

FILED by **CF** D.C.
ELECTRONIC
MAR 20, 2007
CLARENCE MADDOX
CLERK U.S. DIST. CT.
S. D. OF FLA. MIAMI

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 06-20797-CR-SEITZ(s)

**18 U.S.C. § 371
15 U.S.C. § 78dd-1(a)
18 U.S.C. § 2
18 U.S.C. § 1956(h)
18 U.S.C. § 982(a)(1)**

UNITED STATES OF AMERICA

vs.

**CHRISTIAN SAPSIZIAN and
EDGAR VALVERDE ACOSTA,**

Defendants.

SUPERSEDING INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. The Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, Title 15, United States Code, Sections 78dd-1, *et seq.*, was enacted by Congress for the purpose of, among other things, making it unlawful for certain classes of persons and entities to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value to a foreign government official for the purpose of securing any improper advantage, or of obtaining or retaining business for, or directing business to, any person.

Relevant Entities and Individuals

2. Alcatel, S.A. (“Alcatel”) was a worldwide provider of a wide variety of telecommunications equipment and services. Alcatel was established under the laws of France and was headquartered in Paris, France. Alcatel operated in more than 130 countries, including France, the United States, and, as set forth more fully below, Costa Rica. From at least 2000, until on or about November 30, 2006, American Depositary Shares of Alcatel were registered with the United States Securities and Exchange Commission (“SEC”) and traded on the New York Stock Exchange as American Depositary Receipts (“ADRs”). Accordingly, Alcatel was an “issuer” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1.

3. Alcatel CIT, S.A. (“Alcatel CIT”) was a wholly-owned subsidiary of Alcatel and was Alcatel’s main subsidiary in France. Part of its responsibilities included contracting, on behalf of Alcatel, with foreign governments to sell mobile telephone technology and networks, including the government of Costa Rica. Alcatel CIT was also responsible for making payments to Alcatel’s consultants that were located in Costa Rica. For the purposes of Alcatel’s public filings with the SEC, Alcatel CIT’s financial statements were consolidated into Alcatel’s financial statements. Alcatel CIT maintained a bank account at ABN Amro Bank in New York, New York, which was used, in part, to pay consultants located around the world.

4. Alcatel Standard, S.A. (“Alcatel Standard”) was a wholly-owned subsidiary of Alcatel and was based in Switzerland. Its responsibilities included entering into agreements with consultants who worked on behalf of Alcatel or Alcatel CIT in various countries, including consultants located in Costa Rica.

5. Alcatel de Costa Rica, S.A. (“Alcatel de Costa Rica”) was a local incorporated affiliate of Alcatel and Alcatel CIT. It was responsible for the day-to-day commercial operations of Alcatel in Costa Rica. For example, Alcatel de Costa Rica informed Alcatel of the local tenders for commercial projects available in Costa Rica, assisted Alcatel in preparing bids, and communicated with the state-owned telecommunications authority in Costa Rica.

6. Servicios Notariales, Q.C. (“Servicios Notariales”) was a purported consulting firm based in Costa Rica. From in or around 2001, until in or around October 2004, Alcatel Standard, on behalf of Alcatel CIT, executed at least three consulting contracts with Servicios Notariales for the stated purpose of assisting Alcatel in obtaining telecommunications contracts in Costa Rica. Servicios Notariales held an account at Cuscatlan International Bank & Trust Co. Ltd, which was based in Costa Rica.

7. El Instituto Costarricense de Electricidad (“ICE”) was the state-owned telecommunications authority in Costa Rica which, among other things, was responsible for awarding and administering public tenders for telecommunications contracts. ICE was governed by a seven-member board of directors that evaluated and approved bid proposals submitted by telecommunications companies, including Alcatel. The ICE Board was led by an Executive President.

8. The “ICE Official” was a director of ICE and an advisor to a senior Costa Rican government official (the “Senior Government Official”). As a result, the ICE Official’s salary was paid by the government of Costa Rica. The ICE Official and the Senior Government Official were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1)(a), and were in a significant position to influence the policy decisions made by ICE and the

contracts awarded by ICE. The ICE Official held bank accounts in his wife's name at Saint George Bank & Trust Co. Ltd. and BCT Bank International, both located in Panama. In fact, the ICE Official exercised control over and was a beneficial owner of the accounts.

