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 15 United States of America

16 UNITED STATES DISTRICT COURT  
 17 FOR THE CENTRAL DISTRICT OF CALIFORNIA  
 18 SOUTHERN DIVISION

19 UNITED STATES OF AMERICA, ) SA CR No. 09-00077-JVS  
 )  
 20 Plaintiff, ) PLEA AGREEMENT FOR DEFENDANT  
 ) DAVID EDMONDS  
 21 v. )  
 )  
 22 DAVID EDMONDS, )  
 )  
 23 Defendant. )  
 )  
 24 )  
 )  
 25 \_\_\_\_\_ )

26 1. This constitutes the plea agreement between DAVID  
 27 EDMONDS ("defendant") and the United States Attorney's Office for  
 28 the Central District of California ("the USAO") and the United

1 States Department of Justice, Criminal Division, Fraud Section  
2 ("the Fraud Section") (the USAO and the Fraud Section are,  
3 together, referred to as "the Department of Justice") in the  
4 above-captioned case. This agreement is limited to the  
5 Department of Justice and cannot bind any other federal, state,  
6 local, or foreign prosecuting, enforcement, administrative, or  
7 regulatory authorities.

8 RULE 11(c)(1)(C) AGREEMENT

9 2. Defendant understands that this agreement is entered  
10 into pursuant to Federal Rule of Criminal Procedure 11(c)(1)(C).  
11 Accordingly, defendant understands that, if the Court determines  
12 that it will not accept this agreement, absent a breach of this  
13 agreement by defendant prior to that determination and whether or  
14 not defendant elects to withdraw any guilty plea entered pursuant  
15 to this agreement, this agreement will, with the exception of  
16 paragraph 19 below, be rendered null and void and both defendant  
17 and the Department of Justice will be relieved of their  
18 obligations under this agreement. Defendant agrees, however,  
19 that if defendant breaches this agreement prior to the Court's  
20 determination whether or not to accept this agreement, the breach  
21 provisions of this agreement, paragraphs 21 and 22 below, will  
22 control, with the result that defendant will not be able to  
23 withdraw any guilty plea entered pursuant to this agreement, the  
24 Department of Justice will be relieved of all of its obligations  
25 under this agreement, and the Court's failure to follow any  
26 recommendation or request regarding sentence set forth in this  
27 agreement will not provide a basis for defendant to withdraw  
28 defendant's guilty plea.



1                   THE DEPARTMENT OF JUSTICE'S OBLIGATIONS

2           4.    The Department of Justice agrees to:

3                   a)    Not contest facts agreed to in this agreement.

4                   b)    Abide by all agreements regarding sentencing  
5 contained in this agreement and affirmatively recommend to the  
6 court that it impose sentence in accordance with paragraph 13 of  
7 this agreement.

8                   c)    At the time of sentencing, move to dismiss the  
9 underlying indictment as against defendant.

10                  d)    Provided that the defendant completes one year of  
11 supervised release, if a term of supervised release is imposed by  
12 the Court, and provided further that all of defendant's financial  
13 obligations in the Court's sentence have been discharged, not to  
14 oppose defendant's motion for early termination of supervised  
15 release on the ground that defendant wishes to emigrate from the  
16 United States to Thailand with his family.

17                  e)    In the event that any term of home detention or  
18 community confinement be ordered as a component of defendant's  
19 sentence, the Department of Justice agrees that it shall  
20 recommend that defendant be permitted to engage in business  
21 travel as follows: (1) no more than once every three months  
22 internationally for up to two weeks; and (2) no more than once  
23 every month domestically for up to one week.

24                  f)    In the event that any term of supervised release  
25 is imposed by the Court, the Department of Justice agrees that it  
26 will not oppose defendant's request to be permitted to engage in  
27 necessary business travel either domestically or internationally  
28 during any period of supervised release.



1 to induce a foreign official to use his or her influence with a  
2 foreign government or department, agency, or instrumentality  
3 thereof to affect or influence any act or decision of such  
4 government, department, agency, or instrumentality; and

5 (7) the payment or gift was intended to assist the defendant  
6 in obtaining or retaining business for or with, or directing  
7 business to, any person.

