

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. **10-20881** CR-LENARD

18 U.S.C. § 371

15 U.S.C. § 78dd-2

18 U.S.C. § 2

18 U.S.C. § 1956(h)

18 U.S.C. § 1956(a)(2)(A)

18 U.S.C. § 981(a)(1)(c)

18 U.S.C. § 982(a)(1)

MAGISTRATE JUDGE
TURNOFF

TB

UNITED STATES OF AMERICA

vs.

JORGE GRANADOS
and MANUEL CACERES,

Defendants.

INDICTMENT

The Grand Jury charges:

At all times relevant to this Indictment, unless otherwise specified:

General Allegations

Legal Background

1. The Foreign Corrupt Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, *et seq.* ("FCPA"), prohibited certain classes of persons and entities from corruptly making payments to foreign government officials to assist in obtaining or retaining business. Specifically, the FCPA prohibited any domestic concern, as well as any officer, director, employee and agent of a domestic concern, from willfully making use of any means or

instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, or authorization of the payment of money or anything of value to a foreign official, or to any person, while knowing that all or a portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to a foreign official, to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.

Entities and Individuals

2. Latin Node, Inc. (“LatiNode”), headquartered in Miami, Florida, was incorporated in Florida in or around 1999, and thus was a “domestic concern” as that term is used in the FCPA, 15 U.S.C. § 78dd-2(h)(1)(B). LatiNode was a privately held company that provided wholesale telecommunications services using internet protocol technology in a number of countries throughout the world, including Honduras. LatiNode provided these services both directly and through its subsidiaries.

3. LN Comunicaciones, a Guatemalan company headquartered in Guatemala City, Guatemala, was a wholly owned subsidiary of LatiNode that maintained an international call center for LatiNode customers and carried out LatiNode business in Honduras, Guatemala, El Salvador, Nicaragua, and various locations in the Caribbean. LN Comunicaciones maintained its own bank account in Guatemala City, Guatemala, but that account was fully funded by LatiNode from its Miami-Dade County, Florida, bank account.

4. Servicios IP, S.A. (“Servicios IP”) was a Guatemalan company nominally owned by two LN Comunicaciones employees that was created at the direction of LatiNode and LN Comunicaciones in or around 2005.

5. Defendant **JORGE GRANADOS** was the founder, Chief Executive Officer (“CEO”), and Chairman of the Board of LatiNode from in or around 1999 to in or around 2007. Throughout that time period, **GRANADOS** had authority to set company policy, contract with telecommunications companies, hire and fire employees, set sales prices, and approve sales practices in foreign countries. **GRANADOS** was a citizen of the United States. **GRANADOS** was a “domestic concern” and an officer, director, employee and agent of a domestic concern, as these terms are defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

6. Defendant **MANUEL CACERES** was a senior executive of LatiNode, holding such titles as Vice President Business Development, from in or around September 2004 to in or around 2007. Throughout that time period, **CACERES** was responsible for, among other things, developing LatiNode’s business in Honduras. **CACERES** was a citizen of Honduras but resided in and was a lawful permanent resident of the United States. **CACERES** was a “domestic concern” and an officer, employee, and agent of a domestic concern, as these terms are defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

7. Co-conspirator A was a senior commercial executive for LatiNode, holding such titles as Vice President of Sales, Vice President Wholesale Division, and Chief Commercial Officer (“CCO”), from in or around November 2000 to in or around 2007. Throughout that time period, Co-conspirator A was responsible for, among other things, LatiNode’s commercial and sales relationships with long distance carriers.

8. Co-conspirator B was the Chief Financial Officer (“CFO”) of LatiNode from in or around March 2005 to in or around 2007. Throughout that time period, Co-conspirator B was responsible for, among other things, approving payments and wire transfers by LatiNode.

9. Co-conspirator C was a senior executive of LatiNode, holding such titles as Vice President Network Operations and Quality Assurance, and managed LN Comunicaciones in Guatemala from in or around early 2000 to in or around 2007. As part of his responsibilities throughout this time period, Co-conspirator C would authorize transactions from the bank accounts of LN Comunicaciones and Servicios IP.

10. Empresa Hondureña de Telecomunicaciones (“Hondutel”) was the wholly state-owned telecommunications authority in Honduras, established under Honduran law and headquartered in Tegucigalpa, Honduras. Hondutel was responsible for providing telecommunications services in Honduras, and its operations were overseen by another Honduran government entity, Comisión Nacional de Telecomunicaciones. Hondutel was an “agency” and “instrumentality” of the Honduran government, and its officers, employees and directors were “foreign officials,” as these terms are defined in the FCPA, 15 U.S.C. § 78dd-2(h)(2)(A).

11. Official 1 was a senior executive of Hondutel from in or around February 2006 to in or around December 2007. Official 1 had broad decision-making authority and influence over telecommunications contracts with private service providers and their accompanying rates.

12. Official 2 was an attorney in the Hondutel legal department who worked directly for Official 1.

13. Official 3 was a Minister in the Honduran Government and was a member of Hondutel’s Board of Directors.

The Interconnection Agreement with Hondutel

14. Beginning in or around 2003, the Honduran Legislature passed legislation that permitted Hondutel to enter into contracts with private telecommunications companies.

