

El Paso Corporation / Oscar J. Wyatt, Jr.

Case ID:

ST-148

Case Cluster :

El Paso Corporation

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

United States Attorney for the Southern District of New York

Jurisdiction of Foreign Public Official(s) :

Iraq (UN Oil-for-Food)

Year of Settlement:

2007

Month/Day of Settlement (or Notes):

10/01

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Individual

Type of Settlement:

Criminal

Legal Form of Settlement:

Guilty Plea

Monetary Sanctions (Types):

Criminal Restitution

Total Monetary Sanctions (US\$):

\$11,023,245.91

Criminal Fine/Penalty (US\$) :

\$0

Criminal Restitution / Reparation (US\$):

\$11

023

245.91

Monetary Sanctions Returned / Ordered Returned (US\$):

\$11,023,245.91

Monetary Sanctions Returned / Ordered Returned (Explanation):

Restitution to Iraq via Development Fund for Iraq

UNCAC Articles(s) Implicated:

Art.16

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 7

Offenses - Alleged:

Conspiracy to commit wire fraud, Wire Fraud and others

Offenses - Settled:

Conspiracy to commit wire fraud

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the Court Docket Report in US v. Wyatt, on October 1, 2007, Mr. Wyatt, charged with numerous misconduct related to the UN Oil-for-Food Programme a co-defendant in the case, changed his plea during mid-trial to a plea of guilty to one count conspiracy to commit wire fraud; on November 28, 2007, he was ordered to pay \$11,023,245.91 in restitution (Source: US v. Wyatt, Case No. 1:05-cr-00059-DC (S.D.N.Y.), Court Docket Report retrieved January 5, 2012.) According to the US Government's Sentencing Memorandum, "In light of Wyatt's conduct, the parties have agreed in the Plea Agreement that Wyatt should forfeit \$11,023,245.91. That is the total value of: [1] the SOMO satellite communications services that Wyatt paid for (approximately \$3,400,000), see supra; [2] the Phase 8 surcharge payment that Wyatt caused to be paid (220,000 Euros - approximately \$200,000), see supra; and [3] the surcharge payments made in connection with the Phase 9-12 Nafta and Mednafta oil allocations (approximately \$7,423,246). In the Government's view, an appropriate representative of the people of Iraq for these purposes is the Development Fund for Iraq ("DFI"), an entity that has, according to published reports, received more than 2 billion dollars on behalf of the Iraqi people, and which has used the funds at its disposal to, among other things, buy wheat for the Iraqi people, and to improve the country's now-damaged electrical infrastructure. In connection with this matter, the United States Attorney's Office will work to transfer any funds forfeited by Wyatt to the DFI." The Government's Sentencing Memorandum also noted that Mr. Wyatt used Cypriot "Front Companies" in carrying out his misconduct. (US v. Wyatt, Case No. 1:05-cr-59-DC (S.D.N.Y.), Government Sentencing Memorandum filed November 26, 2007.)

Sources :

United States Attorney Southern District of New York Press Release, "U.S. Announces Four Guilty Pleas in Oil-for-Food Case," August 17, 2007, accessed at <http://www.justice.gov/usao/nys/pressreleases/November07/wyattsentencingpr.pdf>; US v. Wyatt, Case No. 1:05-cr-00059-DC (S.D.N.Y.), Court Docket Report as of January 4, 2012 and Government Sentencing Memorandum filed November 26, 2007 (accessed via Pacer).