9. Defendant **CHRISTIAN SAPSIZIAN** was employed by Alcatel or an Alcatel subsidiary starting in or around 1981. From in or around 2001, to in or around late 2004, **SAPSIZIAN** held the title of Deputy Vice President of Latin America for Alcatel CIT and reported to Alcatel CIT's Vice President of Latin America. During this time, Alcatel's Vice President of Latin America delegated the responsibility for Costa Rica to **SAPSIZIAN**. **SAPSIZIAN**'s responsibilities included negotiating contracts in Latin America on behalf of Alcatel and Alcatel CIT. **SAPSIZIAN** spent part of his time working at Alcatel corporate headquarters in France, and part of his time traveling throughout Latin America attending to Alcatel's business in the region. Accordingly, **SAPSIZIAN** was an "employee" and an "agent" of an "issuer" within the meaning of the FCPA, Title 15, United States Code Section 78dd-1.

10. Defendant **EDGAR VALVERDE ACOSTA** was a Costa Rican national who managed Alcatel de Costa Rica on a day-to-day basis. From at least 2000, to in or around late 2004, **VALVERDE** held the title of Senior Country Officer of Alcatel de Costa Rica, and his responsibilities included negotiating contracts for Alcatel's services with ICE and negotiating contracts with consultants who worked on Alcatel's behalf in Costa Rica. **CHRISTIAN SAPSIZIAN** supervised **VALVERDE** with regard to the approval and hiring of consultants in Costa Rica.

Alcatel's Contracts with ICE

11. Prior to 2000, Alcatel historically had been unsuccessful in obtaining contracts with ICE in Costa Rica for mobile telephone services. Prior to 2000, the mobile telephone network used in Costa Rica was provided by an Alcatel competitor, which primarily utilized a different technology than Alcatel offered. In Costa Rica, the competitor provided network services using Time Division Multiple Access ("TDMA"). TDMA is a technology for delivering digital wireless service. It is generally considered an older or first generation technology. Alcatel primarily provided services using Global System for Mobile ("GSM") technology. GSM is a newer or second generation technology used for delivering digital wireless service.

12. In or around 2000, there was significant public debate in Costa Rica as to what technology should be employed for Costa Rica's mobile telephone network in future contracts with ICE. Many options, such as TDMA (first generation), GSM (second generation), or newer third generation technologies, were under consideration.

13. In or around October 2000, prior to a formal vote by the ICE Board of Directors, the Executive President of ICE announced that ICE intended to open a bid round for developing a mobile telephone network in Costa Rica using the GSM technology.

14. In or around December 2000, the ICE Board formally voted to open a bid round for developing a mobile network in Costa Rica using GSM technology, as opposed to the older TDMA technology or other newer third generation technologies.

15. On or about August 28, 2001, ICE awarded Alcatel CIT a contract to develop a GSM mobile network in Costa Rica and to provide 400,000 lines of mobile telephone service (the "400K GSM Contract"). The 400K GSM Contract would give Alcatel 100% of all new mobile lines

installed in Costa Rica and 50% of all existing mobile lines. The contract was valued at approximately \$149 million, and was by far Alcatel's most significant contract in Costa Rica.

COUNT 1
Conspiracy to Violate the Foreign Corrupt Practices Act
(18 U.S.C. § 371)

THE CONSPIRACY

1. Paragraphs 1 through 15 of the General Allegations section of this Superseding Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From at least in or around February 2000, through in or around September 2004, in the Southern District of Florida, and elsewhere, the defendants,

CHRISTIAN SAPSIZIAN
and
EDGAR VALVERDE ACOSTA,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate and agree with each other and others, known and unknown to the Grand Jury, to commit an offense against the United States, that is, being officers, directors, employees, and agents of Alcatel, an issuer, and stockholders thereof acting on behalf of Alcatel, to willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value to any foreign official for purposes of: (i) influencing acts and decisions of such foreign official in his official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing an improper advantage; and (iv) inducing such foreign official to use his influence with a foreign government and instrumentalities thereof to affect and influence acts and

decisions of such government and instrumentalities, in order to assist **CHRISTIAN SAPSIZIAN** and **EDGAR VALVERDE ACOSTA**, the defendants, and others known and unknown to the Grand Jury, in obtaining and retaining business for and with, and directing business to, Alcatel and its subsidiaries, contrary to Title 15, United States Code, Section 78dd-1(a).