15. From at least as early as November 2003 through in or around December 2005, LatiNode sought to win an interconnection agreement with Hondutel, which would permit LatiNode to use Hondutel's telecommunications lines. LatiNode sought to establish a network between Honduras and the United States to provide long distance services between the two countries. LatiNode sought to provide a service in which callers could "originate" calls in the United States that would "terminate"—meaning be received—in Honduras, and vice versa. LatiNode executives saw the interconnection agreement with Hondutel as a key component to developing LatiNode's telecommunications business in Honduras.

16. On or about December 5, 2005, LatiNode learned that it was the sole winner of the interconnection agreement with Hondutel. Under the agreement, LatiNode was required to pay Hondutel the following rates for calls terminating to Honduras ("Termination Rates"): \$0.21 per minute for fixed calls and \$0.23 for mobile calls. The agreement also required LatiNode to prepare "Monthly Accounts," which were to include, among other things, the number of minutes used by LatiNode and the applicable Termination Rate.

17. Almost immediately after winning the interconnection agreement with Hondutel, LatiNode executives realized that LatiNode needed to obtain a reduction in the Termination Rates in order to be more competitive in the Honduran telecommunications market. LatiNode executives also learned that Official 1 was considering whether to rescind Hondutel's interconnection agreement with LatiNode.

COUNT 1
Conspiracy
(18 U.S.C. § 371)

1. Paragraphs 1 through 17 of the General Allegations are re-alleged and incorporated by reference as though set forth herein.

2. From in or around April 2006, and continuing through in or around October 2007, the exact dates being unknown to the Grand Jury, at Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

JORGE GRANADOS
and MANUEL CACERES,

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly conspire, confederate and agree with each other, and with other persons, known and unknown to the Grand Jury, to commit offenses against the United States, that is, to willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value, to a foreign official, and to a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised, to a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his or her official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing an improper advantage; and (iv) inducing such foreign official to use his or her influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist defendants **JORGE GRANADOS** and **MANUEL CACERES**, LatiNode, and others, known and unknown

to the Grand Jury, in obtaining and retaining business for and with, and directing business to, LatiNode, in violation of Title 15, United States Code, Section 78dd-2(a).

PURPOSE OF THE CONSPIRACY

3. A purpose of the conspiracy was to obtain from Hondutel business advantages for LatiNode including, but not limited to, preferred telecommunications rates, retaining the interconnection agreement, and continued operation in Honduras despite late payments to Hondutel, by paying bribes to Honduran government officials, including to officers and employees of the Government of Honduras and of Hondutel, a telecommunications company that was an agency and instrumentality of the Government of Honduras.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which **JORGE GRANADOS** and **MANUEL CACERES** and their co-conspirators sought to accomplish the objects and purposes of the conspiracy included, among other things, the following:

4. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did discuss the competitive need to obtain lower Termination Rates paid by LatiNode under the interconnection agreement with Hondutel.

5. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did identify officers and employees of the Government of Honduras and of Hondutel whom they believed could and would help LatiNode obtain such lower rates.

6. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did discuss making bribe payments to such Honduran foreign officials in order to obtain such lower rates.

7. Defendant **MANUEL CACERES** would and did discuss with Official 1, Official 2 and Official 3, or a subset thereof, obtaining lower rates for LatiNode under the interconnection agreement with Hondutel.

8. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did offer to pay, promise to pay, and authorize the payment of bribes, directly and indirectly, to and for the benefit of Official 1, Official 2 and Official 3, in exchange for these Officials' agreements to secure lower rates and other benefits for LatiNode under the interconnection agreement with Hondutel.

9. Defendant **MANUEL CACERES** would and did discuss with Official 1, Official 2 and Official 3, or a subset thereof, the amount of the bribe payments.

10. Defendant **MANUEL CACERES** would and did receive instructions from Official 1, Official 2 and Official 3 as to the manner by which the bribe payments were to be paid—for example, the names and locations of the bank accounts to which the bribe payments should be transferred—and would and did forward these instructions to relevant LatiNode employees.

11. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did wire and cause to be wired certain bribe payments from LatiNode's bank accounts in Miami-Dade County, Florida, to the bank accounts designated by Official 1, Official 2 and Official 3.

12. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did make certain bribe payments and cause certain bribe payments to be made

from LatiNode's foreign subsidiaries to Official 1, Official 2 and Official 3 in the manner designated by Official 1, Official 2 and Official 3.

13. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did discuss the need to obtain a written agreement by Hondutel to lower the Termination Rates under the interconnection agreement. Among other things, these defendants and co-conspirators discussed the "discrepancy notices" that LatiNode was receiving because certain employees from the Hondutel Collections Department were unaware that Official 1, Official 2 and Official 3 had agreed to lower Termination Rates and that the lack of a formal agreement could complicate LatiNode's acquisition by eLandia, Inc. ("eLandia").

