

AES/DCP:MEB/AS
F. #2018R02245

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA

I N F O R M A T I O N

- against -

Cr. No. 20-CR- 559 (ENV)
(T. 18, U.S.C., §§ 371, 981(a)(1)(C) and 3551
et seq.; T. 21, U.S.C., § 853(p); T. 28, U.S.C.,
§ 2461(c))

JORGE LUZ,

Defendant.

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THE UNITED STATES CHARGES:

At all times relevant to this Information, unless otherwise stated:

I. The Defendant and Relevant Individuals and Entities

1. Petróleo Brasileiro S.A. - Petrobras (“Petrobras”) was a Brazilian state-owned and state-controlled oil company headquartered in Rio de Janeiro, Brazil, that operated to refine, produce and distribute oil, oil products, gas, biofuels and energy. The Brazilian government directly owned more than 50 percent of Petrobras’s common shares with voting rights. Petrobras was controlled by Brazil and performed government functions, and thus was an “agency” and “instrumentality” of a foreign government, and Petrobras’s officers and employees were “foreign officials,” as those terms are used in the Foreign Corrupt Practices Act (“FCPA”), Title 15, United States Code, Sections 78dd-2(h)(2)(A), 78dd-3(f)(2)(A).

2. Sargeant Marine Inc. (“SMI”) was a company incorporated and based in Boca Raton, Florida that was one of the largest asphalt providers in the world. SMI had affiliated companies located in the United States and Switzerland that handled aspects of SMI’s

trading business (together with SMI, “the SMI companies”). SMI was a “domestic concern,” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

3. The defendant JORGE LUZ, a citizen of Brazil, was a bribe intermediary and business consultant from Rio de Janeiro, Brazil. LUZ was hired to act as an agent on behalf of the SMI companies to secure business with Petrobras by paying bribes to Petrobras officials and Brazilian politicians. LUZ was an “agent” of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2.

4. Bruno Luz, a citizen of Brazil, was the son of the defendant JORGE LUZ who worked with LUZ to arrange the payment of bribes to Brazilian officials by companies that wished to do business with Petrobras. Bruno Luz was an “agent” of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2.

5. Luiz Eduardo Andrade (“Andrade”) was a Brazilian national who worked in Brazil and the United States as an agent for the SMI companies in or about and between the end of 2009 and early 2016. Andrade’s responsibilities included seeking contracts for the SMI companies with Petrobras. Andrade was an “agent” of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2.

6. Daniel Sargeant was a citizen of the United States who worked primarily in the United States as an executive and part owner of SMI and other SMI companies from approximately 2006 through 2016. In or about and between 2012 and 2016, Daniel Sargeant was an executive and one of the chief decision-makers at two of the SMI companies. Daniel Sargeant’s responsibilities included seeking, approving and overseeing contracts with Petrobras for the SMI companies. Daniel Sargeant was a “domestic concern,” and an “employee” and

“agent” of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-2.

7. Roberto Finocchi (“Finocchi”) was a citizen of the United States who worked in the United States for the SMI companies from approximately 2006 through 2018. Finocchi’s responsibilities included seeking contracts for the SMI companies with Petrobras. Finocchi was a “domestic concern,” and an “employee” and “agent” of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2.

8. Asphalt Trading Executive, an individual whose identity is known to the United States, was a citizen of the United States who worked in the United States as an executive and part owner of SMI and another SMI company from approximately 2006 through July 2015. In or about and between 2006 and 2012, Asphalt Trading Executive was the chief decision-maker at one of the SMI companies. Asphalt Trading Executive’s responsibilities included seeking, approving and overseeing contracts for the SMI companies with Petrobras. Asphalt Trading Executive was a “domestic concern,” and an “employee” and “agent” of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-2.

9. Petrobras Official #1, an individual whose identity is known to the United States, was a senior executive at Petrobras in or about and between 2004 and 2012. Petrobras Official #1 was a “foreign official,” as that term is used in the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2) and 78dd-3(f)(2)(A).

10. Petrobras Official #2, an individual whose identity is known to the United States, was an executive at Petrobras with responsibility over asphalt contracts in or about and between September 2010 and December 2015. Petrobras Official #2 was a “foreign official,” as

that term is used in the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2) and 78dd-3(f)(2)(A).

11. Brazilian Politician #1, an individual whose identity is known to the United States, was a member of the Brazilian Congress in or about and between 2006 and 2012. Brazilian Politician #1 was a “foreign official,” as that term is used in the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2) and 78dd-3(f)(2)(A).

12. Brazilian Politician #2, an individual whose identity is known to the United States, was a minister in the Brazilian government in or about and between 2011 and 2015. Brazilian Politician #2 was a “foreign official,” as that term is used in the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2) and 78dd-3(f)(2)(A).

II. The Foreign Corrupt Practices Act

13. The FCPA was enacted by Congress for the purpose of, among other things, making it unlawful for certain classes of persons and entities to corruptly offer, promise, authorize or pay money or anything of value, directly or indirectly, to a foreign government official to secure an improper advantage for the purpose of obtaining or retaining business for, or directing business to, any person.

III. The Bribery Scheme

14. In or about and between 2010 and February 2015, the defendant JORGE LUZ agreed with others, including Bruno Luz, Daniel Sargeant, Asphalt Trading Executive,

Finocchi and Andrade, to offer and pay bribes to foreign officials in Brazil on behalf of the SMI companies so that they could obtain and retain business with Petrobras.

