



DEPARTMENT OF THE AIR FORCE

ARLINGTON, VA 22203-1613

MAR 03 2011

Office of the Deputy General Counsel

VIA FEDERAL EXPRESS

SAF/GCR
4040 N. Fairfax Drive
Suite 204
Arlington, VA 22203

N.S. Gowadia, Inc. Aka Noshir S. Gowadia, Inc.

[REDACTED]

Re: Notice of Debarment

Ladies and Gentlemen,

By letter dated January 31, 2011, the Air Force initiated proceedings to debar N.S. Gowadia, Inc. aka Noshir S. Gowadia, Inc. ("NSGI") from contracting with the United States Government. The letter provided NSGI with an opportunity to submit information and arguments in opposition to the proposed debarment. To date, NSGI has not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that NSGI be debarred from contracting with the United States Government. The effects of debarment are those stated in the January 31, 2011, Notice of Proposed Debarment.

Per Federal Acquisition Regulation Part 9.406-4(a)(1), while debarment will generally not exceed three years, debarment should "be for a period commensurate with the seriousness of the cause(s)." In light of the egregious nature of Mr. Gowadia's misconduct, upon which NSGI's debarment is based, this debarment is effective immediately and continues for eight years from January 10, 2008, the date NSGI was suspended. NSGI's debarment will terminate on January 9, 2016.

Sincerely,

[REDACTED]

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)



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4040 N. Fairfax Drive
Suite 204
Arlington, VA 22203

NTech-Australia Pty Limited aka NTech-A
Attn: Noshir S. Gowadia



Re: Notice of Debarment

Ladies and Gentlemen,

By letter dated January 31, 2011, the Air Force initiated proceedings to debar NTech-Australia Pty Limited aka NTech-A ("NTech-A") from contracting with the United States Government. The letter provided NTech-A with an opportunity to submit information and arguments in opposition to the proposed debarment. To date, NTech-A has not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that NTech-A be debarred from contracting with the United States Government. The effects of debarment are those stated in the January 31, 2011, Notice of Proposed Debarment.

Per Federal Acquisition Regulation Part 9.406-4(a)(1), while debarment will generally not exceed three years, debarment should "be for a period commensurate with the seriousness of the cause(s)." In light of the egregious nature of Mr. Gowadia's misconduct, upon which NTech-A's debarment is based, this debarment is effective immediately and continues for eight years from January 10, 2008, the date NTech-A was suspended. NTech-A's debarment will terminate on January 9, 2016.

Sincerely,



STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)



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Suite 204
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NTech-E
Attn: Noshir S. Gowadia

[REDACTED]

Re: Notice of Debarment

Ladies and Gentlemen,

By letter dated January 31, 2011, the Air Force initiated proceedings to debar NTech-E from contracting with the United States Government. The letter provided NTech-E with an opportunity to submit information and arguments in opposition to the proposed debarment. To date, NTech-E has not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that NTech-E be debarred from contracting with the United States Government. The effects of debarment are those stated in the January 31, 2011, Notice of Proposed Debarment.

Per Federal Acquisition Regulation Part 9.406-4(a)(1), while debarment will generally not exceed three years, debarment should "be for a period commensurate with the seriousness of the cause(s)." In light of the egregious nature of Mr. Gowadia's misconduct, upon which NTech-E's debarment is based, this debarment is effective immediately and continues for eight years from January 10, 2008, the date NTech-E was suspended. NTech-E's debarment will terminate on January 9, 2016.

Sincerely,

[REDACTED]

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)



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ARLINGTON, VA 22203-1613

MAR 03 2011

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SAF/GCR
4040 N. Fairfax Dr.
Suite 204
Arlington, VA 22203

Mr. Noshir S. Gowadia


Re: Notice of Debarment

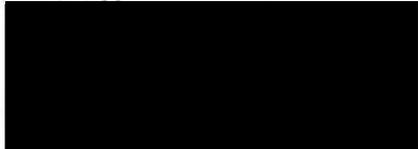
Dear Mr. Gowadia:

By letter dated January 31, 2011, the Air Force initiated proceedings to debar you from contracting with the United States Government. That letter provided you with an opportunity to submit information and argument in opposition to the proposed debarment. To date, you have not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that you be debarred from contracting with the United States Government. The effects of debarment are those stated in the January 31, 2011, Notice of Proposed Debarment.

