

JUSTICE NEWS

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French Citizen Pleads Guilty to Obstructing Criminal Investigation into Alleged Bribes Paid to Win Mining Rights in the Republic of Guinea

Frederic Cilins, 51, a French citizen, pleaded guilty today in the Southern District of New York to obstructing a federal criminal investigation into whether a mining company paid bribes to win lucrative mining rights in the Republic of Guinea.

Mythili Raman, Acting Assistant Attorney General for the Justice Department's Criminal Division; Preet Bharara, the U.S. Attorney for the Southern District of New York; and George Venizelos, the Assistant Director in Charge of the FBI's New York Field Office, made the announcement.

Cilins pleaded guilty to a one-count superseding information filed today, which alleges that Cilins agreed to pay money to induce a witness to destroy, or provide to him for destruction, documents sought by the FBI. According to the superseding information, those documents related to allegations concerning the payment of bribes to obtain mining concessions in the Simandou region of the Republic of Guinea.

According to publicly filed documents, Cilins allegedly attempted to obstruct an ongoing federal grand jury investigation concerning potential violations of the Foreign Corrupt Practices Act and laws proscribing money laundering. Court documents state the federal grand jury was investigating whether a particular mining company and its affiliates – on whose behalf Cilins had been working – transferred into the United States funds in furtherance of a scheme to obtain and retain valuable mining concessions in the Republic of Guinea's Simandou region. During monitored and recorded phone calls and face-to-face meetings, Cilins allegedly agreed to pay substantial sums of money to induce a witness to the bribery scheme to turn over documents to Cilins for destruction, which Cilins knew had been requested by the FBI and needed to be produced before a federal grand jury. Court documents also allege that Cilins sought to induce the witness to sign an affidavit containing numerous false statements regarding matters under investigation by the grand jury.

Court documents allege that the documents Cilins sought to destroy included original copies of contracts between the mining company and its affiliates and the former wife of a now-deceased Guinean government official, who at the relevant time held an office in Guinea that allowed him to influence the award of mining concessions. The contracts allegedly related to a scheme by which the mining company and its affiliates offered the wife of the Guinean official millions of dollars, which were to be distributed to the official's wife as well as ministers or senior officials of Guinea's government whose authority might be needed to secure the mining rights.

According to court documents, the official's wife incorporated a company in 2008 that agreed to take all necessary steps to secure the valuable mining rights for the mining company's subsidiary. That same contract stipulated that \$2 million was to be transferred to the official's wife's company and an additional sum was to be "distributed among persons of good will who may have contributed to facilitating the granting of" the valuable mining rights. According to the complaint, in 2008, the mining company and its affiliates also agreed to give 5 percent of its ownership of particular mining areas in Guinea to the official's wife.

The case is being investigated by the FBI. The case is being prosecuted by Trial Attorney Tarek Helou of the Criminal Division's Fraud Section and Assistant United States Attorney Elisha J. Kobre of the Southern District of New York. The Justice Department's Office of International Affairs and Office of Enforcement Operations also assisted in the investigation.

Additional information about the Justice Department's FCPA enforcement efforts can be found at www.justice.gov/criminal/fraud/fcpa .

Component(s):

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