PURPOSE OF THE CONSPIRACY

3. The purpose of the conspiracy was to make corrupt payments to foreign officials in Costa Rica in order to obtain and retain business for Alcatel.

MANNER AND MEANS OF THE CONSPIRACY

4. The manner and means by which the defendants and their co-conspirators sought to accomplish the purpose and object of the conspiracy, included, but were not limited to the following:

a. It was a part of the conspiracy that **CHRISTIAN SAPSIZIAN** and **EDGAR VALVERDE ACOSTA** would offer and agree to pay money to the ICE Official, knowing that the payments would be shared with the Senior Government Official, in exchange for their assistance in obtaining favorable policy decisions and obtaining and retaining contracts with ICE.

b. It was a further part of the conspiracy that **SAPSIZIAN, VALVERDE**, and their co-conspirators would cause Alcatel Standard, on behalf of Alcatel CIT, to execute purported consulting contracts with Servicios Notariales, in which Alcatel promised to pay Servicios Notariales a percentage, ranging from 1% to 9.75%, of the value of the contract that Servicios Notariales assisted Alcatel in obtaining with ICE in return for Servicios Notariales performing vaguely-described marketing and advisory services.

c. It was a further part of the conspiracy that **SAPSIZIAN, VALVERDE**, and their co-conspirators would use Servicios Notariales as a conduit to pass bribe payments to the ICE

Official and the Senior Government Official.

d. It was a further part of the conspiracy that Servicios Notariales would create invoices purportedly for “commissions” related to the contracts awarded and submit those invoices to Alcatel, Alcatel CIT or Alcatel de Costa Rica.

e. It was a further part of the conspiracy that **VALVERDE** would send Servicios Notariales’ invoices by facsimile to **SAPSIZIAN** in France.

f. It was a further part of the conspiracy that **SAPSIZIAN**, **VALVERDE**, and their co-conspirators would cause Alcatel CIT to wire transfer approximately \$14 million of Alcatel’s funds from Alcatel CIT’s account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, to be further credited to Servicios Notariales’ account at Cuscatlan International Bank in Costa Rica.

g. It was a further part of the conspiracy that **SAPSIZIAN**, **VALVERDE**, and their co-conspirators would inform Servicios Notariales how to distribute the funds to the ICE Official.

h. It was a further part of the conspiracy that **SAPSIZIAN**, **VALVERDE**, and their co-conspirators would authorize Servicios Notariales to distribute approximately \$2.56 million to the ICE Official, knowing that the ICE Official would share the corrupt payments with the Senior Government Official, in exchange for their assistance in obtaining and retaining business for Alcatel, more specifically, for using their influence to open a bid round for a GSM-based mobile network and award a mobile telephone contract to Alcatel.

OVERT ACTS

5. In furtherance of the conspiracy and to achieve its purpose and object, at least one of the co-conspirators committed or caused to be committed, in the Southern District of Florida, and elsewhere, the following overt acts, among others:

a. In or around June 2000, **CHRISTIAN SAPSIZIAN** and the ICE Official discussed Alcatel making payments to other foreign officials in Costa Rica.

b. In or around November 2000, **SAPSIZIAN** and **VALVERDE** offered the ICE Official 1.5% to 2% of the value of the 400K GSM Contract in exchange for the ICE Official voting in favor of opening a bid round for a GSM-based mobile network and otherwise assisting Alcatel in obtaining the 400K GSM Contract.

c. In or around December 2000, **SAPSIZIAN** and **VALVERDE** agreed to make the payments to the ICE Official after being informed that the ICE Official would share the payments with the Senior Government Official.

d. On or about October 7, 2001, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of “commissions” in the approximate amount of \$800,000.

e. On or about November 6, 2001, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of “commissions” in the approximate amount of \$700,000.