Per Federal Acquisition Regulation Part 9.406-4(a)(1), while debarment will generally not exceed three years, debarment should "be for a period commensurate with the seriousness of the cause(s)." In light of the egregious nature of your misconduct, this debarment is effective immediately and continues for thirty-five years from January 10, 2008, the date you were suspended. Your debarment will terminate on January 9, 2043.

Sincerely,


STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)



DEPARTMENT OF THE AIR FORCE

ARLINGTON, VA 22203-1613

MAR 03 2011

Office of the Deputy General Counsel

VIA FEDERAL EXPRESS

SAF/GCR
4040 N. Fairfax Drive
Suite 204
Arlington, VA 22203

Mrs. Cheryl L. Gowadia

[REDACTED]

Re: Notice of Debarment

Dear Mrs. Gowadia,

By letter dated January 31, 2011, the Air Force initiated proceedings to debar you from contracting with the United States Government. The letter provided you with an opportunity to submit information and arguments in opposition to the proposed debarment. To date, you have not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that you be debarred from contracting with the United States Government. The effects of debarment are those stated in the January 31, 2011, Notice of Proposed Debarment.

Per Federal Acquisition Regulation Part 9.406-4(a)(1), while debarment will generally not exceed three years, debarment should "be for a period commensurate with the seriousness of the cause(s)." In light of the egregious nature of your misconduct, this debarment is effective immediately and continues for eight years from January 10, 2008, the date you were suspended. Your debarment will terminate on January 9, 2016.

Sincerely,

[REDACTED]

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)

cc:

[REDACTED]



DEPARTMENT OF THE AIR FORCE

ARLINGTON, VA 22203-1613

JAN 31 2011

Office Of The Deputy General Counsel

MEMORANDUM IN SUPPORT OF THE PROPOSED DEBARMENTS OF:

N. S. GOWADIA, INC., aka
NOSHIR S. GOWADIA, INC.
NOSHIR S. GOWADIA
CHERYL L. GOWADIA
NTECH-AUSTRALIA PTY LIMITED, aka
NTECH-A
NTECH-E

Effective this date the Air Force has proposed the debarments of N. S. Gowadia, Inc. aka Noshir S. Gowadia, Inc. ("NSGI"), Noshir S. Gowadia ("S. Gowadia"), Cheryl L. Gowadia ("C. Gowadia"), NTEch-Australia Pty Limited aka NTEch-A ("NTEch-A"), and NTEch-E, from Government contracting and from directly or indirectly receiving the benefits of Federal assistance programs. This action is initiated pursuant to Federal Acquisition Regulation ("FAR") Subpart 9.4.

INFORMATION IN THE RECORD

Information in the record establishes by a preponderance of evidence that at all times relevant hereto:

1. NSGI was incorporated in 1987 in New Mexico and engaged in the business of aerospace research and development. NSGI had offices located in New Mexico and Hawaii. NSGI was a U. S. Government contractor.
2. S. Gowadia was employed as an engineer by the Northrop Grumman Corporation from in or about 1968 until approximately 1986. During that time, S. Gowadia worked on classified defense programs. From approximately 1986 to the present, S. Gowadia worked as a U. S. Government contractor on classified defense programs. S. Gowadia was NSGI's president, treasurer, shareholder, and a director. S. Gowadia was married to C. Gowadia.
3. C. Gowadia was NSGI's vice president, secretary, shareholder, and a director. C. Gowadia was married to S. Gowadia.
4. NSGI, S. Gowadia and C. Gowadia shared a common address of 575 N. Holokai Place, Haiku, HI.
5. NTEch-A was an Australian company established and controlled by S. Gowadia.
6. NTEch-E was a Swiss company established and controlled by S. Gowadia.