15. In furtherance of the bribery scheme, among other things, the defendant JORGE LUZ and Bruno Luz created offshore shell companies in the Marshall Islands that entered into fake consulting agreements with the SMI companies. Pursuant to those agreements, the SMI companies paid the shell companies millions of dollars in commissions for phony services. The SMI companies typically paid the shell companies from bank accounts in the United States or Switzerland, and wired the payments to bank accounts controlled by LUZ and Bruno Luz in Switzerland. Some of those payments passed through the Eastern District of New York. LUZ and Bruno Luz kept some of the commissions for themselves and caused the rest of the corrupt payments to be distributed as bribes to Brazilian officials, including Petrobras Official #1, Petrobras Official #2, Brazilian Politician #1 and Brazilian Politician #2. The bribes were paid both in cash and by wire into, from and through bank accounts located in the United States and abroad, including bank accounts in Switzerland, on behalf of the SMI companies.

16. In or about and between 2010 and November 2014, on behalf of the SMI companies, the defendant JORGE LUZ and his co-conspirators made and caused to be made bribe payments totaling more than \$5 million to foreign officials in Brazil, including Petrobras Official #1, Petrobras Official #2, Brazilian Politician #1 and Brazilian Politician #2. As a result of the bribery scheme, in or about and between 2010 and February 2015, the SMI companies obtained numerous contracts with Petrobras that netted the SMI companies more than \$26 million in profits.

CONSPIRACY TO VIOLATE THE FCPA

17. In or about and between 2010 and February 2015, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant JORGE LUZ, together with others, did knowingly and willfully conspire to commit one or more offenses against the United States, to wit:

(a) being an agent of a domestic concern, to 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, to a foreign political party and official thereof, and to a person while knowing that all and a portion of such money and thing of value would be offered, given, and promised to a foreign official and to a foreign political party and official thereof, for purposes of: (i) influencing acts and decisions of such foreign official, foreign political party and official thereof in his, her and its official capacity; (ii) inducing such foreign official, foreign political party and official thereof to do and omit to do acts in violation of the lawful duty of such official and party; (iii) securing any improper advantage; and (iv) inducing such foreign official, foreign political party and official thereof to use his, her and its 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 domestic concerns in obtaining and retaining business for and with, and directing business to, SMI, the SMI companies and others, contrary to Title 15, United States Code, Section 78dd-2; and

(b) while in the territory of the United States, to willfully make use of the mails and means and instrumentalities of interstate commerce and to commit an act 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, to a foreign political party and official thereof, and to a person while knowing that all or a portion of such money and thing of value would be offered, given, and promised to a foreign official and to a foreign political party and official thereof, for purposes of: (i) influencing acts and decisions of such foreign official, foreign political party and official thereof in his, her and its official capacity; (ii) inducing such foreign official, foreign political party and official thereof to do and omit to do acts in violation of the lawful duty of such official and party; (iii) securing any improper advantage; and (iv) inducing such foreign official, foreign political party and official thereof to use his, her and its 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 certain persons in obtaining and retaining business for and with, and directing business to, SMI, the SMI companies and others, contrary to Title 15, United States Code, Section 78dd-3.

18. In furtherance of the conspiracy and to effect its objects, the defendant JORGE LUZ, together with others, committed and caused the commission of, among others, the following:

OVERT ACTS

(a) On or about September 10, 2010, Bruno Luz, Andrade and Petrobras Official #2 traveled from Brazil to the United States to meet with employees and executives of the SMI companies.

(b) On or about September 15, 2010, one of the SMI companies wired approximately \$929,217 into a bank account in Switzerland controlled by LUZ and Bruno Luz.

(c) On or about September 24, 2010, a shell company controlled by LUZ and Bruno Luz wired approximately \$146,349 to a bank account located in Switzerland for the benefit of Brazilian Politician #1 and Brazilian Politician #2.

(d) On or about October 4, 2011, one of the U.S.-based SMI companies wired \$126,552.24 from a bank account in Florida that it controlled, through the Eastern District of New York, to a bank account in Switzerland of a company controlled by LUZ and Bruno Luz.

(e) On or about December 22, 2011, a shell company in Switzerland controlled by LUZ and Bruno Luz wired approximately \$24,519 to Andrade for the benefit of Petrobras Official #2.

(f) On or about July 17, 2012, a shell company in Switzerland controlled by LUZ and Bruno Luz wired approximately \$11,400 to a bank account in Switzerland controlled by Petrobras Official #1.

(g) In or about 2014, Andrade signed backdated cover letters falsely indicating that he had previously received certain reports and other work product from LUZ when, in fact, he had not previously received them.

(h) On or about February 3, 2015, one of the SMI companies wired approximately \$141,455 from a bank account in Switzerland, through the Eastern District of New York, to a shell company controlled by Andrade in Panama.

(Title 18, United States Code, Sections 371 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION

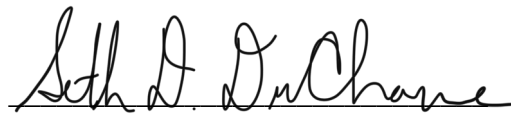
19. The United States hereby gives notice to the defendant that, upon his conviction of the offense charged herein, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offense to forfeit any property, real or personal, constituting, or derived from, proceeds obtained directly or indirectly as a result of such offense.

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

- (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 comingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))



SETH D. DUCHARME
Acting United States Attorney
Eastern District of New York



DANIEL S. KAHN
Acting Chief, Fraud Section
Criminal Division, Dept. of Justice