f. On or about November 19, 2001, **SAPSIZIAN** emailed an Alcatel employee authorizing three payments to Servicios Notariales for the approximate amounts of: \$800,000, \$700,000, and \$749,241.

g. On or about December 6, 2001, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of “commissions” in the approximate amount of \$749,271.

h. On or about December 6, 2001, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$800,000 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales’ account at Cuscatlan International Bank in Costa Rica.

i. On or about December 10, 2001, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$225,000 from its account at Cuscatlan International Bank in Costa Rica to Terrabank N.A., located in Miami, Florida, and then to an account in the name of the ICE Official’s wife at Saint George Bank & Trust Co. Ltd in Panama.

j. On or about December 27, 2001, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$700,000 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales’ account at Cuscatlan International Bank in Costa Rica.

k. On or about January 24, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$749,271 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales’ account at Cuscatlan International Bank in Costa

Rica.

l. On or about May 20, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Servicios Notariales to purchase four Certificates of Deposit (CDs) worth approximately \$100,000, using funds from its account at Cuscatlan International Bank, in Costa Rica, and to give those CDs to the ICE Official.

m. On or about July 22, 2002, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of “commissions” in the approximate amount of \$1,380,085.

n. On or about July 29, 2002, **VALVERDE** faxed the July 22 Servicios Notariales invoice for approximately \$1,380,085 to “Mrs. Alcatel CIT (C/O C. Sapsizian).”

o. On or about August 8, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$1,380,085 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales’ account at Cuscatlan International Bank in Costa Rica.

p. On or about August 14, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$100,000 from its account at Cuscatlan International Bank in Costa Rica to Terrabank N.A., located in Miami, Florida, then to an account in the name of the ICE Official’s wife at Saint George Bank & Trust Co. Ltd in Panama.

q. On or about August 14, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$590,000 from its account at Cuscatlan International Bank in Costa Rica to Bank of America, located in Miami, Florida, then

to an account in the name of the ICE Official's wife at BCT Bank International in Panama.

r. On or about October 24, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$81,566 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales' account at Cuscatlan International Bank in Costa Rica.

s. On or about September 19, 2002, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of "commissions" in the approximate amount of \$704,100.

t. On or about October 2, 2002, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of "commissions" in the approximate amount of \$345,536.

u. On or about October 7, 2002, **VALVERDE** faxed the invoices dated September 19, 2002, and October 2, 2002 to "Mrs. Alcatel CIT, (C/O Sapsizian)."

v. On or about November 28, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$1,049,636 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales' account at Cuscatlan International Bank in Costa Rica.

w. On or about December 9, 2002, **SAPSIZIAN, VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$180,000 from its account at Cuscatlan International Bank in Costa Rica to an account in the name of the ICE Official's wife

at BCT Bank International in Panama.

x. On or about February 12, 2003, Servicios Notariales submitted two invoices to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of “commissions”, each in the approximate amount of \$1,969,667.

y. On or about February 18, 2003, **VALVERDE** faxed the two invoices for approximately \$1,969,667 to “Mrs. Alcatel CIT, Attn: C. Sapsizian (France).”

z. On or about March 27, 2003, **SAPSIZIAN**, **VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$3,939,334 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales’ account at Cuscatlan International Bank, in Costa Rica.

aa. On or about April 2, 2003, **SAPSIZIAN**, **VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$576,000 from its account at Cuscatlan International Bank in Costa Rica, to Bank of America, located in Miami, Florida, then to an account in the name of the ICE Official’s wife at BCT Bank International in Panama.

bb. On or about June 19, 2003, **SAPSIZIAN**, **VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$1,099,630 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales’ account at Cuscatlan International Bank in Costa Rica.

cc. On or about July 4, 2003, **SAPSIZIAN**, **VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$339,000 from its account

at Cuscatlan International Bank in Costa Rica, to Bank of America, located in Miami, Florida, then to an account in the name of the ICE Official's wife at BCT Bank International in Panama.

dd. On or about September 26, 2003, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of "commissions" in the approximate amount of \$1,155,418.