8 For the purposes of the FCPA, a person's state of mind is  
9 "knowing" with respect to conduct, a circumstance, or a result if  
10 (1) the person is aware that the person is engaging in the  
11 conduct, that the circumstance exists, or that the result is  
12 substantially certain to occur, or (2) the person has a firm  
13 belief that such circumstance exists or that such result is  
14 substantially certain to occur. Knowledge is established if a  
15 person is aware of a high probability of the existence of a  
16 circumstance.

17 PENALTIES

18 6. Defendant understands that the statutory maximum  
19 sentence that the Court can impose for a violation of Title 15,  
20 United States Code, Section 78dd-2(a), (g)(2)(A), is: five years  
21 imprisonment; a three-year period of supervised release; a fine  
22 of \$100,000 or twice the gross gain or gross loss resulting from  
23 the offense, whichever is greater; and a mandatory special  
24 assessment of \$100.

25 7. Defendant understands that supervised release is a  
26 period of time following imprisonment during which defendant will  
27 be subject to various restrictions and requirements. Defendant  
28 understands that if defendant violates one or more of the

1 conditions of any supervised release imposed, defendant may be  
2 returned to prison for all or part of the term of supervised  
3 release authorized by statute for the offense that resulted in  
4 the term of supervised release, which could result in defendant  
5 serving a total term of imprisonment greater than the statutory  
6 maximum stated above.

7 8. Defendant understands that, by pleading guilty,  
8 defendant may be giving up valuable government benefits and  
9 valuable civic rights, such as the right to vote, the right to  
10 possess a firearm, the right to hold office, and the right to  
11 serve on a jury. Defendant understands that once the court  
12 accepts defendant's guilty plea, it will be a federal felony for  
13 defendant to possess a firearm or ammunition. Defendant  
14 understands that the conviction in this case may also subject  
15 defendant to various other collateral consequences, including but  
16 not limited to revocation of probation, parole, or supervised  
17 release in another case and suspension or revocation of a  
18 professional license. Defendant understands that unanticipated  
19 collateral consequences will not serve as grounds to withdraw  
20 defendant's guilty plea.

21 9. Defendant understands that, if defendant is not a  
22 United States citizen, the felony conviction in this case may  
23 subject defendant to: removal, also known as deportation, which  
24 may, under some circumstances, be mandatory; denial of  
25 citizenship; and denial of admission to the United States in the  
26 future. The court cannot, and defendant's attorney also may not  
27 be able to, advise defendant fully regarding the immigration  
28 consequences of the felony conviction in this case. Defendant

1 understands that unexpected immigration consequences will not  
2 serve as grounds to withdraw defendant's guilty plea.

3 FACTUAL BASIS

4 10. Defendant admits that defendant is, in fact, guilty of  
5 the offense to which defendant is agreeing to plead guilty.  
6 Defendant and the Department of Justice agree to the statement of  
7 facts provided below and agree that this statement of facts is  
8 sufficient to support a plea of guilty to the charge described in  
9 this agreement and to establish the Sentencing Guidelines factors  
10 set forth in paragraph 12 below but is not meant to be a complete  
11 recitation of all facts relevant to the underlying criminal  
12 conduct or all facts known to either party that relate to that  
13 conduct.

14 Defendant DAVID EDMONDS was the Vice-President of Worldwide  
15 Customer Service at CCI from in or around 2000 through in or  
16 around 2007 and oversaw CCI's replacement parts sales and the  
17 servicing of existing valves. Defendant EDMONDS was a citizen of  
18 the United States and thus was a "domestic concern" as that term  
19 is defined in the Foreign Corrupt Practices Act ("FCPA"), Title  
20 15, United States Code, Section 78dd-2(h)(1)(A).

