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## U.S. Securities and Exchange Commission

### U.S. SECURITIES AND EXCHANGE COMMISSION

Litigation Release No. 20556 / May 6, 2008

*Securities and Exchange Commission v. Steven J. Ott and Roger Michael Young, Civil Action No. 06-4195 (GEB) (D.N.J.)*

*Securities and Exchange Commission v. Yaw Osei Amoako Civil Action No. 05-4284 (GEB) (D.N.J.)*

#### Former Executives Of ITXC Corp. Settle Foreign Bribery Charges

The Securities and Exchange Commission announced today that on April 18, 2008, the Honorable Garrett E. Brown Jr., Chief Judge of the United States District Court for the District of New Jersey, entered final judgments against Steven J. Ott and Roger Michael Young, in SEC v. Steven J. Ott and Roger Michael Young, Civil Action No. 06-4195 (GEB) (D.N.J.), and against Yaw Osei Amoako, in SEC v. Yaw Osei Amoako, Civil Action No. 05-4284 (GEB) (D.N.J.). The final judgments resolve the Commission's claims against the defendants, including claims in the Commission's amended complaint against Amoako filed in April 2008. The Commission charged Ott, Young and Amoako, former executives of ITXC Corp., with violations of the anti-bribery and books and records provisions of the Foreign Corrupt Practices Act of 1977 (FCPA), for their respective roles in a scheme to bribe senior officials of government-owned telephone companies in Nigeria, Rwanda and Senegal. Prior to its acquisition by Teleglobe International Holdings Ltd. on May 31, 2004, ITXC was a publicly-held international telecommunications carrier based in Princeton, New Jersey.

The complaints alleged that Ott, ITXC's former Vice President for Global Sales, Young, ITXC's former Managing Director for the Middle East and Africa, and Amoako, ITXC's former Regional Director for Sales in Africa, negotiated and/or approved bribes that ITXC paid to foreign officials in Nigeria, Rwanda and Senegal, in order to obtain contracts necessary for ITXC to transmit telephone calls to individuals and businesses in those countries. As alleged in the complaints, the defendants were responsible for \$267,468.95 in bribes that ITXC paid between August 2001 and May 2004. According to the complaints, ITXC made \$11,509,733 in net profits from the improperly obtained contracts. The amended complaint against Amoako further alleged that he improperly received approximately \$150,000 through embezzlement and a kickback in connection with the bribery scheme.

Without admitting or denying the allegations in the complaints, Ott, Young and Amoako each consented to the entry of a final judgment that permanently enjoins them from violating Sections 30A and 13(b)(5) of the Securities Exchange Act of 1934 (Exchange Act), Rule 13b2-1 thereunder, and from aiding and abetting violations of Exchange Act Section 13(b)(2)

(A) and, with respect to Ott and Young, violations of Exchange Act Section 13(b)(2)(B). The final judgment against Amoako also orders him to pay \$188,453 in disgorgement and prejudgment interest.

In parallel criminal proceedings brought by the Department of Justice, Ott, Young and Amoako each pled guilty to felony charges of conspiring to violate the FCPA and the Travel Act. The Court sentenced Amoako to a prison term of 18 months and imposed a \$7,500 fine. The sentencing of Ott and Young is pending.

The Commission acknowledges the assistance of the Department of Justice in this matter.

The Commission's investigation is continuing.

See also Litigation Release Nos. [19356](#) (September 1, 2005) & [19821](#) (September 6, 2006).

▶ [SEC Complaint in this matter](#)

*<http://www.sec.gov/litigation/litreleases/2008/lr20556.htm>*

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