



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **Four Businessmen and Two Foreign Officials Plead Guilty in Connection with Bribes Paid to Mexican Aviation Officials**

Charges were unsealed against six individuals, all of whom have pleaded guilty for their involvement in schemes to bribe Mexican officials in order to secure aircraft maintenance and repair contracts with government-owned and controlled entities, and two for conspiring to launder the proceeds of the schemes.

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, U.S. Attorney Kenneth Magidson of the Southern District of Texas, Special Agent in Charge Mark Dawson of U.S. Immigration and Customs Enforcement's Homeland Security Investigations (ICE-HSI) in Houston, Special Agent in Charge Shane Folden of ICE-HSI in San Antonio and Special Agent in Charge Rick Goss of Internal Revenue Service-Criminal Investigation's (IRS-CI) Houston Field Office made the announcement.

"The six convictions announced today demonstrate the department's commitment to holding accountable those who further official corruption through bribery," said Assistant Attorney General Caldwell. "These convictions are the result of a coordinated effort by prosecutors and agents who built the cases brick by brick using traditional law enforcement techniques."

"The individuals involved in this scheme paid millions of dollars in bribes to foreign officials in exchange for aviation contracts that placed legitimate businesses at a significant competitive disadvantage," said Special Agent in Charge Goss. "IRS-CI's role in unraveling this scheme assisted in facilitating the guilty pleas that were announced today."

"HSI special agents and our law enforcement partners will continue to aggressively investigate financial crimes committed by corrupt foreign officials," said Special Agent in Charge Folden. "This case serves as a reminder that HSI will use all its resources to identify, investigate and dismantle these criminal networks wherever they operate."

Douglas Ray, 55, of Magnolia, Texas, and Victor Hugo Valdez Pinon, 54, a citizen of Mexico, pleaded guilty on Oct. 28 and Oct. 26, 2016, respectively, before U.S. District Judge Alfred H. Bennett of the Southern District of Texas to conspiracy to violate the Foreign Corrupt Practices Act (FCPA) and conspiracy to commit wire fraud. Kamta Ramnarine, 69, and Daniel Perez, 69, both of Brownsville, Texas, both pleaded guilty on Nov. 2, 2016, before U.S. District Judge Ricardo H. Hinojosa of the Southern District of Texas to one count of conspiring to violate the FCPA. Ramnarine and Perez are scheduled to be sentenced on Jan. 30, 2017. Ray and Valdez Pinon are scheduled to be sentenced Feb. 23, 2016.

Ernesto Hernandez Montemayor, 55, and Ramiro Ascencio Nevarez, 58, both of whom are citizens of Mexico and were previous officials of Mexican state government entities, each pleaded guilty to one count of conspiracy to commit money laundering. Hernandez Montemayor pleaded guilty before Judge Bennett on Dec. 9, 2015, and is scheduled to be sentenced on Jan. 12, 2017. Nevarez pleaded guilty before Judge Hinojosa on March 4, 2016, and was sentenced to 15 months in prison on May 27, 2016.

According to the defendants' plea agreements, between 2006 and 2016, Ray conspired with Valdez and others to bribe Mexican officials. The defendants and their co-conspirators, who owned or were associated with companies in the United States that provided aircraft maintenance, repair, overhaul and related services to customers from the United States and Mexico, paid the bribes in order to secure parts and servicing contracts with Mexican government-owned customers. Ray agreed to pay bribes to at least seven different foreign officials, including Hernandez Montemayor, sometimes paying the bribes via wire transfer and checks to accounts in the United States controlled by the officials. As part of his guilty plea, Hernandez Montemayor admitted that while employed by a Mexican state government, he accepted bribes from Ray, Ramnarine, Perez and others in exchange for taking certain actions to assist companies they owned in winning business with Hernandez Montemayor's state government employer. Hernandez Montemayor also admitted that he conspired with Ray, Ramnarine, Perez and others to launder the proceeds of the bribery scheme.

Ramnarine and Perez admitted that, in addition to bribing Hernandez Montemayor, they also conspired to pay bribes to several other foreign officials between 2007 and 2015 to ensure that their Brownsville-based company won aircraft parts and services contracts with Mexican government-owned customers. As part of his guilty plea, Nevarez admitted that while employed by a Mexican public university, he accepted bribes from Ramnarine and Perez in exchange for taking certain actions to assist their company in winning business with the university. Nevarez also admitted that he conspired with Ramnarine, Perez and others to launder the proceeds of the bribery scheme.

In total, Ray, Valdez Pinon, Ramnarine, Perez and their co-conspirators paid more than \$2 million in bribes to Mexican officials, including Hernandez Montemayor and Nevarez, in order to secure aviation maintenance, repair and overhaul contracts.

ICE-HSI and IRS-CI are investigating the case. Trial Attorneys Christopher Cestaro and Kevin R. Gingras of the Criminal Division's Fraud Section and Assistant U.S. Attorneys Jesse Salazar and Arthur Jones of the Southern District of Texas are prosecuting the case. The Criminal Division's Office of International Affairs also provided significant assistance.

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