



## **SUMMARY OF ALLEGATIONS**

2. Yaw Osei Amoako, the Regional Director for Africa at ITXC Corp. (“ITXC”), violated the Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”), which is codified as Section 30A of the Securities Exchange Act of 1934 [15 U.S.C. § 78dd-1], by bribing a foreign government official in Nigeria between November of 2002 and May of 2004. Amoako arranged for ITXC to make wire transfers totaling \$166,541.31 to a senior official at the government-owned telephone company Nigerian Telecommunications Limited (“Nitel”).

3. During the period in which these payments were made, ITXC obtained or retained contracts with Nitel that generated profits totaling at least \$1,136,618.

4. Defendant Amoako may, unless restrained and enjoined, continue to engage in the acts and practices set forth in this complaint and courses of conduct of similar object and purport.

## **JURISDICTION**

5. The Court has jurisdiction over this action pursuant to the FCPA [15 U.S.C. § 78dd-1], Section 27 of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78aa], and 28 U.S.C. § 1331.

6. The Commission brings this action pursuant to Sections 21(d) and 21(e) of the Exchange Act [15 U.S.C. §§ 78u(d) and (e)].

7. Defendant Amoako, directly or indirectly, has made use of the means and instrumentalities of interstate commerce or of the mails in connection with the acts, practices, and courses of business alleged herein.

## **DEFENDANT**

8. Defendant Amoako is a resident of Hillsboro, New Jersey. He began his employment with ITXC in 1999 and was terminated for cause on August 19, 2004. During the relevant time period, Amoako was the Regional Director for Africa at ITXC.

His responsibilities included negotiating contracts between ITXC and telephone companies in Africa. Amoako maintained an office in Princeton, New Jersey.

### **OTHER RELEVANT PARTIES**

9. ITXC was an international telecommunications carrier based in Princeton, New Jersey. ITXC's business consisted of selling the ability to place telephone calls to individuals in as many as 232 foreign countries. ITXC ceased to exist as a separate entity on June 1, 2004, when it merged with Teleglobe International Holdings Ltd. ("Teleglobe"). Prior to the merger with Teleglobe, ITXC's common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was traded on NASDAQ.

10. Nitel is the incumbent telephone company in Nigeria. Nitel is, and always has been, wholly-owned by the government of Nigeria.

### **FACTS**

11. ITXC sought from Nitel the right to place telephone calls to individuals and businesses in Nigeria. Nitel does not grant such rights liberally. Rather, it carefully restricts access to its customer base in order to increase the fees that it can charge foreign telecommunications carriers for placing calls to its customers.

12. In 2000, ITXC and Amoako competed against other international telecommunications carriers to obtain a contract with Nitel that would have allowed ITXC's customers to call Nitel's customers (hereinafter "Carrier Contract"). To facilitate his efforts, Amoako hired as an agent a former senior official of Nitel. However, the strategy backfired: the former Nitel official irritated the current Nitel decision-makers. In the end, Amoako was unsuccessful and Nitel awarded the Carrier Contract to one of ITXC's competitors.

13. In mid-2002, Nitel opened the bidding for four new Carrier Contracts and specifically invited ITXC to participate. Amoako returned to Nigeria in the summer of 2002 to present ITXC's bid to Nitel. This time, however, Amoako offered a Nitel Deputy General Manager the opportunity to be ITXC's agent (hereinafter "the Agent"). As Amoako knew, the Agent was one of the key decision-makers at Nitel who selected the four bidders to receive a new Carrier Contract. Amoako promised the Agent a hefty "retainer" and a cut of ITXC's profits if the Agent steered a Carrier Contract to ITXC. ITXC and Amoako hired the Agent for the sole purpose of obtaining, and then retaining, business with Nitel.

14. Amoako's decision to hire an inside agent paid off. Nitel granted a Carrier Contract to ITXC, which the parties signed on October 25, 2002. Less than three weeks later, on November 12, 2002, the Agent signed a formal agreement to be ITXC's agent. The agreement, which the Agent signed as the CEO of an otherwise non-existent corporation, granted the Agent the right to a percentage of ITXC's profits from the Carrier Contract with Nitel.