21 CCI was a Delaware corporation headquartered in Rancho Santa  
22 Margarita, California, that designed and manufactured control  
23 valves for use in the nuclear, oil and gas, and power generation  
24 industries worldwide. CCI sold its products to both state-owned  
25 and private companies in over thirty countries around the world.  
26 Because CCI was organized under the laws of a State of the United  
27 States and had its principal place of business in the United  
28 States, it was a "domestic concern" as that term is defined in



1 the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(B).

2 In conducting its business, CCI utilized a sales model known  
3 as "friend-in-camp" ("FIC"), in which CCI employees and agents  
4 cultivated relationships with, among other people, employees of  
5 its customers. FICs, who were also referred to as "consultants,"  
6 sometimes included employees of CCI's state-owned customers who  
7 had the ability to influence the technical specifications of an  
8 order or otherwise to direct business to CCI. Defendant EDMONDS  
9 advocated the FIC sales model and encouraged CCI employees to  
10 take good care of FICs.

11 One of CCI's customers was the Public Power Corporation of  
12 Greece ("Public Power"), which owned and operated the Amynteon  
13 and Aghios Dimitrios power plants. Defendant EDMONDS knew Public  
14 Power was a Greek state-owned entity. Defendant EDMONDS  
15 understands that at any trial, the government would prove  
16 sufficient facts to demonstrate that Public Power was a  
17 government instrumentality within the meaning of the FCPA, Title  
18 15, United States Code, Section 78dd-2(h)(2)(A) and its employees  
19 "foreign officials" within the meaning of the FCPA.

20 In or about 2000, CCI sought to obtain a contract for  
21 replacement valves and the servicing of existing valves at the  
22 Amynteon and Aghios Dimitrios power plants. On or about May 9,  
23 2000, a CCI employee sought permission from defendant EDMONDS via  
24 e-mail to pay a representative approximately \$45,000 as the  
25 representative "has obligations to pay some friends with the  
26 commission." On or about May 15, 2000, defendant EDMONDS  
27 responded in an e-mail as follows: "I approve the 15% commission  
28 to [the representative] for [the Amynteon and Aghios Dimitrios

1 orders]."

2         Although defendant EDMONDS did not actually know that the  
3 approximately \$45,000 was to be offered, given, or promised to an  
4 employee at Public Power for the purpose of securing Public  
5 Power's business, he was aware of a high probability of this  
6 circumstance and failed to make additional inquiries concerning  
7 the nature of the commission and the suspected recipient in order  
8 to determine whether the proposed commission payment might be  
9 made to an employee at Public Power for the purpose of securing  
10 Public Power's business. This awareness arose, at least in part,  
11 from defendant EDMONDS's knowledge that, as described above,  
12 CCI's sales model included the cultivation of FICs who sometimes  
13 included employees of CCI's customers.

14         Although defendant EDMONDS did not know about the  
15 prohibitions of the FCPA, defendant EDMONDS was aware that the  
16 law would forbid making an undisclosed payment to an employee of  
17 a customer for the purpose of securing the customer's business.

18                 SENTENCING FACTORS AND AGREED-UPON SENTENCE

19         11. Defendant understands that in determining defendant's  
20 sentence the Court is required to calculate the applicable  
21 Sentencing Guidelines range and to consider that range, possible  
22 departures under the Sentencing Guidelines, and the other  
23 sentencing factors set forth in 18 U.S.C. § 3553(a). Defendant  
24 understands that the Sentencing Guidelines are advisory only.

25         12. Applying the November 1, 1998 Sentencing Guidelines  
26 Manual, defendant and the Department of Justice agree to the  
27 following applicable Sentencing Guidelines factors:

28         ///

1 Base Offense Level : 8 U.S.S.G. § 2B4.1(a)  
2 Specific Offense  
3 Characteristics-  
4 Value of the Bribe/  
Improper Benefit : +6 U.S.S.G. § 2B4.1(b)(1)  
5 Adjustments-  
6 Acceptance of  
Responsibility : -2 U.S.S.G. § 3E1.1(a)  
7  
8 Total Offense Level : 12  
9 Criminal History  
Category : I

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10  
11 Guideline Range : 10 - 16 months imprisonment  
12 \$3,000 - \$30,000 fine

13 Except as set forth in paragraph 13, the parties agree not to  
14 argue that any other specific offense characteristics,  
15 adjustments, or departures be imposed.