14. Defendant **MANUEL CACERES**, together with others, would and did discuss making bribe payments to certain employees of Hondutel's Collections Department in order to resolve the billing disputes created by these "discrepancy notices."

15. Defendant **MANUEL CACERES** would and did communicate with Official 1, Official 2 and Official 3, or a subset thereof, about the need to obtain a written agreement by Hondutel to lower the Termination Rates under the interconnection agreement.

16. Prior to the execution of a written agreement reducing the Termination Rates under the interconnection agreement, defendants **JORGE GRANADOS** and **MANUEL CACERES** would and did instruct LatiNode employees to submit billing statements to Hondutel that falsely and fraudulently reflected a lower number of minutes than were actually used by LatiNode. The purpose of such false and fraudulent billing statements was to obtain the reduced rate to which Official 1, Official 2 and Official 3, or a subset thereof, had orally agreed.

17. In anticipation of eLandia's acquisition of LatiNode, defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did discuss the need to create sham consulting agreements to disguise the fact that LatiNode was paying bribes to Official 1, Official 2 and Official 3.

OVERT ACTS

In furtherance of the conspiracy and to achieve the objects thereof, at least one of the conspirators committed, or caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

1. On or about April 24, 2006, an employee of LatiNode sent an email to defendant **MANUEL CACERES** describing a meeting with the general manager of Hondutel. The LatiNode employee wrote, in Spanish and in sum and substance, that Latinode's business strategy with Hondutel would be difficult because "we know they [Hondutel] expect something under the table."

2. On or about April 24, 2006, defendant **MANUEL CACERES** replied to the email described in Overt Act 1, stating, in Spanish and in sum and substance, that it was important for a certain Latinode consultant to arrange a meeting with Official 1 and the Hondutel general manager "so they know we are friends of the party."

3. On or about May 16, 2006, defendant **MANUEL CACERES** sent an email to Co-conspirator A, copying defendant **JORGE GRANADOS**, in which **CACERES** stated, in Spanish and in sum and substance:

At the GTM the international manager informed me he couldn't resolve that situation and that it would be necessary to 'give' something to the [Hondutel] general manager []. I'll try this with

[Official 1]. I'm returning Thursday to Miami and I'll plan a trip Sunday to meet next Monday or the same Sunday with these criminals. But I will solve this problem for you, I promise. Not only will we get a PP rate (Preferential of preferentials) but the capacity we need. I have some things to reveal to them in exchange for what I'm going to ask of them.

4. In or about August 2006, defendants **MANUEL CACERES** and **JORGE GRANADOS** determined that they would make bribe payments to Hondutel officials, including Official 1, at a rate of \$0.01 per minute of telephone traffic that LatiNode generated through the Hondutel interconnection agreement.

5. On or about September 2, 2006, defendant **MANUEL CACERES** sent an email to Official 2 in which he requested, in Spanish and in sum and substance, that Official 2 "confirm the data for the bank account where the deposit should be made," and stated that LatiNode urgently needed the Hondutel Board of Directors to approve the lowest rate for LatiNode so that LatiNode could be competitive in the market and generate an important volume of traffic.

6. On or about September 5, 2006, defendant **MANUEL CACERES** forwarded to Co-conspirator A an email from Official 2 containing the account information requested in Overt Act 5. In the forwarding email, **CACERES** explained to Co-conspirator A, in Spanish and in sum and substance, that Official 2 was Hondutel's corporate lawyer and Official 1's "straw man," that there was a favorable atmosphere at Hondutel to giving LatiNode a reduction in the Termination Rates, and that "it is important to send \$60,000 for June and July."

7. On or about September 11, 2006, Co-conspirator A forwarded to Co-conspirator B, and copied to defendants **JORGE GRANADOS** and **MANUEL CACERES**, the email described in Overt Act 6. Co-conspirator A wrote to Co-conspirator B, in Spanish and in sum

and substance, that “we must make this payment,” and that the payment would result in a decrease in LatiNode’s rates to \$0.13 and \$0.14. Co-conspirator A further wrote that, based on his calculations, the payment due was \$36,705 for June and \$24,404 for July, totaling \$61,109.

8. On or about September 13, 2006, defendant **MANUEL CACERES** sent an email to Co-conspirator C, copied to Co-conspirator A and Co-conspirator B, in which he explained, in Spanish and in sum and substance, that he was providing “the instructions for the transfer of the commission to [Official 1],” and forwarding information for a Bank Atlantida account in the name of “Grupo de Inversiones Chicas.”

On or about September 14, 2006, defendant **MANUEL CACERES** and Co-conspirator C caused the following wire transfers to be made:

Overt Act	Amount of Transfer	Transferred From	Transferred To
9	\$61,149	LN Comunicaciones	Servicios IP
10	\$61,109	Servicios IP	Grupo de Inversiones Chicas

11. On or about October 27, 2006, defendant **JORGE GRANADOS** caused LatiNode to issue a \$30,251 check made payable to Official 1. This amount equaled the sum of \$7,792 due to Official 1 for August 2006 and \$22,459 due to Official 1 for September 2006.

