



Month in a Minute: Developments in Anti-Corruption

Month in a Minute: November 2025

Hughes Hubbard's anti-corruption Month in a Minute updates offer a quick snapshot of the key foreign corruption-related developments from the prior month. We hope you find it a useful and perhaps enjoyable resource.

Highlights from November 2025 include a deferred prosecution agreement (DPA), a sentence of home confinement for Julian Aires, a not guilty plea for Smartmatic and a 15-month sentence for a former oil trader.

Millicom Subsidiary Enters Into DPA

On Nov. 10, Comunicaciones Celulares S.A. (Comcel or TIGO Guatemala), a subsidiary of telecommunications company Millicom International Cellular S.A., agreed to pay \$118.2 million as part of a two-year DPA with the U.S. Department of Justice for its involvement in a scheme to pay bribes to Guatemalan government officials. At the time of the payments, Comcel was doing business as TIGO Guatemala and operating as a joint venture between Millicom (55%) and an unnamed Panamanian company (45%). In 2021, Millicom acquired full ownership of Comcel.

According to the DPA, between 2012 and 2018, TIGO Guatemala made monthly cash payments to members of the Guatemalan Congress in exchange for their support for legislation and policies that benefited TIGO Guatemala. TIGO Guatemala generated cash for these payments through put-call agreements, inflated and backdated contracts for legal services, shell companies, and fraudulent invoices. According to the statement of facts attached to the DPA, some of the funds were derived from laundered drug trafficking money. Cash payments were delivered by helicopter to offices of

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government officials or political parties and retrieved by the government officials' respective security teams.

In 2015, Millicom voluntarily reported the potential misconduct to the DOJ and Swiss authorities. Because Millicom lacked operational control, it was unable to fully cooperate with the investigation and the Swiss and U.S. investigations were closed. In 2020, the DOJ developed new evidence and reopened its investigation. Millicom acquired full ownership of Comcel in November 2021 and cooperated fully with the DOJ's investigation.

Pursuant to the DPA, Comcel agreed to pay a \$60 million criminal penalty and forfeit \$58.2 million. The criminal penalty reflects a 50% reduction from the bottom of the applicable penalty range of the U.S. Sentencing Guidelines. Comcel received credit for Millicom's initial decision to self-report the conduct to the DOJ's Criminal Division in 2015, although Millicom's self-disclosure did not meet the full requirements of the Criminal Division's Corporate Enforcement and Voluntary Self-Disclosure Policy because Millicom was unable to learn and disclose the full extent of the conduct. Comcel also received credit for Millicom's cooperation efforts, which included collecting and analyzing financial information and gathering forensic data and evidence, and for the extensive remedial measures Millicom implemented after it acquired Comcel in November 2021, which included terminating the personnel involved in the misconduct, hiring new compliance personnel and improving third-party onboarding procedures. Because of Comcel and Millicom's remediation, the DOJ determined an independent compliance monitor was unnecessary.

Julian Aires Receives Home Confinement

On Nov. 17, Julian Aires, owner of JM Aviation, a U.S.-based aircraft component services company, was sentenced to one year of home confinement by U.S. District Judge Amit P. Mehta of the U.S. District Court for the District of Columbia for his role in a scheme to pay bribes to public officials in South Africa.

On July 15, 2024, Aires pleaded guilty to one count of conspiracy to violate the Foreign Corrupt Practices Act (FCPA). Aires admitted that from 2016 to 2020, he conspired with individuals from AAR Corp. to pay bribes to officials at South African Airways Technical (SAAT) in order to win a bid for a five-year aircraft parts servicing contract. AAR received approximately \$79.6 million in revenue from the SAAT contract between 2016 and 2020. During this time frame, AAR paid JMI and a second company Aires controlled \$5,397,677 in commissions, success fees and advance payments in connection with the SAAT contract, a portion of which Aires used to pay bribes.

In addition to the year of home confinement, Aires was sentenced to two further years of probation. Aires was also ordered to serve 200 hours of community service and to forfeit the \$5.4 million in earnings he obtained from the scheme.

For more information on the case against Aires or AAR, please see Hughes Hubbard's Month in a Minute updates for **July 2024** and **December 2024**.

Smartmatic Pleads Not Guilty

On Nov. 20, multinational voting machine company Smartmatic Corp. pleaded not guilty in the U.S. District Court for the Southern District of Florida to charges of conspiracy to commit money laundering and conspiracy to violate the FCPA for its role in paying more than \$1 million in bribes to officials in the Philippines.

On Oct. 16, a federal grand jury in the Southern District of Florida returned a six-count superseding indictment adding Smartmatic to its ongoing FCPA action against three Smartmatic executives and the former chairman of the Philippines' Commission on Elections (COMELEC). The superseding indictment alleged that Smartmatic, through certain senior executives, paid approximately \$1 million in bribes to Juan Andres Doñato Bautista, the former chairman of COMELEC, to obtain three contracts to provide voting machines and election services in the 2016 Philippine elections and to obtain the release of associated value-added tax payments. The contracts were collectively worth about \$182.3 million.

For additional information on the case against Smartmatic, please see Hughes Hubbard's Month in a Minute updates for **March, April and October 2025**.

Oztemel Sentenced to 15 Months

On Dec. 9, U.S. District Judge Kari Dooley sentenced Glenn Oztemel, a former oil and gas trader for Freepoint Commodities LLC, to 15 months in prison and issued a \$300,000 fine for Oztemel's role in a scheme to bribe officials at Petrobras, the Brazilian oil giant, in exchange for confidential information related to oil trades.

On Sept. 26, 2024, a federal jury in Connecticut convicted Oztemel on seven counts: conspiracy to violate the FCPA, conspiracy to commit money laundering, three counts of violating the FCPA and two counts of money laundering for his role in the scheme, which included paying more than \$1 million in bribes to officials at Petrobras.

For additional information regarding Oztemel's case, see Hughes Hubbard's Month in a Minute updates for **August 2023**, **December 2023**, **June 2024**, **July 2024**, **September 2024**, **October 2024** and **January 2025**.

! FACT OF THE MONTH

On Nov. 20, 1976, "Rocky," the ultimate underdog story of a down-on-his-luck boxer from Philadelphia named Rocky Balboa who goes toe to toe with the heavyweight boxing champion of the world, debuted in theaters in New York City. The film, which was written by and starred Sylvester Stallone, had a budget of \$1 million and was shot in just 28 days. Stallone wrote "Rocky" after watching a boxer named Chuck Wepner last 15 rounds with Muhammad Ali, widely considered to be one of the greatest boxers of all time. Stallone, at the time a struggling actor, wrote the script in just three days and insisted that he play the starring role, famously refusing six-figure offers that would have had another actor playing Rocky. Stallone's bet on himself launched his career. Rocky was an immediate hit, grossing over \$200 million at the box office and getting nominated for 10 Academy Awards, winning Best Picture, Best Director and Best Film Editing. Its success spawned eight sequels, including the "Creed" series. To this day, a bronze Rocky statue in front of the Philadelphia Museum of Art, created as part of the plot for "Rocky III," is a major tourist attraction.

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