

JUSTICE NEWS

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Former Guinean Minister of Mines Charged with Receiving and Laundering \$8.5 Million in Bribes from Chinese Companies

The former Minister of Mines and Geology of the Republic of Guinea was arrested and charged today with laundering proceeds from bribes that he allegedly received from two Chinese companies that are part of a Chinese conglomerate in exchange for official actions he took to secure valuable mining rights for the conglomerate.

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, U.S. Attorney Preet Bharara of the Southern District of New York, Assistant Director Stephen Richardson of the FBI's Criminal Investigative Division, and Assistant Director in Charge William F. Sweeney Jr. of the FBI's New York Field Office made the announcement.

"Former Minister Thiam is accused of enriching himself at the expense of the people of the Republic of Guinea," said Assistant Attorney General Caldwell. "We cannot allow the United States to be a safe haven for the spoils of official corruption. The department is committed to pursuing both those who pay bribes, and also the corrupt officials who receive them."

"Mahmoud Thiam, a former high-ranking official of Guinea, allegedly used his position to accept millions in bribes from a Chinese conglomerate and laundered the money through New York," said U.S. Attorney Bharara. "Thiam, a U.S. citizen, will now face justice in a federal court."

"This arrest exemplifies the commitment to personnel and resources the FBI continues to make towards combating corruption," said Assistant Director Richardson. "The FBI looks forward to the development of those relationships with our partners both in the United States and around the world."

"Today's action shows that the FBI, along with our partners, is committed to investigating all levels of corruption," said Assistant Director in Charge Sweeney. "The United States will be relentless in its efforts to uphold fair, equal and competitive markets. The actions of a few who use corruption for personal gain will not be tolerated."

Mahmoud Thiam, 50, a U.S. citizen residing in New York City, was charged by complaint with two counts of money laundering. Thiam was arrested this morning and made his initial appearance this afternoon before a magistrate judge in the Southern District of New York.

The complaint alleges that in 2009 and 2010, Thiam took part in a scheme to launder, into the United States and elsewhere, approximately \$8.5 million in bribes he received from senior representatives of a Chinese conglomerate. In exchange for the bribes, Thiam allegedly used his official position in the Guinean government to enable affiliates of the Chinese conglomerate to obtain exclusive and highly-valuable investment rights in a wide range of sectors of the Guinean economy, including near total control of Guinea's valuable mining sector.

In order to conceal the bribes, Thiam allegedly opened a bank account in Hong Kong and misreported his occupation to conceal his status as a government official. Thiam later transferred millions of dollars in bribe proceeds into the United States, where he allegedly lied to two U.S. banks to conceal both his position as a foreign government official and the source of the funds. Thiam allegedly spent the bribe proceeds on, among other things, construction work on his estate in upstate New York.

A complaint is merely an allegation, and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

The FBI's International Corruption Squads in New York City and Los Angeles are investigating the case. In 2015, the FBI formed International Corruption Squads across the country to address national and international implications of foreign corruption.

Assistant Chief Tarek Helou, Senior Trial Attorney Jason Linder and Trial Attorney Sarah Edwards of the Criminal Division's Fraud Section, Senior Trial Attorney Steven Parker of the Criminal Division's Asset Forfeiture and Money Laundering Section (AFMLS) and Assistant U.S. Attorney Elisha Kobre of the Southern District of New York are prosecuting the case. AFMLS Trial Attorney Alexis Loeb previously investigated the case. The Criminal Division's Office of International Affairs also provided substantial assistance in this matter.

The Criminal Division's Fraud Section is responsible for investigating and prosecuting all Foreign Corrupt Practices Act (FCPA) matters. Additional information about the department's FCPA enforcement efforts can be found at www.justice.gov/criminal/fraud/fcpa.

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Criminal Division

Criminal Fraud

Topic:

Financial Fraud

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