

ATTACHMENT A

FACTUAL BASIS FOR THE PLEA  
OF CHRISTIAN SAPSIZIAN

This statement is submitted to provide a factual basis for my plea of guilty to the conspiracy and Foreign Corrupt Practices Act charges against me.

1. Alcatel, S.A. ("Alcatel") was a telecommunications company, headquartered in Paris, France, which operated in France, the United States, and Costa Rica, in addition to many other countries. From at least 2000, until on or about November 30, 2006, Alcatel was a publicly traded corporation on the New York Stock Exchange.

2. 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, including the government of Costa Rica, to sell mobile telephone technology and networks.

3. 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.

4. Alcatel de Costa Rica, S.A. ("Alcatel de Costa Rica") was a local incorporated affiliate of Alcatel and Alcatel CIT. It was responsible for determining Alcatel's business strategy 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.

5. 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.

6. 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 board of directors that evaluated and approved bid proposals submitted by telecommunications companies, including Alcatel.

7. The "ICE Official" was a director of ICE and an advisor to a senior Costa Rican government official (the "Senior Government Official"). Both the ICE Official and the Senior Government Official were in a significant position to influence the policy decisions made by ICE and the contracts awarded by ICE.

8. Christian Sapsizian was employed by Alcatel or an Alcatel subsidiary starting in or around 1981. Sapsizian was the Director of Sales Support of the Switching System Division for Latin America in Alcatel CIT. In this role, Sapsizian's responsibilities included assisting in negotiating commercial contracts in Latin America on behalf of Alcatel CIT. From 2001 to late 2004, Sapsizian was also the Assistant to the Vice President of the Latin American Region for Alcatel and he reported to both Alcatel's Vice President of Latin America and President of Latin America. In this capacity, he reviewed and submitted to the President of Latin America the documents necessary to obtain approval to hire consultants throughout the Latin American

region.

9. Edgar Valverde Acosta, a Costa Rican national, managed Alcatel de Costa Rica on a day-to-day basis. From 2000 to late 2004, Valverde was the Country Senior Officer of Central America for Alcatel, and also the Chief Executive Office of Alcatel de Costa Rica. His responsibilities included negotiating commercial contracts on behalf of Alcatel with ICE and negotiating contracts with consultants who worked on Alcatel's behalf in Costa Rica. Valverde consulted with Sapsizian regarding the hiring of the consultants.

10. In 2000, Alcatel engaged in a significant campaign to encourage ICE to install a Global System for Mobile ("GSM") based mobile telephone network, which was a technology that Alcatel sold. At the time, the mobile telephone network used in Costa Rica was primarily based on Time Division Multiple Access ("TDMA") technology.

11. In 2000 or 2001, Sapsizian participated in a meeting with Valverde and the ICE Official. In this meeting, the ICE Official requested that Valverde and Sapsizian increase a bribe payment previously offered to the ICE Official. In exchange for using his influence as a Director on the ICE Board to award Alcatel a mobile telephone contract, the ICE Official requested that he receive 1.5% of the value of any contract that ICE awarded to Alcatel. In this same meeting, the ICE Official informed Sapsizian and Valverde that the increase was necessary because he was going to share the payments with the Senior Government Official, who would also use his influence with ICE to award Alcatel a mobile telephone contract.

12. In August 2001, ICE awarded Alcatel a mobile telephone service contract (the "400K GSM Contract"), which was valued at approximately \$149 million.

13. One of Alcatel's existing consultants in Costa Rica, Servicios Notariales, was

used to funnel the payments to the ICE Official.

14. From 2000 until 2003, Sapsizian submitted to Alcatel's President of Latin America the documents necessary to obtain approval for the various consulting contracts with Servicios Notariales, knowing that the consultant was going to be used as a conduit to make payments to ICE and other foreign officials.

15. Servicios Notariales created invoices purportedly for "commissions" related to the contracts awarded and submitted those invoices to Alcatel. Servicios Notariales sent the invoices to Valverde, who then forwarded the invoices to Sapsizian in France. Sapsizian and/or Sapsizian's assistant, with Sapsizian's knowledge, forwarded the invoices to the payment department at Alcatel CIT in France for payment. Sapsizian also sent emails to the payment department informing the payment department employees that the invoices could be paid.

16. From 2000 through 2004, Alcatel CIT wire transferred 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.

17. Valverde instructed Servicios Notariales to distribute the funds to the ICE Official. Through this system, Alcatel made more than \$2.5 million in payments to the ICE Official and the Senior Government Official between 2000 and late 2003.

The preceding statement is a summary, made for the purpose of providing the Court with a factual basis for my guilty plea to the conspiracy and Foreign Corrupt Practices Act charges against me. It does not include all of the facts known to me concerning criminal activity in which I and others engaged or that others engaged in without my knowledge at the time of my participation. I make this statement knowingly and voluntarily and because I am in fact guilty of the crimes charged.

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Date: 6/6/07

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