

JUSTICE NEWS

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Former Senior Alstom Executive Convicted at Trial of Violating the Foreign Corrupt Practices Act, Money Laundering and Conspiracy

A former senior executive with Alstom S.A. (Alstom), a French power and transportation company, was found guilty today for his role in a multi-year, multimillion-dollar foreign bribery scheme and a related money laundering scheme.

Assistant Attorney General Brian A. Benczkowski of the Justice Department's Criminal Division, U.S. Attorney John H. Durham of the District of Connecticut and Assistant Director in Charge Paul D. Delacout of the FBI's Los Angeles Office made the announcement.

After a two-week trial, Lawrence Hoskins, 69, of the United Kingdom, was convicted of six counts of violating the Foreign Corrupt Practices Act (FCPA), three counts of money laundering and two counts of conspiracy. Sentencing has been scheduled for Jan. 31, 2020, before U.S. District Judge Janet Bond Arterton of the District of Connecticut.

According to the evidence presented at trial, Hoskins was a senior vice president for Alstom's International Network, who engaged in a conspiracy to pay bribes to officials in Indonesia – including a high-ranking member of the Indonesian Parliament and the President of Perusahaan Listrik Negara (PLN), the state-owned and state-controlled electricity company in Indonesia – in exchange for assistance in securing a \$118 million contract, known as the Tarahan project, for Alstom Power Inc. of Connecticut and its consortium partner, Marubeni Corporation, to provide power-related services for the citizens of Indonesia. To conceal the bribes, Hoskins and his co-conspirators retained two consultants purportedly to provide legitimate consulting services on behalf of Alstom Power Inc., in connection with the Tarahan project. The primary purpose of hiring the consultants was to conceal the bribes to Indonesian officials, the evidence showed.

The first consultant retained by Hoskins and other members of the conspiracy received hundreds of thousands of dollars in his Maryland bank account to be used to bribe the member of Parliament, the evidence showed. The consultant then transferred the bribe money to a bank account in Indonesia for the benefit of the official. According to emails admitted at trial, Hoskins and other co-conspirators discussed in detail the use of the first consultant to funnel bribes to the member of Parliament and the influence that the member of Parliament could exert over the Tarahan project, including referring to him as a “cashier.”

The trial evidence further showed that, in the fall of 2003, Hoskins and his co-conspirators determined that the first consultant was not effectively bribing key officials at PLN, who expressed concerns that the first consultant was just going to give them “pocket money” and “disappear” after Alstom Power Inc. won the project. As a result, the co-conspirators retained a second consultant to more effectively bribe PLN officials. Evidence revealed that Hoskins and his co-conspirators pressed Alstom Power Inc. to front-load the second consultant's terms of payment in order to “get the right influence” due to upcoming elections. Hoskins and his co-conspirators were successful in securing the Tarahan project and subsequently made payments to the consultants for the purpose of bribing the Indonesian officials.

The FBI's Los Angeles Field Office is investigating the case with assistance from the FBI's Meriden, Connecticut, Resident Agency. The Department appreciates the significant cooperation provided by its law

enforcement colleagues in Indonesia, Switzerland's Office of the Attorney General and the United Kingdom, as well as authorities in France, Germany, Italy, Singapore and Taiwan.

Senior Deputy Chief Daniel S. Kahn and Assistant Chief Lorinda Laryea of the Criminal Division's Fraud Section and Assistant U.S. Attorney David E. Novick of the District of Connecticut are prosecuting the case.

The Fraud Section is responsible for investigating and prosecuting all FCPA matters. Additional information about the Justice Department's FCPA enforcement efforts can be found at www.justice.gov/criminal-fraud/foreign-corrupt-practices-act.

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