16 13. Defendant and the Department of Justice agree that,  
17 taking into account the factors listed in 18 U.S.C. § 3553(a)(1)-  
18 (7), an appropriate disposition of this case is that the court  
19 impose a sentence of: no more than 15 months imprisonment; three  
20 years supervised release with conditions to be fixed by the  
21 Court; up to a \$20,000 fine; no amount of restitution; and a \$100  
22 special assessment.

23 WAIVER OF CONSTITUTIONAL RIGHTS

24 14. Defendant understands that by pleading guilty,  
25 defendant gives up the following rights:

- 26 a) The right to persist in a plea of not guilty.
- 27 b) The right to a speedy and public trial by jury.
- 28 c) The right to be represented by counsel - and if

1 necessary have the court appoint counsel - at trial. Defendant  
2 understands, however, that, defendant retains the right to be  
3 represented by counsel - and if necessary have the court appoint  
4 counsel - at every other stage of the proceeding.

5 d) The right to be presumed innocent and to have the  
6 burden of proof placed on the government to prove defendant  
7 guilty beyond a reasonable doubt.

8 e) The right to confront and cross-examine witnesses  
9 against defendant.

10 f) The right to testify and to present evidence in  
11 opposition to the charges, including the right to compel the  
12 attendance of witnesses to testify.

13 g) The right not to be compelled to testify, and, if  
14 defendant chose not to testify or present evidence, to have that  
15 choice not be used against defendant.

16 h) Any and all rights to pursue any affirmative  
17 defenses, Fourth Amendment or Fifth Amendment claims, and other  
18 pretrial motions that have been filed or could be filed.

19 WAIVER OF STATUTE OF LIMITATIONS

20 15. Having been fully advised by defendant's attorney  
21 regarding application of the statute of limitations to the  
22 offense to which defendant is pleading guilty, defendant hereby  
23 knowingly, voluntarily, and intelligently waives, relinquishes,  
24 and gives up: (a) any right that defendant might have not to be  
25 prosecuted for the offenses to which defendant is pleading guilty  
26 because of the expiration of the statute of limitations for those  
27 offenses prior to the filing of the superseding information  
28 alleging those offenses; and (b) any defense, claim, or argument

1 defendant could raise or assert that prosecution of the offenses  
2 to which defendant is pleading guilty is barred by the expiration  
3 of the applicable statute of limitations, pre-indictment delay,  
4 or any speedy trial violation.

5 WAIVER OF APPEAL OF CONVICTION

6 16. Defendant understands that, with the exception of an  
7 appeal based on a claim that defendant's guilty plea were  
8 involuntary, by pleading guilty defendant is waiving and giving  
9 up any right to appeal defendant's conviction on the offense to  
10 which defendant is pleading guilty.

11 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

12 17. Defendant agrees that, provided the Court imposes the  
13 sentence specified in paragraph 13 above, defendant gives up the  
14 right to appeal any portion of that sentence.

15 18. The Department of Justice agrees that, provided the  
16 Court imposes the sentence specified in paragraph 13 above, the  
17 Department of Justice gives up its right to appeal any portion of  
18 that sentence.

19 RESULT OF WITHDRAWAL OF GUILTY PLEA

20 19. Defendant agrees that if, after entering a guilty plea  
21 pursuant to this agreement, defendant seeks to withdraw and  
22 succeeds in withdrawing defendant's guilty plea on any basis  
23 other than a claim and finding that entry into this plea  
24 agreement was involuntary, then (a) the Department of Justice  
25 will be relieved of all of its obligations under this agreement;  
26 and (b) should the Department of Justice choose to pursue any  
27 charge that was either dismissed or not filed as a result of this  
28 agreement, then (i) any applicable statute of limitations will be

1 tolled between the date of defendant's signing of this agreement  
2 and the filing commencing any such action; and (ii) defendant  
3 waives and gives up all defenses based on the statute of  
4 limitations, any claim of pre-indictment delay, or any speedy  
5 trial claim with respect to any such action, except to the extent  
6 that such defenses existed as of the date of defendant's signing  
7 this agreement.