12. On or about November 15, 2006, defendant **MANUEL CACERES** sent an email to a LatiNode employee, copying Co-conspirator C and defendant **JORGE GRANADOS**, and instructing Co-Conspirator C, in Spanish and in sum and substance, to travel to Tegucigalpa, Honduras on November 16, 2006, pick up Official 2, and take Official 2 to San Pedro, Honduras.

13. On or about November 16, 2006, Co-conspirator C withdrew \$100,000 from a LN Comunicaciones bank account in Guatemala by issuing a check from the account payable to himself.

14. On or about November 16, 2006, defendant **JORGE GRANADOS** sent an email to himself, copied to numerous LatiNode employees, including defendant **MANUEL CACERES**, Co-conspirator A, Co-conspirator B and Co-conspirator C, in which he announced, in Spanish and in sum and substance, that, “As of today, a new termination price in Honduras has been negotiated with Hondutel’s management. [] The rate for cell and fixed phones is valid at \$0.12.”

15. On or about November 16, 2006, in a follow-up to the email described in Overt Act 14, defendant **JORGE GRANADOS** sent an email to Co-conspirator A in which he explained, in Spanish and in sum and substance, that the \$0.12 rate was “all inclusive” and included the \$0.01 that the Honduran officials were going to be paid. **GRANADOS** further wrote that “I will tell you the details, but I cannot put it in writing.”

16. On or about December 12, 2006, defendant **MANUEL CACERES** sent an email to defendants **JORGE GRANADOS**, Co-conspirator A, and Co-conspirator B in which he provided them, in Spanish and in sum and substance, with an update on “the situation,” including that Official 3 had informed Hondutel’s General Manager about the \$0.12 rate. **CACERES** described Official 3 as the negotiator for LatiNode and the Honduran President’s representative on Hondutel’s Board of Directors.

17. On or about December 26, 2006, defendant **MANUEL CACERES** forwarded to defendant **JORGE GRANADOS** an email from Official 2 that provided, in Spanish and in sum

and substance, instructions for wiring \$100,000 to four bank accounts: (a) \$25,000 to UBS Bank; (b) \$30,000 to Wachovia Bank; (c) \$30,000 to Banco Grupo el Ahorro Honduren (“BGA Honduras”); and (d) \$15,000 to BGA Honduras. In his forwarding email, **CACERES** stated to **GRANADOS**, in Spanish and in sum and substance: “I recommend sending [Official 1] \$100,000 tomorrow to the bank accounts and in the amounts according to the instructions in [Official 2’s] email. We have stretched the rope to the maximum but we are reaching the limit and we don’t want to break it. This payment will create tolerance for any late payments to Hondutel, avoiding their removal of capacity; on the contrary, it will help to get them to increase it for us.”

18. On or about January 2, 2007, defendants **JORGE GRANADOS** and **MANUEL CACERES** and Co-conspirator B caused a wire transfer of \$30,000 to be made from LatiNode’s Citibank account in Miami-Dade County, Florida, to a Wachovia Bank NA of Florida account in Florida.

19. On or about January 3, 2007, defendant **MANUEL CACERES** forwarded to Official 1 and Official 2 an email from Co-conspirator B to defendant **JORGE GRANADOS**, copying **CACERES**, in which Co-Conspirator B explained, in Spanish and in sum and substance, that LatiNode could not make two of the four transfers described in Overt Act 17 because of incorrect wire transfer instructions. In the forwarding email, **CACERES** requested, in Spanish and in sum and substance, that they verify the correct account information or provide new instructions.

On or about the following dates, defendants **JORGE GRANADOS** and **MANUEL CACERES** and Co-conspirator B caused the following wire transfers to be made from

LatiNode's Citibank account in Miami-Dade County, Florida:

Overt Act	Date	Amount of Transfer	Recipient Bank
20	January 4, 2007	\$30,000	BGA Honduras, to account in the name of SONE S.A. de C.V.
21	January 4, 2007	\$15,000	BGA Honduras, to account in the name of Official 2

22. On or about January 15, 2007, defendant **MANUEL CACERES** sent an email to Official 2 explaining, in Spanish and in sum and substance, that "[Official 3's] bank has rejected the transfer three times." **CACERES** suggested to Official 2 that LatiNode could either send the money to Official 2 to give to Official 3, or send the money to another account. Official 2 replied to the email on or about the next day, January 16, stating, in Spanish and in sum and substance, that Official 3 had advised LatiNode to "bring" a check in the name of Official 3.

23. On or about January 25, 2007, Co-conspirator C caused LN Comunicaciones to issue a \$50,000 check for the benefit of Official 3.

24. On or about January 29, 2007, defendant **MANUEL CACERES** forwarded to Co-conspirator B, and copied defendant **JORGE GRANADOS** and another LatiNode employee, an email from Official 2, in which Official 2 had instructed, in Spanish and in sum and substance, that \$37,500 be wired to "SONE" and \$22,500 be wired to Official 2 to the same accounts that had been provided in the past.

