



This Month at the WFO

A newsletter from the FBI Washington Field Office

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Four Former Blackwater Employees Sentenced to Decades in Prison For Fatal Shootings in Iraq

Last fall we told you about four former security guards for Blackwater USA who were found guilty of charges stemming from a shooting at Nisur Square in Baghdad, Iraq, that resulted in the killing of 14 unarmed civilians and the wounding of numerous others. This month, one former security guard was sentenced to life in prison and three others were each sentenced to prison terms of 30 years and one day for their roles in the Sept. 16, 2007, shootings. At a day-long sentencing hearing, U.S. District Court for D.C. Senior Judge Royce C. Lamberth stated that the sentences reflected the seriousness of the crimes and the large number of victims. He said that the U.S. government “should be commended for finding and exposing the truth of what happened in Nisur Square.” During a ten-week trial last year, 71 witnesses testified, including 30 from Iraq. [Read more.](#)

Deutsche Bank Becomes Sixth Major Financial Institution to Admit Misconduct

This month, Deutsche Bank AG pled guilty to wire fraud for its role in manipulating the London Interbank Offered Rate (LIBOR), a leading benchmark interest rate used in financial products and transactions around the world. Deutsche Bank was a member of the panel of banks whose submissions were used to calculate the LIBORs for a number of currencies, including U.S. Dollar, Yen, Pound Sterling and Swiss Franc LIBOR, as well as the Euro Interbank Offered Rate. Deutsche Bank also entered into a deferred prosecution agreement to resolve wire fraud and antitrust charges in connection with its role in both manipulating U.S. Dollar LIBOR and engaging in a price-fixing conspiracy to rig Yen LIBOR. Together, Deutsche Bank and its subsidiary will pay \$775 million in criminal penalties. The scheme involved numerous Deutsche Bank derivatives traders—whose compensation was directly connected to their success in trading financial products tied to LIBOR—and who engaged in efforts to move these benchmark rates in a direction favorable to their trading positions. [Read more.](#)

FBI Investigates Skilled Nursing Chain HCR ManorCare for Allegedly Providing Unnecessary Therapy

This month, DOJ filed a complaint against HCR ManorCare alleging that ManorCare knowingly and routinely submitted false claims to Medicare and Tricare for rehabilitation therapy services that were not medically reasonable and necessary. ManorCare is one of the nation’s largest healthcare providers. DOJ has intervened in three False Claims Act lawsuits and filed a consolidated complaint. The complaint alleges that ManorCare, exerted pressure on skilled nursing facilities administrators and rehabilitation therapists to meet unrealistic financial goals that resulted in the provision of medically unreasonable and unnecessary services to Medicare and Tricare patients. ManorCare allegedly set prospective billing goals designed to significantly increase revenues without regard to patients’ actual clinical needs and threatened to terminate skilled nursing facilities managers and therapists if they did not administer the additional treatments necessary to qualify for the highest Medicare payments. ManorCare also allegedly increased its Medicare payments by keeping patients in its facilities even though they were medically ready to be discharged.

Settlement Agent Found Guilty of Multi-Million-Dollar Mortgage Fraud Scheme

Edward Dacy was found guilty this month of conspiracy, bank fraud and mail fraud stemming from a multi-million-dollar mortgage fraud scheme involving 45 properties and \$16 million in mortgage loans used for the purchase of residential real estate in D.C. and Maryland. This completes WFO’s three-year investigation relating to this mortgage fraud scheme. A total of nine individuals have admitted their guilt or were found guilty after trial. Co-conspirators obtained mortgage loans by fraudulent statements and documents. Dacy handled the settlements of the real estate transactions. Dacy joined the multi-million-dollar fraud conspiracy by managing and overseeing the straw buyers’ settlements of the properties, with knowledge that the straw buyers did not pay the cash contribution as required by the lenders.

National Police Week Observed in May

Each May, WFO joins tens of thousands of law enforcement officers from around the world to participate in National Police Week. The 2015 events, which honor those in law enforcement who have paid the ultimate sacrifice, will be held the week of May 11 – 16. To learn more information about Police Week, including the 27th Annual Candlelight Vigil, visit www.policeweek.org.

