

JUSTICE NEWS

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Financial Advisor Pleads Guilty to Money Laundering Charge in Connection With Bribery Scheme Involving Ecuadorian Officials

A U.S.-based financial advisor pleaded guilty today for his role in an international money laundering conspiracy involving the proceeds of a scheme to pay bribes to officials of Ecuador's state-owned and state-controlled energy company, Empresa Pública de Hidrocarburos del Ecuador (PetroEcuador).

Assistant Attorney General Brian A. Benczkowski of the Justice Department's Criminal Division, U.S. Attorney Benjamin G. Greenberg of the Southern District of Florida and Acting Special Agent in Charge Kelly Jackson of IRS Criminal Investigation's (IRS-CI) Washington, D.C. office made the announcement.

Jose Larrea, 40, a U.S. citizen who lives in Miami, Florida, pleaded guilty in Miami before U.S. District Judge Marcia G. Cooke of the Southern District of Florida to one count of conspiracy to commit money laundering. He is scheduled to be sentenced on Nov. 14, by Judge Cooke.

According to his admissions at the plea hearing, Larrea conspired with his co-defendant, Frank Roberto Chatburn Ripalda (Chatburn), 40, a dual U.S. and Ecuadorian citizen who also lives in Miami, and others to conceal the proceeds of an unlawful scheme, namely to pay bribes to PetroEcuador officials. Larrea admitted to participating in the money laundering scheme by wiring more than \$1 million from his own U.S.-based bank account to several U.S.-based bank accounts. Those wire transfers were made to conceal a bribery scheme involving an oil services contractor who made payments to PetroEcuador officials in an effort to retain existing contracts and win new business with PetroEcuador. Larrea further admitted that he created false and back-dated documents on behalf of the oil services contractor.

Larrea is the fourth individual to plead guilty in this case. In addition to Larrea, two former officials of PetroEcuador who received bribe payments and the contractor described above have previously pleaded guilty to date in connection with the government's ongoing investigations into the PetroEcuador bribery and money laundering schemes.

Chatburn was charged in the same indictment on April 19, with one count of conspiring to violate the Foreign Corrupt Practices Act (FCPA), one count of violating the FCPA, one count of conspiring to commit money laundering and two counts of money laundering. Chatburn has pleaded not guilty, and his trial is currently set for Oct. 15.

All defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

The FBI's International Corruption Squad in Miami and IRS-CI are investigating the case. Assistant Chief Lorinda Laryea and Trial Attorneys David Fuhr and Katherine Raut of the Criminal Division's Fraud Section, Trial Attorneys Randall Warden and Mary Ann McCarthy of the Criminal Division's Money Laundering and Asset Recovery Section, and Assistant U.S. Attorneys Karen Rochlin and Nalina Sombuntham of the Southern District of Florida are prosecuting the case.

The U.S. Marshals Service and the Criminal Division's Office of International Affairs has provided significant assistance by obtaining key evidence in this case, as have public authorities in, among other countries, Ecuador, Panama and the Cayman Islands.

The Fraud Section is responsible for investigating and prosecuting all FCPA matters. Additional information about the Justice Department's FCPA enforcement efforts can be found at www.justice.gov/criminal/fraud/fcpa.

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