25. On or about January 30, 2007, defendant **MANUEL CACERES** sent an email to another LatiNode employee in which he directed that the \$37,500 be wired to a BGA Honduras

account in the name of SONE and \$22,500 be wired to a BGA Honduras account in the name of Official 2.

On or about the following dates, defendants **JORGE GRANADOS** and **MANUEL CACERES** and Co-conspirator B caused the following transfers to be made from LatiNode's Citibank account in Miami-Dade County, Florida:

Overt Act	Date	Amount of Transfer	Recipient Bank
26	January 30, 2007	\$22,500	BGA Honduras, to account in the name of Official 2
27	January 30, 2007	\$37,500	BGA Honduras, to account in the name of SONE S.A. de C.V.

28. On or about February 7, 2007, defendant **MANUEL CACERES** sent an email to Co-conspirator B and another LatiNode employee in which he instructed, in Spanish and in sum and substance, that \$15,000 be wired to a BGA Honduras account in the name of Official 2.

29. On or about February 7, 2007, defendants **MANUEL CACERES** and Co-conspirator B caused \$15,000 to be wired from LatiNode's Citibank account in Miami-Dade County, Florida, to the BGA Honduras account described in Overt Acts 21 and 28.

30. On or about February 11, 2007, defendant **JORGE GRANADOS** sent an email to defendant **MANUEL CACERES** and Co-conspirator B in which he asked, in Spanish and in sum and substance, for an update on an earlier request to obtain "official and retroactive confirmation" of the \$0.12 rate from Hondutel because this issue could cause a "HUGE" problem during the due diligence process with eLandia.

31. On or about April 10, 2007, defendant **MANUEL CACERES** sent an email to Official 1, Official 2 and Official 3 in which he wrote, in Spanish and in sum and substance, that

because LatiNode was going to be acquired by eLandia, they would have to enter into formal consulting contracts, that “[n]o government official (from Hondutel or from the government) can appear” on the consulting contract, and that he would continue to authorize payments to them, “but the transfers will come from eLandia through Servicios IP, a firm of ours in Guatemala.”

32. On or about April 11, 2007, defendant **MANUEL CACERES** sent an email to defendant **JORGE GRANADOS** and Co-conspirator A in which he wrote, in Spanish and in sum and substance, that Official 1 and Official 3 would sign consulting agreements in which neither Official would appear as a representative and explained that Official 3 had control over the Board of Directors, Official 1 managed Hondutel, and both were friends with the President of Honduras.

33. On or about April 23, 2007, defendant **MANUEL CACERES** sent an email to Co-conspirator C in which he provided instructions regarding the delivery of a \$38,409.73 check to Official 3 and explained, in Spanish and in sum and substance, that Co-conspirator B would deposit \$40,000 into the LN Comunicaciones account “so you can write the check.” **CACERES** explained that this figure represented 25% of the pending total commission figure. A spreadsheet attached to the email listed both the \$38,409.73 figure and an additional \$115,229.18 payment due to “SONE.”

34. On or about April 24, 2007, defendant **MANUEL CACERES** sent an email to Co-conspirator B stating, in Spanish and in sum and substance, that the transfer to SONE was for \$115,229.18.

35. On or about April 24, 2007, Co-conspirator C caused LN Comunicaciones to issue a \$38,409.73 check for the benefit of Official 3.

36. On or about April 26, 2007, Co-conspirator C caused \$120,000 to be transferred from LN Comunicaciones to Servicios IP.

37. On or about June 24, 2007, defendant **MANUEL CACERES** sent an email to defendant **JORGE GRANADOS** in which he included a request from Official 1 for \$5,000 and recommended, in Spanish and in sum and substance, that “we have to do the favor for the friend.”

38. On or about June 24, 2007, in response to the email described in Overt Act 37, defendant **JORGE GRANADOS** sent an email to defendant **MANUEL CACERES** in which he agreed with **CACERES**’s recommendation and, in Spanish and in sum and substance, instructed him to remind Official 1 of the subject of their upcoming meeting at Hondutel.

39. On or about June 25, 2007, defendant **JORGE GRANADOS** sent an email to defendant **MANUEL CACERES**, Co-conspirator B, and another LatiNode employee in which he wrote, in Spanish and in sum and substance, that “We need to draw a check for \$5,000 in the name of [Official 1], as an advance for services rendered.”

40. On or about June 25, 2007, Co-conspirator C caused LN Comunicaciones to issue a \$5,040 check to Servicios IP.

41. On or about August 7, 2007, defendant **MANUEL CACERES** sent an email to several LatiNode employees, including defendant **JORGE GRANADOS** and Co-conspirator B, in which he explained, in Spanish and in sum and substance, the formula to be used in sending invoices to Hondutel: “Actual Minutes X verbally agreed rate = discounted Minutes X rate per the contract. The last part of the equation is what should be sent to Hondutel.”