ee. On or about September 26, 2003, Servicios Notariales submitted an invoice to Alcatel CIT, to the attention of **SAPSIZIAN**, for partial payment of "commissions" in the approximate amount of \$3,555,091.

ff. On or about October 3, 2003, **VALVERDE** faxed the two invoices dated September 26, 2003, to "Mrs. Alcatel CIT."

gg. On or about October 23, 2003, **SAPSIZIAN**, **VALVERDE**, and their co-conspirators caused Alcatel CIT to wire transfer approximately \$4,710,509 from its account at ABN Amro Bank in New York, New York, to an account at the International Bank of Miami, in Miami, Florida, for further credit to Servicios Notariales' account at Cuscatlan International Bank in Costa Rica.

hh. On or about October 27, 2003, **SAPSIZIAN**, **VALVERDE**, and their co-conspirators caused Servicios Notariales to wire transfer approximately \$450,000 from its account at Cuscatlan International Bank in Costa Rica, to Bank of America located in Miami, Florida, then to an account in the name of the ICE Official's wife at BCT Bank International in Panama.

All in violation of Title 18, United States Code, Section 371.

COUNT 2
Foreign Corrupt Practices Act Violation
(15 U.S.C. § 78dd-1(a), 18 U.S.C. § 2)

1. Paragraphs 1 through 15 of the General Allegations section and paragraphs 3-5 of Count 1 of this Superseding Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. On or about the dates set forth below, in the Southern District of Florida, and elsewhere, the defendant,

CHRISTIAN SAPSIZIAN,

being an officer, director, employee, and agent of Alcatel and a stockholder thereof acting on behalf of Alcatel, an issuer within the meaning of the Foreign Corrupt Practices Act, willfully made use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value to any foreign official for purposes of: (a) influencing acts and decisions of such foreign official in his official capacity; (b) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (c) securing an improper advantage; and (d) inducing such foreign official to use his influence with foreign governments and instrumentalities thereof to affect and influence acts and decisions of such governments and instrumentalities in order to assist **CHRISTIAN SAPSIZIAN**, the defendant, and others, known and unknown to the Grand Jury, in obtaining and retaining business for and with, and directing business to, Alcatel as described below:

Count	APPROX. AMOUNT OF THING OF VALUE	MEANS AND INSTRUMENTALITIES OF INTERSTATE COMMERCE USED	FOREIGN OFFICIAL	APPROX. DATE
2	\$225,000	wire transfer from Costa Rica, through Miami, to Panama	ICE Official	12/10/2001

In violation of Title 15, United States Code, Section 78dd-1(a) and Title 18, United States Code, Section 2.

COUNTS 3-9
Foreign Corrupt Practices Act Violations
(15 U.S.C. § 78dd-1(a), 18 U.S.C. § 2)

1. Paragraphs 1 through 15 of the General Allegations section and paragraphs 3-5 of Count 1 of this Superseding Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. On or about the dates set forth below, in the Southern District of Florida, and elsewhere, the defendants,

CHRISTIAN SAPSIZIAN
and
EDGAR VALVERDE ACOSTA,

being officers, directors, employees, and agents of Alcatel and stockholders thereof acting on behalf of Alcatel, an issuer within the meaning of the Foreign Corrupt Practices Act, willfully made use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value to any foreign official for purposes of: (a) influencing acts and decisions of such foreign official in his official capacity; (b) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (c) securing

an improper advantage; and (d) inducing such foreign official to use his influence with foreign governments and instrumentalities thereof to affect and influence acts and decisions of such governments and instrumentalities in order to assist **CHRISTIAN SAPSIZIAN** and **EDGAR VALVERDE ACOSTA**, the defendants, and others, known and unknown to the Grand Jury, in obtaining and retaining business for and with, and directing business to, Alcatel as described below:

Count	APPROX. AMOUNT OF THING OF VALUE	MEANS AND INSTRUMENTALITIES OF INTERSTATE COMMERCE USED	FOREIGN OFFICIAL	APPROX. DATE
3	\$100,000	purchase of four CDs using funds wired from Alcatel CIT's account in New York to an account at Cuscatlan International Bank in Costa Rica	ICE Official	05/20/2002
4	\$100,000	wire transfer from Costa Rica, through Miami, to Panama	ICE Official	08/14/2002
5	\$590,000	wire transfer from Costa Rica, through Miami, to Panama	ICE Official	08/14/2002
6	\$180,000	wire transfer from Costa Rica to Panama (of funds wired from Alcatel CIT's account in New York to Costa Rica)	ICE Official	12/09/2002
7	\$576,000	wire transfer from Costa Rica, through Miami, to Panama	ICE Official	04/02/2003
8	\$339,000	wire transfer from Costa Rica, through Miami, to Panama	ICE Official	07/04/2003
9	\$450,000	wire transfer from Costa Rica, through Miami, to Panama	ICE Official	10/27/2003

In violation of Title 15, United States Code, Section 78dd-1(a) and Title 18, United States Code, Section 2.

COUNT 10
Money Laundering Conspiracy
(18 U.S.C. § 1956(h))

1. Paragraphs 1-15 of the General Allegations section and paragraphs 3-5 of Count 1 of this Superseding Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around February 2000, continuing through in or around September 2004, in the Southern District of Florida, and elsewhere, the defendants,

CHRISTIAN SAPSIAN
and
EDGAR VALVERDE ACOSTA,

did knowingly combine, conspire, confederate and agree with each other and others, known and unknown to the Grand Jury, to commit a violation of Title 18, United States Code, Section 1956, that is, to knowingly transport, transmit, and transfer a monetary instrument and funds from a place in the United States to and through a place outside the United States and to a place in the United States from and through a place outside the United States with the intent to promote the carrying on of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

It is further alleged that the specified unlawful activity referred to above is a violation of the Foreign Corrupt Practices Act, Title 15, United States Code, Section 78dd-1(a).

In violation of Title 18, United States Code, Section 1956(h).

FORFEITURE ALLEGATION
(18 U.S.C. § 982(a)(1))

1. The allegations contained in Count 10 of this Superseding Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. Pursuant to Title 18, United States Code, Section 982(a)(1), upon conviction of **CHRISTIAN SAPSIZIAN** for the offense charged in Count 10 of this Superseding Indictment, the defendant shall forfeit to the United States any property, real or personal, which was involved in the money laundering offense and all property traceable to such property, including but not limited to the following:

a. A sum of money equal to \$14,000,000 in United States currency, in that such sum in aggregate is property which was involved in the money laundering offense charged in Count 10 or is traceable to such property, for which the defendant is jointly and severally liable.

Substitute Assets Provision

b. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- (i) cannot be located upon the exercise of due diligence;
- (ii) has been transferred or sold to, or deposited with, a third party;
- (iii) has been placed beyond the jurisdiction of the court;
- (iv) has been substantially diminished in value; or
- (v) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18 United States Code, Section 982, to seek

forfeiture of any other property of said defendant up to the value of the forfeitable property described above, including but not limited to the following:

(i) Any and all right, title, and interest in the real property and appurtenances known as 56 Rue Labrouste, Paris, France;

(ii) Any and all right, title, and interest in the funds located in Chase Bank Account No. 376000550465;

(iii) Any and all right, title, and interest in the funds located in HSBC Bank Account No. 179-06414-2; and

(iv) Any and all right, title, and interest in the funds located in the HSBC Account in the defendant's name at HSBC Bank located in Paris, France.

3. Pursuant to Title 18, United States Code, Section 982(a)(1), upon conviction of **EDGAR VALVERDE ACOSTA** for the offense charged in Count 10 of this Superseding Indictment, the defendant shall forfeit to the United States any property, real or personal, which was involved in the money laundering offense and all property traceable to such property, including but not limited to the following:

a. A sum of money equal to \$14,000,000 in United States currency, in that such sum in aggregate is property which was involved in the money laundering offense charged in Count 10 or is traceable to such property, for which the defendant is jointly and severally liable.

Substitute Assets Provision

b. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

(i) cannot be located upon the exercise of due diligence;

- (ii) has been transferred or sold to, or deposited with, a third party;
- (iii) has been placed beyond the jurisdiction of the court;
- (iv) has been substantially diminished in value; or
- (v) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18 United States Code, Section 982, to seek forfeiture of any other property of said defendant up to the value of the forfeitable property described above.