7. From 2002 until 2004, S. Gowadia attempted to sell classified stealth technology to the Swiss government and to businesses in Israel and Germany.
8. From 2002 until 2006, S. Gowadia helped the People's Republic of China ("PRC") to design a cruise missile with a reduced infrared heat signature, allowing for the missile to evade infrared radar detection and U.S. heat-seeking missiles. The PRC paid S. Gowadia at least \$110,000 for his assistance, large portions of which were wired to or deposited in his NTech-E and NSGI bank accounts.
9. In addition to filing false tax returns for the years 2001 and 2002, S. Gowadia neglected to pay any income tax from at least 1997 until his arrest in 2005.
10. On October 25, 2007, a Second Superseding Indictment (Indictment) was returned in the United States District Court for the District of Hawaii, charging S. Gowadia with:
 - a. One count of violating 18 U.S.C. § 371 by conspiring to knowingly and willfully export defense services and technical data, to include classified information relating to defense articles and defense services, to the People's Republic of China, without having first obtained a validated license or written approval from the United States Department of State, Directorate of Defense Trade Controls, in violation of 22 U.S.C. § 2778 and 22 C.F.R. §§ 125.1 – 3, 126.1, 127.1 and 127.3;
 - b. Four counts of violating the Arms Export Control Act, 22 U.S.C. § 2778(c);
 - c. Six counts of communicating national defense information to persons not entitled to receive it in violation of 18 U.S.C. § 793(e);
 - d. Three counts of communicating national defense information to aid a foreign nation in violation of 18 U.S.C. § 794(a);
 - e. One count of unlawful retention of national defense information in violation of 18 U.S.C. § 793(e);
 - f. Four counts of money laundering in violation of 18 U.S.C. § 1957; and,
 - g. Two counts of filing a false tax return in violation of 26 U.S.C. § 7206(1).
11. On January 24, 2011, after trial and conviction, S. Gowadia was sentenced to a thirty-two year term of imprisonment, followed by a five-year supervised term of probation.

BASES FOR THE PROPOSED DEBARMENTS

1. The conviction of S. Gowadia provides a basis for his debarment pursuant to FAR 9.406-2(a)(3) and (5).

2. The improper conduct of S. Gowadia is of so serious or compelling a nature that it affects his present responsibility to be a Government contractor or subcontractor and provides a separate and independent basis for his debarment pursuant to FAR 9.406-2(c).

3. Pursuant to FAR 9.406-5(a), the seriously improper conduct of any officer, director, shareholder, partner, employee, or other individual associated with a contractor may be imputed to the contractor when the conduct occurred in connection with the individual's performance of duties for or on behalf of the contractor, or with the contractor's knowledge, approval, or acquiescence. The seriously improper conduct of S. Gowadia may be imputed to NSGI, and NTech-E because his conduct occurred in connection with his performance of duties for or on behalf of NSGI and NTech-E, and with their knowledge, approval, and acquiescence. As such, his conduct provides a basis for NSGI and NTech-E's debarments.

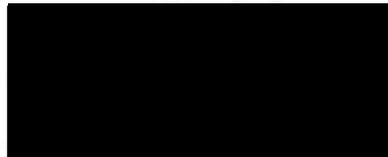
4. Pursuant to FAR 9.406-1(b), debarments may be extended to the affiliates of a contractor.

a. NSGI, S. Gowadia, and C. Gowadia are affiliates because directly or indirectly S. Gowadia and C. Gowadia control or can control NSGI. That affiliation provides a separate and independent basis for the debarments of NSGI, S. Gowadia, and C. Gowadia.

b. NTech-A and S. Gowadia are affiliates because directly or indirectly S. Gowadia controls or can control NTech-A. That affiliation provides a separate and independent basis for the debarments of NTech-A and S. Gowadia.

c. NTech-E and S. Gowadia are affiliates because directly or indirectly S. Gowadia controls or can control NTech-E. That affiliation provides a separate and independent basis for the debarments of NTech-E and S. Gowadia.

d. S. Gowadia and C. Gowadia are affiliates because as husband and wife to each other, at least indirectly, each had the power to control the other as evidenced by identity of interest among family members. The affiliation of S. Gowadia and C. Gowadia provides a separate and independent basis for their debarments.



STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)