42. On or about August 15, 2007, defendant **MANUEL CACERES** sent an email to an employee of Hondutel's Collections Department in which he confirmed, in Spanish and in sum and substance, that a transfer would be made to the employee's daughter's account for "consulting services" and stated that he would need to get a receipt for the records of eLandia's auditors. **CACERES** reminded the billing employee that "we are now a public company and everything has to be done in a transparent manner," and told her that neither the employee nor another woman, also employed by Hondutel's Collections Department, "can appear in the transaction at all."

43. In or about October 2007, defendant **JORGE GRANADOS** ordered another LatiNode employee to delete emails related to Hondutel from LatiNode's computer servers.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2-13
Foreign Corrupt Practices Act
(15 U.S.C. § 78dd-2(a); 18 U.S.C. § 2)

1. Paragraphs 1 through 17 of the General Allegations and paragraphs 4 through 17 of the Manner and Means Section of Count 1 are re-alleged and incorporated by reference as though set forth herein.

2. On or about the dates listed below, at Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

JORGE GRANADOS
and MANUEL CACERES,

who were domestic concerns and officers, directors, employees and agents of a domestic concern within the meaning of the Foreign Corrupt Practices Act, willfully did use and cause to be used means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment,

promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value, to a foreign official, and to a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised, to a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his or her official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing an improper advantage; and (iv) inducing such foreign official to use his or her influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist defendants **JORGE GRANADOS** and **MANUEL CACERES**, Latinode, and others, known and unknown to the Grand Jury, in obtaining and retaining business for and with, and directing business to, LatiNode, as follows:

Count	Date	Use of Instrumentality of Interstate Commerce
2	September 13, 2006	Email from defendant MANUEL CACERES to Co-conspirator C in Guatemala, routed through a LatiNode server in Miami-Dade County, Florida, providing wiring instructions for a \$60,000 payment to Official 1, which resulted in a \$61,149 wire transfer from LN Comunicaciones to a Servicios IP account in Guatemala, and, in turn, a \$61,109 wire transfer from Servicios IP to a Bank Atlantida account in Honduras in the name of Grupo de Inversiones Chicas.
3	November 1, 2006	\$30,251 check made payable to Official 1 issued from LatiNode's Citibank account in Miami-Dade County, Florida, and deposited into a BGA Honduras account in Honduras, in the name of SONE S.A. de C.V.
4	November 16, 2006	Email from defendant JORGE GRANADOS to himself, copying defendant MANUEL CACERES in Honduras, and others, routed through a LatiNode server in Miami-Dade

Count	Date	Use of Instrumentality of Interstate Commerce
		County, Florida, and announcing that Hondutel had agreed to a reduced termination rate of \$0.12, which agreement resulted in a cash withdrawal of \$100,000 by Co-Conspirator C from LatiNode's LN Comunicaciones account in Guatemala.
5	December 19, 2006	Email from Official 2 in Honduras to defendant MANUEL CACERES , routed through a LatiNode server in Miami-Dade County, Florida, providing instructions for wiring \$100,000 to four bank accounts, including \$30,000 to Wachovia bank, which resulted in a \$30,000 wire transfer on January 2, 2007, from LatiNode's Citibank account in Miami-Dade County, Florida, to a Wachovia Bank NA of Florida account in Florida.
6	January 4, 2007	\$30,000 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of SONE S.A. de C.V.
7	January 4, 2007	\$15,000 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of Official 2.
8	January 15, 2007	Email from Official 2 in Honduras to defendant MANUEL CACERES , routed through a LatiNode server in Miami-Dade County, Florida, instructing CACERES to bring a check in the name of Official 3, which resulted in a \$50,000 check for the benefit of Official 3 issued on or about January 25, 2007, from a LN Comunicaciones account in Guatemala.
9	January 30, 2007	\$22,500 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of Official 2.
10	January 30, 2007	\$37,500 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of SONE S.A. de C.V.
11	February 7, 2007	\$15,000 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of Official 2.
12	April 23, 2007	Email from defendant MANUEL CACERES to defendant JORGE GRANADOS and Co-conspirator C in Guatemala, routed through a LatiNode server in Miami-Dade County,

Count	Date	Use of Instrumentality of Interstate Commerce
		Florida, providing instructions regarding delivering a \$38,409.73 check to Official 3, which resulted in a \$38,409.73 cashier's check for the benefit of Official 3 issued on or about April 24, 2007, from an LN Comunicaciones account in Guatemala.
13	April 23, 2007	Email from defendant MANUEL CACERES to Co-Conspirator C in Guatemala, routed through a LatiNode server in Miami-Dade County, Florida, and attaching a spreadsheet that listed a \$115,229.18 payment due to SONE, which resulted in a \$120,000 wire transfer on April 26, 2007, from Latinode's LN Comunicaciones account in Guatemala to LatiNode's Servicios IP account in Guatemala.

All in violation of Title 15, United States Code, Section 78dd-2(a), and Title 18, United States Code, Section 2.

