendant, several senior 18 officers of TITAN, the Benin Agent, and the Director General of the 19 OPT. The Steering Committee met either in the United States or in 20 Paris, France, approximately one time every three months between 21 February 2000 and March 2001.

9. TITAN's agreements with the OPT required that TITAN pay "part of its profits as subsidies for development" of certain "sectors" in Benin, such as health, education, and agriculture. TITAN was to determine the practical methods of carrying out these subsidies in consultation with the Benin cabinet departments responsible for those sectors. These subsidies were referred to

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1 as "social payments." As of December 2000, the BCT Contract had 2 not generated profits for TITAN.

3 10. In or about December 2000, the Benin Agent and the Director General of the OPT solicited money from TITAN under the 4 5 guise of "advanced social payments," and stated that the money had 6 to be paid before the next presidential election in Benin, set for 7 March 2001. At the time of this solicitation, Defendant and other TITAN employees knew that the social payments were not yet due 8 under the terms of TITAN's agreements with the OPT, nor had there 9 10 been any coordination or consultation with Benin cabinet 11 departments, as required under TITAN's contracts. Defendant also 12 believed that the so-called "social payments" solicited by the 13 Benin Agent and the Director General of OPT would not be used in 14 their entirety for the purposes identified in TITAN's agreements 15 with the OPT. Nevertheless, Defendant at the direction of a senior 16 officer of TITAN caused the requested payments to be made to the 17 Benin Agent by means of a false invoice.

18 11. On or about January 22, 2001, within the Southern 19 District of California, Defendant STEVEN LYNWOOD HEAD knowingly and 20 willfully falsified a book, record and account of an "issuer" under 21 the federal securities laws, that is, Defendant caused the 22 submission to TITAN of an invoice on the Benin Agent's letterhead 23 totaling \$1,980,450, which did not mention "social payments" or 24 "subsidies," but instead, as Defendant knew, falsely stated that 25 TITAN owed monies to the Benin Agent for consulting services 26 allegedly performed.

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Case 3:06-cr-01380-BEN Document 1 Filed 06/23/2006 Page 6 of 6 All in violation of Title 15, United States Code, Sections 1 2 78m(b)(2)(A), 78m(b)(5) and 78ff. 3 6/22/06 Dated: 4 5 CAROL C. LAM PAUL PELLETIER United States Attorney Acting Chief, Fraud Section 6 7 8 MARK F. MENDELSOHN ERIC J. BESTE Deputy Chief Assistant United States 9 Attorney U.S. Department of Justice 10 Fraud Section, Criminal Division 11 STEVEN E. STONE 12 Assistant United States Attorney 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28