8 EFFECTIVE DATE OF AGREEMENT

9 20. This agreement is effective upon signature and  
10 execution of all required certifications by defendant,  
11 defendant's counsel, and an Assistant United States Attorney.

12 BREACH OF AGREEMENT

13 21. Defendant agrees that if defendant, at any time after  
14 the signature of this agreement and execution of all required  
15 certifications by defendant, defendant's counsel, and an  
16 Assistant United States Attorney, knowingly violates or fails to  
17 perform any of defendant's obligations under this agreement ("a  
18 breach"), the Department of Justice may declare this agreement  
19 breached. All of defendant's obligations are material, a single  
20 breach of this agreement is sufficient for the Department of  
21 Justice to declare a breach, and defendant shall not be deemed to  
22 have cured a breach without the express agreement of the  
23 Department of Justice in writing. If the Department of Justice  
24 declares this agreement breached, and the Court finds such a  
25 breach to have occurred, then: (a) if defendant has previously  
26 entered a guilty plea pursuant to this agreement, defendant will  
27 not be able to withdraw the guilty plea, (b) the Department of  
28 Justice will be relieved of all its obligations under this

1 agreement, and (c) the Court's failure to follow any  
2 recommendation or request regarding sentence set forth in this  
3 agreement will not provide a basis for defendant to withdraw  
4 defendant's guilty plea.

5 22. Following the Court's finding of a knowing breach of  
6 this agreement by defendant, should the Department of Justice  
7 choose to pursue any charge that was either dismissed or not  
8 filed as a result of this agreement, then:

9 a) Defendant agrees that any applicable statute of  
10 limitations is tolled between the date of defendant's signing of  
11 this agreement and the filing commencing any such action.

12 b) Defendant waives and gives up all defenses based  
13 on the statute of limitations, any claim of pre-indictment delay,  
14 or any speedy trial claim with respect to any such action, except  
15 to the extent that such defenses existed as of the date of  
16 defendant's signing this agreement.

17 c) Defendant agrees that: (i) any statements made by  
18 defendant, under oath, at the guilty plea hearing (if such a  
19 hearing occurred prior to the breach); (ii) the agreed to factual  
20 basis statement in this agreement; and (iii) any evidence derived  
21 from such statements, shall be admissible against defendant in  
22 any such action against defendant, and defendant waives and gives  
23 up any claim under the United States Constitution, any statute,  
24 Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the  
25 Federal Rules of Criminal Procedure, or any other federal rule,  
26 that the statements or any evidence derived from the statements  
27 should be suppressed or are inadmissible.

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COURT AND PROBATION OFFICE NOT PARTIES

1  
2 23. Defendant understands that the Court and the United  
3 States Probation Office are not parties to this agreement and  
4 need not accept any of the Department of Justice's sentencing  
5 recommendations or the parties' agreements to facts, sentencing  
6 factors, or sentencing. Defendant understands that the Court  
7 will determine the facts, sentencing factors, and other  
8 considerations relevant to sentencing and will decide for itself  
9 whether to accept and agree to be bound by this agreement.

10 24. Defendant understands that both defendant and the  
11 Department of Justice are free to: (a) supplement the facts by  
12 supplying relevant information to the United States Probation  
13 Office and the Court, (b) correct any and all factual  
14 misstatements relating to the Court's Sentencing Guidelines  
15 calculations and determination of sentence, and (c) argue on  
16 appeal and collateral review that the Court's Sentencing  
17 Guidelines calculations and the sentence it chooses to impose are  
18 not error, although each party agrees to maintain its view that  
19 the calculations and sentence referenced in paragraphs 12 and 13  
20 are consistent with the facts of this case. While this paragraph  
21 permits both the Department of Justice and defendant to submit  
22 full and complete factual information to the United States  
23 Probation Office and the Court, even if that factual information  
24 may be viewed as inconsistent with the facts agreed to in this  
25 agreement, this paragraph does not affect defendant's and the  
26 Department of Justice's obligations not to contest the facts  
27 agreed to in this agreement.