COUNT 14
Money Laundering Conspiracy
(18 U.S.C. § 1956(h))

1. Paragraphs 1 through 17 of the General Allegations are re-alleged and incorporated by reference as though set forth herein.
2. From in or around April 2006, and continuing through in or around October 2007, the exact dates being unknown to the Grand Jury, at Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

JORGE GRANADOS
and MANUEL CACERES,

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with each other and with other persons, known and unknown to the Grand Jury, to commit offenses against the United States in violation of Title 18, United States Code, Section 1956, that is, to transport, transmit and transfer and attempt to

transport, transmit and transfer a monetary instrument and funds from a place in the United States to a place outside the United States with the intent to promote the carrying on of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

PURPOSE OF THE CONSPIRACY

3. A purpose of the conspiracy was to make corrupt payments from LatiNode's Citibank account in Miami-Dade County, Florida, to accounts in Guatemala and Honduras for the benefit of officers and employees of the Government of Honduras and of Hondutel, a telecommunications company that was an agency and instrumentality of the Government of Honduras, in exchange for business advantages to be bestowed upon LatiNode by Hondutel.

MANNER AND MEANS OF THE CONSPIRACY

4. Paragraphs 4 through 17 of the Manner and Means section of Count 1 of this Indictment are re-alleged and incorporated by reference herein as a description of the manner and means by which **JORGE GRANADOS** and **MANUEL CACERES** and their co-conspirators sought to accomplish the objects and purposes of the conspiracy. Further manner and means by which the defendants and their co-conspirators sought to accomplish the objects and purposes of the conspiracy included, among other things, the following:

5. Defendants **JORGE GRANADOS** and **MANUEL CACERES**, together with others, would and did wire and cause to be wired bribe payments from LatiNode's Citibank account in Miami-Dade County, Florida, to bank accounts designated by Official 1, Official 2 and Official 3 outside the United States.

6. It is further alleged that the specified unlawful activity is a violation of the Foreign Corrupt Practices Act, Title 15, United States Code, Section 78dd-2.

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 15-19
Money Laundering
(18 U.S.C. § 1956(a)(2)(A); 18 U.S.C. § 2)

1. Paragraphs 1 through 17 of the General Allegations are re-alleged and incorporated by reference as though set forth herein.
2. On or about the dates listed below, at Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

JORGE GRANADOS
and MANUEL CACERES,

did knowingly transport, transmit, and transfer, and aid, abet, and cause others to transport, transmit, and transfer, and attempt to transport, transmit, and transfer the following monetary instruments and funds from a place in the United States, namely Miami-Dade County, Florida, to the following places outside the United States, intending that each of the transactions, in whole and in part, promote the carrying on of specified unlawful activity, that is, a felony violation of the Foreign Corrupt Practices Act, Title 15, United States Code, Section 78dd-2:

Count	Date	Foreign Place	Financial Transaction
15	January 4, 2007	Honduras	\$30,000 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of SONE S.A. de C.V.
16	January 4, 2007	Honduras	\$15,000 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of Official 2.
17	January 30, 2007	Honduras	\$22,500 wire transfer from LatiNode's Citibank account in Miami-Dade County,

Count	Date	Foreign Place	Financial Transaction
			Florida, to a BGA Honduras account in Honduras, in the name of Official 2.
18	January 30, 2007	Honduras	\$37,500 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of SONE S.A. de C.V.
19	February 7, 2007	Honduras	\$30,000 wire transfer from LatiNode's Citibank account in Miami-Dade County, Florida, to a BGA Honduras account in Honduras, in the name of Official 2.

All in violation of Title 18, United States Code, Sections 1956(a)(2)(A) and 2.

CRIMINAL FORFEITURE

1. Paragraphs 1 through 17 of the General Allegations are re-alleged and incorporated by reference as though set forth herein.
2. Upon conviction of any of the offenses alleged in Counts 1 through 13 of this indictment, the defendants so convicted shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to said offense(s).
3. Upon conviction of any of the offenses alleged in Counts 14 through 19 of this indictment, the defendants so convicted shall forfeit to the United States any property, real or personal, involved in such offense or any property traceable to such property.
4. The property subject to forfeiture includes but is not limited to:
 - A. all money or other property representing the amount of proceeds derived from the conspiracy alleged in Count 1;
 - B. all money or other property representing the amount of proceeds constituting or derived from the offenses alleged in Counts 2 through 13;
 - C. all money or other property that was the subject of each transaction, transportation, transmission, or transfer, in violation of Title 18, United States Code, Section 1956;
 - D. all commissions, fees, and other property constituting proceeds obtained as a result of a violation of Title 18, United States Code, Section 1956;
 - E. all property used in any manner or part to commit or to facilitate the commission of a violation of Title 18, United States Code, Section 1956;and

- F. all property traceable to the money or other property subject to forfeiture under categories C, D, and E above.

5. Substitute Asset Provision

If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- A. cannot be located upon the exercise of due diligence;
- B. has been transferred or sold to, or deposited with, a third party;
- C. has been placed beyond the jurisdiction of the Court;
- D. has been substantially diminished in value; or
- E. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States to seek forfeiture of any property of said defendants up to the value of the forfeitable property described above.

6. If more than one defendant is convicted of an offense, the defendants so convicted are jointly and severally liable for the amount derived from such offense.

