

09-20346-JEM

FACTUAL AGREEMENT

If this matter had gone to trial, the United States would prove beyond a reasonable doubt that beginning in or around November 2001, and continuing through in or around October 2003, the defendant Juan Diaz (“Diaz”), conspired, in violation of 18 United States Code, Section 371, with Foreign Officials A and B; Co-conspirators A, B, and C; Companies 1, 2 and 3; and numerous other individuals, to: (1) violate the Foreign Corrupt Practices Act, 15 United States Code, Section 78dd-2(a); and (2) commit money laundering in violation of 18 United States Code, Section 1956(a)(1)(B)(i).

Telecommunications D’Haiti (“Haiti Teleco”) is the Republic of Haiti’s state-owned national telecommunications company. Haiti Teleco was the only provider of land line telephone service to and from Haiti. Various international telecommunications companies contracted with Haiti Teleco to allow those companies’ customers to make calls to Haiti. Telecommunications companies paid Haiti Teleco a set rate for each minute of telephone calls to Haiti. From in or around May 2001 to April 2003, Official A was the Director of International Relations of Haiti Teleco. In this position, it was Official A’s responsibility to negotiate contracts with international telecommunications companies on behalf of Haiti Teleco. From in or around March 2001 to June 2003, Official B was the General Director of Haiti Teleco. In this position, Official B oversaw all of Haiti Teleco and signed the contracts between Haiti Teleco and international telecommunications companies.

Company 1 was a privately owned telecommunications company that was incorporated in Florida and was headquartered in Miami, Florida. Company 1 executed a series of contracts with Haiti Teleco that allowed Company 1’s customers to call Haiti. Co-conspirator A was the President and Director of Company 1. In this position, Co-conspirator A negotiated and signed contracts with Haiti Teleco on behalf of Company 1. Co-conspirator B was the Executive Vice President of Company 1. In this position, Co-conspirator B was in charge of overseeing Company 1’s finances.

Company 2 was a U.S. telecommunications company that was incorporated in Florida and had its principal place of business in Miami, Florida. Company 2 was the parent company of Company 3, which was also incorporated in Florida and had its principal place of business in Miami, Florida. Company 3 operated out of the same offices and shared some of the same personnel as Company 2. Company 2 and Company 3 executed a series of contracts with Haiti Teleco that allowed their customers to call Haiti.

Co-conspirator C was the Vice President of both Company 2 and Company 3. In this position, Co-conspirator C, among others, negotiated and signed contracts with Haiti Teleco on behalf of Company 2 and Company 3. Co-conspirator C had signatory authority over Company 2’s and Company 3’s bank accounts.

In or about November 2001, the conspiracy between the Defendant and his co-conspirators began. The Defendant was approached by his friend, Official A. Official A needed a shell company to launder the bribe money from Companies 1, 2 and 3 to himself and Official B. Official A offered

Exhibit #1

a five to ten percent commission to the Defendant if he could provide these services. The Defendant then opened a small business checking account at Kislak National Bank in the name of JD Locator Services ("JD Locator"). The Defendant would use this account to receive funds and deposit checks intended for Officials A and B from Co-conspirators A and B at Company 1, and Co-conspirator C at Company 2. The Defendant would keep a commission and launder the rest of the money for Officials A and B. During this time, JD Locator did not have any business purpose other than to launder the bribe payments. JD Locator did not ever provide or intend to provide any legal goods or services to Companies 1, 2, 3 or any other company or person.

The purpose of the conspiracy was for the Defendant and his co-conspirators to unjustly enrich themselves by providing bribe payments to Officials A and B in exchange for business advantages to Companies 1, 2, and 3 including, but not limited to, issuing preferred telecommunications rates, reducing the number of minutes for which payment was owed (effectively reducing the per minute rate), and giving a variety of credits toward owed sums. It was further a purpose of the conspiracy for the Defendant and his co-conspirators to conduct financial transactions with the proceeds of the bribe payments knowing that said transactions would conceal the nature of the bribe proceeds to Officials A and B. Such financial transactions involved wiring money, withdrawing cash, and issuing checks to Officials A and B, and to their family and friends. These transactions were all made through the Defendant's shell company, JD Locator.

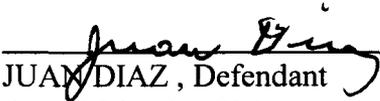
Company 1, to disguise the true nature of the payments, would issue checks for fictional "consulting services" to JD Locator. To conceal the true nature of the bribe payments, Company 1 would falsely record in its books and records the payments to JD Locator as "commissions." Similarly, Company 2 would falsely list moneys sent to JD Locator as vendor payments in its books and records.

Over the course of the conspiracy, JD Locator received bribe payments of \$1,028,851.95 for services which were never rendered or intended to be rendered. These bribe proceeds, which were all profit, were disguised by being sent to Officials A and B through the Defendant's company, JD Locator, or by being given to Official A by Defendant. In order to further conceal the bribe payments to the Haitian government officials, Defendant mislabeled checks by writing in non-existent invoice numbers in the memo section. The true nature of the bribe proceeds from Companies 1 and 2's bank accounts were therefore disguised and concealed by using JD Locator. Of the total amount of bribe proceeds, Defendant kept \$73,824.00 as commissions and laundered the rest of the bribe payments, \$955,027.95, to Officials A and B.

All of the financial transactions in the conspiracy affected interstate and foreign commerce. All of the financial institutions whose accounts were used for the financial transactions were federally insured and regulated.

All of the aforementioned events took place in the Southern District of Florida, and do not include each and every act or action taken in furtherance of the crimes articulated above. The facts articulated in this document serve as a basis for the entry of my plea of guilty to the charged crimes.

By:



JUAN DIAZ, Defendant
Signed May 15, 2009

By:



ALLEN KATZ, Esq.
Attorney for Defendant Juan Diaz