In violation of Title 18, United States Code, Section 982(a)(1).

A TRUE BILL

FOR PERSON

fr W. N. F., SLE
 R. ALEXANDER ACOSTA
 UNITED STATES ATTORNEY

Dad Frank for
 STEVEN A. TYRRELL, CHIEF
 FRAUD SECTION, CRIMINAL DIVISION
 U.S. DEPARTMENT OF JUSTICE

Dad Frank for
 MARY K. DIMKE, TRIAL ATTORNEY

UNITED STATES OF AMERICA

CASE NO. 06-20797-CR-SEITZ(s)

vs.

CERTIFICATE OF TRIAL ATTORNEY*

**Christian Sapsizian and
Edgar Valverde Acosta,**

Defendants.

_____ /

Superseding Case Information:

Court Division: (Select One)

X Miami Key West
 FTL WPB FTP

New Defendant(s) Yes X No
Number of New Defendants 1
Total number of counts 10

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.

2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) Yes
List language and/or dialect French and Spanish

4. This case will take 10 days for the parties to try.

5. Please check appropriate category and type of offense listed below:
(Check only one) (Check only one)

I	0 to 5 days	<u> </u>	Petty	<u> </u>
II	6 to 10 days	<u>X</u>	Minor	<u> </u>
III	11 to 20 days	<u> </u>	Misdem.	<u> </u>
IV	21 to 60 days	<u> </u>	Felony	<u>X</u>
V	61 days and over	<u> </u>		

6. Has this case been previously filed in this District Court? (Yes or No) Yes

If yes:
Judge: Seitz Case No. 06-20797-CR

(Attach copy of dispositive order)
Has a complaint been filed in this matter? (Yes or No) Yes

If yes:
Magistrate Case No. 06-3314-Palermo
Related Miscellaneous numbers: _____
Defendant(s) in federal custody as of _____
Defendant(s) in state custody as of _____
Rule 20 from the _____ District of _____

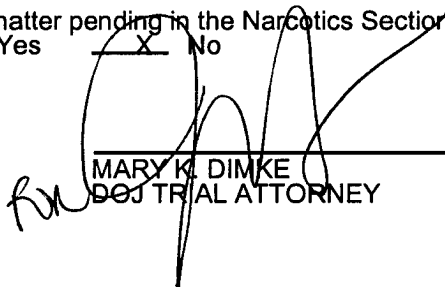
Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the U.S. Attorney's Office prior to April 1, 2003? Yes X No

8. Does this case originate from a matter pending in the U. S. Attorney's Office prior to April 1, 1999? Yes X No
If yes, was it pending in the Central Region? Yes No

9. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? Yes X No

10. Does this case originate from a matter pending in the Narcotics Section (Miami) prior to May 18, 2003? Yes X No



MARY K. DIMKE
DOJ TRIAL ATTORNEY

*Penalty Sheet(s) attached

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

PENALTY SHEET

Defendant's Name: Christian Sapsizian **Case No:** 06-20797-CR-SEITZ(s)

Count #: 1 - 18 U. S.C. § 371

Conspiracy to Violate the Foreign Corrupt Practices Act

***Max Penalty:** 5 years' imprisonment

Counts #: 2 - 9 - 15 U.S.C. § 78dd-1(a)

Foreign Corrupt Practices Act Violations

***Max Penalty:** 5 years' imprisonment as to each count

Count #: 10 - 18 U.S.C. § 1956(h)

Money Laundering Conspiracy

***Max Penalty:** 20 years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

PENALTY SHEET

Defendant's Name: Edgar Valverde Acosta **Case No:** 06-20797-CR-SEITZ(s)

Count #: 1 - 18 U. S.C. § 371

Conspiracy to Violate the Foreign Corrupt Practices Act

***Max Penalty:** 5 years' imprisonment

Counts #: 3 - 9 - 15 U.S.C. § 78dd-1(a)

Foreign Corrupt Practices Act Violations

***Max Penalty:** 5 years' imprisonment as to each count

Count #: 10 - 18 U.S.C. § 1956(h)

Money Laundering Conspiracy

***Max Penalty:** 20 years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**