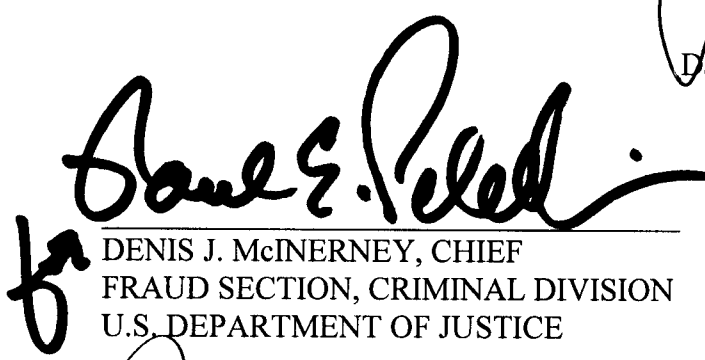
All pursuant to Title 18, United States Code, Section 981(a)(1)(c) made applicable hereto by Title 28, United States Code, Section 2461; Title 18, United States Code, Section 982(a)(1)

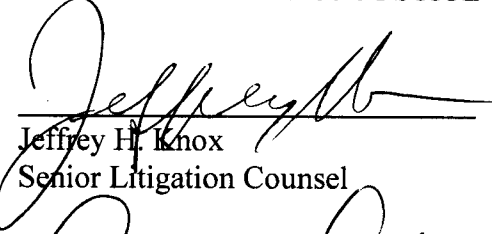
and (b)(2); and the procedures outlined at Title 21, United States Code, Section 853, as set forth in Fed. R. Crim. P. 32.2.

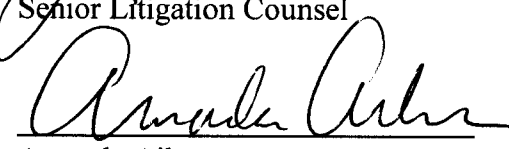
A TRUE BILL

FOREPERSON

Date: December 14, 2010


DENIS J. McINERNEY, CHIEF
FRAUD SECTION, CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE


Jeffrey H. Knox
Senior Litigation Counsel


Amanda Aikman
Trial Attorney

UNITED STATES OF AMERICA

CASE NO. _____

vs.

JORGE GRANADOS and
MANUEL CACERES,

Defendants.

CERTIFICATE OF TRIAL ATTORNEY*

Superseding Case Information:

Court Division: (Select One)

X Miami _____ Key West
_____ FTL _____ WPB _____ FTP

New Defendant(s)

Number of New Defendants _____

Total number of counts _____

Yes _____ No _____

I do hereby certify that:

- I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

- Interpreter: (Yes or No) Yes
List language and/or dialect Spanish

- This case will take 14 days for the parties to try.

- Please check appropriate category and type of offense listed below:

(Check only one)

(Check only one)

I	0 to 5 days	_____	Petty	_____
II	6 to 10 days	_____	Minor	_____
III	11 to 20 days	<u>X</u>	Misdem.	_____
IV	21 to 60 days	_____	Felony	<u>X</u>
V	61 days and over	_____		

- Has this case been previously filed in this District Court? (Yes or No) No

If yes:

Judge: _____

Case No. _____

(Attach copy of dispositive order)

Has a complaint been filed in this matter?

(Yes or No) No

If yes:

Magistrate Case No. _____

Related Miscellaneous numbers: 09-20239-CR-HUCK

Defendant(s) in federal custody as of _____

Defendant(s) in state custody as of _____

Rule 20 from the _____

District of _____

- Is this a potential death penalty case? (Yes or No) No

- Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? _____ Yes X No

- Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007? _____ Yes X No


 AMANDA AIKMAN
 DOJ TRIAL ATTORNEY
 Court No. A5501569

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: Manuel Caceres **Case No:** _____

Count #: 1

Conspiracy to Commit Violation of Foreign Corrupt Practices Act

18 U.S.C. § 371

***Max Penalty:** 5 years' imprisonment

Counts #: 2 - 13

Foreign Corrupt Practices Act

15 U.S.C. § 78dd-2(a)

***Max Penalty:** 5 years' imprisonment

Count #: 14

Money Laundering Conspiracy

18 U.S.C. § 1956(h)

***Max Penalty:** 20 years' imprisonment

Counts #: 15 - 19

Money Laundering

18 U.S.C. § 1956(a)(2)(A)

***Max Penalty:** 20 years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: Jorge Granados Case No: _____

Count #: 1

_____ Conspiracy to Commit Violation of Foreign Corrupt Practices Act

_____ 18 U.S.C. § 371

*Max Penalty: 5 years' imprisonment

Counts #: 2 - 13

_____ Foreign Corrupt Practices Act

_____ 15 U.S.C. § 78dd-2(a)

*Max Penalty: 5 years' imprisonment

Count #: 14

_____ Money Laundering Conspiracy

_____ 18 U.S.C. § 1956(h)

*Max Penalty: 20 years' imprisonment

Counts #: 15 - 19

_____ Money Laundering

_____ 18 U.S.C. § 1956(a)(2)(A)

*Max Penalty: 20 years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**