28 ///



NO ADDITIONAL AGREEMENTS

1  
2           25. Defendant understands that, except as set forth herein,  
3 there are no promises, understandings, or agreements between the  
4 Department of Justice and defendant or defendant's attorney, and  
5 that no additional promise, understanding, or agreement may be  
6 entered into unless in a writing signed by all parties or on the  
7 record in court.

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PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

26. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

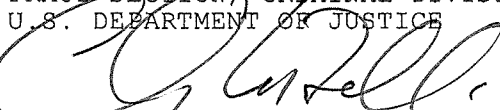
ANDRÉ BIROTTE JR.  
United States Attorney



DOUGLAS F. McCORMICK  
Assistant United States Attorney

6/14/2012  
Date

FRAUD SECTION, CRIMINAL DIVISION  
U.S. DEPARTMENT OF JUSTICE



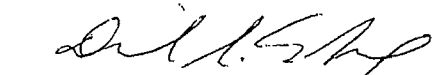
CHARLES G. LA BELLA  
Deputy Chief

6/14/12  
Date



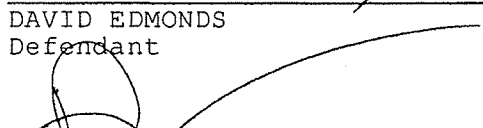
ANDREW GENTIN  
Trial Attorney

6/14/12  
Date



DAVID EDMONDS  
Defendant

14-June-2012  
Date

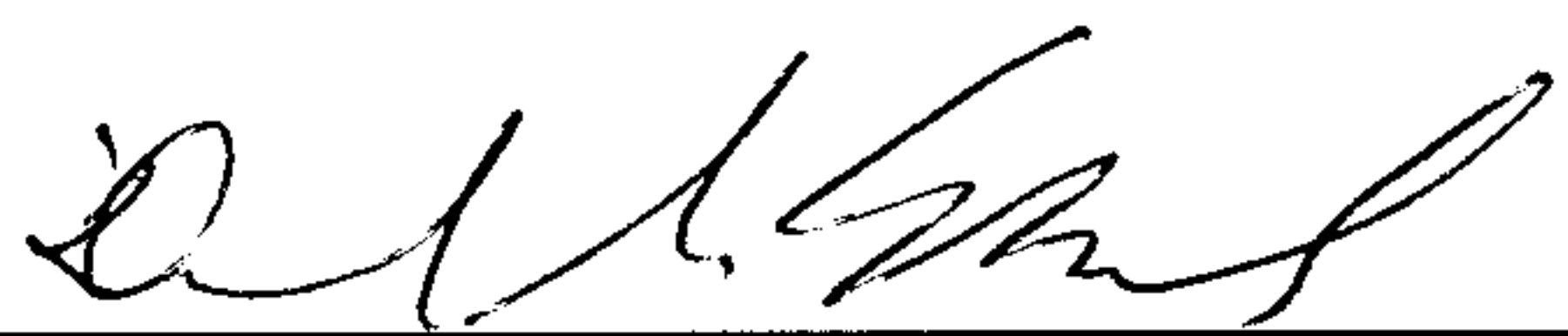


DAVID W. WIECHERT  
Attorney for Defendant  
DAVID EDMONDS

6-14-2012  
Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.



DAVID EDMONDS  
Defendant

14-June-2012

Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am DAVID EDMONDS's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty pleas pursuant to this agreement.

\_\_\_\_\_  
DAVID W. WIECHERT  
Attorney for Defendant  
DAVID EDMONDS

10/14/2012  
\_\_\_\_\_  
Date