PRESS RELEASE

Oil and Gas Trader Convicted for Role in Foreign Bribery and Money Laundering Scheme

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For Immediate Release

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A federal jury in Brooklyn convicted an oil and gas trader today for his role in a scheme to bribe Ecuadorean and Mexican government officials and to launder money to secure contracts worth hundreds of millions of dollars for his then-employer, Vitol Inc. (Vitol), the U.S. affiliate of the largest independent energy trading firm in the world.

According to court documents and evidence presented at trial, Javier Aguilar, 49, of Houston, paid more than $1 million in bribes to officials of Petroecuador, the Ecuadorean state-owned oil and gas company, and PEMEX Procurement International (PPI), a subsidiary of PEMEX, the Mexican state-owned oil and gas company, to obtain lucrative contracts for Vitol.

"Javier Aguilar bribed officials at state-owned oil and gas companies in Ecuador and Mexico using shell companies and sham invoices to obtain business for Vitol Inc., where he worked as an oil and gas trader," said Acting Assistant Attorney General Nicole M. Argentieri of the Justice Department's Criminal Division. "With today's verdict, the jury has held him accountable for his role in a sophisticated bribery and money laundering scheme that netted Vitol hundreds of millions of dollars in contracts. Foreign bribery erodes the rule of law, disadvantages honest companies, and emboldens corrupt government officials. The Criminal Division will continue to vigorously pursue wrongdoers who bribe foreign officials and bring them to justice."

“Today’s verdict represents another victory in this office’s commitment to rooting out corruption in the international marketplace,” said U.S. Attorney Breon Peace for the Eastern District of New York. “The defendant and his co-conspirators sought to enrich themselves through criminal backroom deals. The people of Ecuador and Mexico deserved better and companies that play by the rules should know that the process is not rigged. The Justice Department and my office will continue to prioritize holding to account individuals who enrich themselves through bribery.”

“As demonstrated by this case, the Foreign Corrupt Practices Act has a long reach,” said Special Agent in Charge Jeffrey B. Veltri of the FBI Miami Field Office. “Aguilar’s egregious attempt to get away with bribing officials in Ecuador and Mexico failed, and he will now face tough penalties. I want to commend our partners in the Justice Department’s Criminal Division and at the U.S. Attorney’s Office for the Eastern District of New York for their close cooperation on this case.”

The trial evidence showed that, between 2015 and 2020, Aguilar was a trader in Vitol’s Houston office. As a part of the scheme, Aguilar and his co-conspirators agreed to bribe senior Ecuadorian officials to obtain a $300 million contract to purchase fuel oil for Vitol. Aguilar and his co-conspirators used another Middle Eastern state-owned entity to circumvent Petroecuador’s restrictions on contracts with private companies. In return for the promise and payments of bribes, the Ecuadorian officials then ensured that the Middle Eastern state-owned entity and Vitol were awarded the contract. Following the 2017 Ecuadorean presidential election, the officials who received bribes were replaced by new senior officials. To ensure continuity under the then-existing fuel oil contract and to obtain additional business, Aguilar and his co-conspirators agreed to bribe them as well.

To conceal the scheme, Aguilar and his co-conspirators used a series of fake contracts, sham invoices, and shell entities incorporated in Curacao, Panama, and Cayman Islands. Aguilar also used alias email accounts to communicate with his co-conspirators rather than his Vitol email.

The evidence at trial also demonstrated that Aguilar used the same system of shell entities and sham invoices to launder bribe payments to two officials at PPI. In total, Aguilar paid approximately $600,000 in bribes to these officials to obtain numerous contracts for Vitol to supply hundreds of millions of dollars of ethane gas to PEMEX.

The jury convicted Aguilar of conspiracy to violate the Foreign Corrupt Practices Act (FCPA), violating the FCPA, and conspiracy to commit money laundering. He faces a maximum penalty of five years in prison on each of the FCPA counts and 20 years in prison on the money laundering count. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Seven of Aguilar’s co-conspirators have pleaded guilty to their roles in the scheme and are awaiting sentencing. These individuals have agreed to forfeit more than $63 million.

In December 2020, Vitol admitted to bribing officials in Ecuador, Mexico, and Brazil in violation of the anti-bribery provisions of the FCPA. Vitol entered into a deferred prosecution agreement with the Criminal Division's Fraud Section and Money Laundering and Asset Recovery Section (MLARS) and the U.S. Attorney's Office for the Eastern District of New York. As a part of the resolution, Vitol agreed to pay a combined $135 million in penalties as part of a coordinated resolution with the Justice Department, the Commodity Futures Trading Commission, and authorities in Brazil.

FBI Miami's International Corruption Squad investigated the case.

Trial Attorney Clayton P. Solomon and Assistant Chiefs Derek J. Ettinger and Jonathan P. Robell of the Fraud Section, Deputy Chief Adam J. Schwartz and Trial Attorney D. Hunter Smith of MLARS, and Assistant U.S. Attorneys Jonathan P. Lax, Matthew R. Galeotti, and Nick M. Axelrod for the Eastern District of New York are prosecuting the case. The MLARS Special Financial Investigations Unit and Justice Department's Office of International Affairs also provided substantial assistance.

The Criminal Division's Fraud Section is responsible for investigating and prosecuting FCPA matters. Additional information about the Justice Department's FCPA enforcement efforts can be found at www.justice.gov/criminal/fraud/fcpa.

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Topic

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