15. The agreement with the Agent called for ITXC to pay him a "retainer" of \$10,000. Amoako arranged for ITXC to make two \$5,000 payments to the Agent's company on November 21, 2002 and January 10, 2003. ITXC made these payments through wire transfers from its account at PNC Bank in New Jersey to the account of the Agent's company at Intercontinental Bank PLC in Nigeria.

16. ITXC failed to pay the Agent his cut of ITXC's profits throughout most of 2003. To repair the relationship with the Agent, Amoako arranged for ITXC to make a payment of \$150,000 (which was almost six times what the Agent had actually earned under the agreement) to the Agent's company on December 23, 2003. ITXC made this payment through a wire transfer from its account at PNC Bank in New Jersey to the account of the Agent's company at Intercontinental Bank PLC in Nigeria.

17. On May 27, 2004, Amoako arranged for ITXC to pay the Agent's company \$6,541.31, which represented the Agent's share of ITXC's profits from the Carrier Contract with Nitel for the year to date. ITXC made this payment through a wire transfer from its account at PNC Bank in New Jersey to the account of the Agent's company at Intercontinental Bank PLC in Nigeria.

18. The total amount of the payments that Amoako arranged to be made to the Agent was \$166,541.31. The sole purpose of the payments was to influence the Agent, a foreign official, to steer the Carrier Contract to ITXC and thereby enable it to obtain and retain business with Nitel. There was no legitimate purpose for the payments. In fact, as a result of the agreement with the Agent, ITXC earned profits of \$1,136,618 from selling telephone service to customers calling Nigeria. ITXC could not have made such sales without having the Carrier Contract with Nitel that resulted from Amoako's bribes to the Agent.

### **CLAIMS**

#### **Violations of the Foreign Corrupt Practices Act Section 30A of the Exchange Act [15 U.S.C. § 78dd-1]**

19. Paragraphs 1 – 18 are hereby incorporated by reference.
20. Defendant Amoako knowingly and corruptly offered and made illicit payments, through wire transfers of money from ITXC, to a foreign official for the purposes of influencing his acts or decisions and inducing such foreign official to use his influence to assist ITXC in obtaining or retaining business with a foreign government entity. Throughout the relevant period, the recipient of these illicit payments was a foreign official within the meaning of the FCPA.
21. Defendant Amoako's conduct was knowing and willful.
22. By reason of the foregoing, defendant Amoako violated, and unless restrained will continue to violate, the anti-bribery provisions of the FCPA, as codified in Section 30A of the Exchange Act [15 U.S.C. § 78dd-1].

**PRAYER FOR RELIEF**

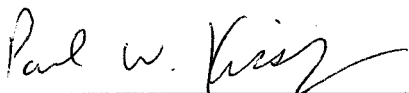
WHEREFORE, the Commission respectfully requests that this Court:

- a) order defendant Amoako to pay a civil monetary penalty under Sections 21(d)(3) and 32(c) of the Securities Exchange Act of 1934 [15 U.S.C. §§ 78u(d)(3) & 78ff(c)];
- b) order defendant Amoako to disgorge his ill-gotten gains from the bribery scheme;
- c) enjoin him from continuing to violate the Foreign Corrupt Practices Act [15 U.S.C. § 78dd-1]; and
- d) grant such other relief as this Court may deem just and proper.

Respectfully submitted,

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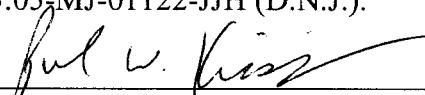
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Dated: August 30, 2005

**CERTIFICATION OF PENDING RELATED MATTER**

Pursuant to Civ. Rule 11.2, I certify that the matter in controversy in this matter is the subject of a pending criminal action, filed by the U.S. Attorneys Office for the District of New Jersey, U.S. v. Amoako, No. 3:05-MJ-01122-JJH (D.N.J.).

  
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Paul W. Kisslinger