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PRESS RELEASE

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Guilty Plea in Theft and Sale of Hundreds of Government-Issued Phones and Computers Slated for Destruction

WASHINGTON – Nikhil Parekh, 37, of Randallstown, Maryland, pleaded guilty today in U.S. District Court in connection with the theft and sale of hundreds of government-issued smartphones, laptop computers, and other IT devices that had been slated for destruction.

The plea was announced by U.S. Attorney Edward R. Martin Jr., Chief J. Thomas Manger of the U.S. Capitol Police, and USAID Special Agent in Charge Sean Bottary of the USAID Office of Inspector General.

Parekh pleaded guilty to conspiring to commit an offense against the United States – that is selling stolen goods. U.S. District Court Judge Jia M. Cobb scheduled sentencing for May 5, 2025.

According to court documents, between February 2019 and September 2023, Parekh was a driver for an international IT asset disposition company, which operated out of Maryland and, later, Virginia. Several government agencies as well as private companies in the region contracted with the company to take older, obsolete IT assets and completely dismantle and recycle them in a responsible manner. These services including wiping and sanitizing digital storage devices in accordance with nationally promulgated standards.

From 2022 to 2023, Parekh and his unindicted co-conspirators served as drivers for the company and were generally responsible for receiving the IT assets from the victim agencies and companies and either securely shredding them on site or delivering them to secure shredding facilities owned by the company. Instead, however, as Parekh admitted, he and others would surreptitiously remove the IT assets after receiving them and transport them to electronics resellers in the area for their own accounts. After pocketing the profits, Parekh and others would

then cause the company to issue certificates to the victim agencies and companies certifying that the IT assets had been wiped and destroyed. Parekh admitted that as part of this conspiracy he and others took hundreds of assets with a value of at least \$10,000.

The fraud was ultimately uncovered in August 2023 when an employee at a reseller in Haymarket, Virginia noticed numerous items in one of the defendant's latest sales still had their asset tags on them, denoting to which agency they belonged, and emailed a tip to the U.S. Capitol Police. From there, the investigating agents of the U.S. Capitol Police as well as USAID tracked down additional evidence of the transfer and sale of devices furnished by the victim agencies and companies from other resellers in the area and beyond.

At sentencing, Parekh faces a maximum sentence of five years in prison and a fine of \$250,000. By virtue of his plea agreement, he has agreed to forfeit a variety of digital devices seized from his home pursuant to a search warrant and has agreed to pay \$10,000 in restitution.

This case was investigated by the U.S. Capitol Police and United States Agency for International Development Office of Inspector General. The matter is being prosecuted by Assistant U.S. Attorney Will Hart, with valuable assistance from former Assistant U.S. Attorney Ahmed Baset

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