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UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,

Plaintiff,

v.

ANGEL PEREZ-OTERO,

Defendant.

Criminal No. 21-cr-474 (ADC)

Count One: 18 U.S.C. § 371
(Conspiracy)

Count Two: 18 U.S.C. §§
666(a)(1)(B) & 2 (Federal Program
Bribery/Aiding and Abetting)

Count Three: 18 U.S.C. § 1951
(Extortion Under Color of Official
Right)

Forfeiture Allegation

INDICTMENT

The Grand Jury charges:

BACKGROUND ALLEGATIONS

1. At all times material to this Indictment, unless otherwise set forth, with all dates and times alleged to be "on or about" or "in or about" and all amounts alleged to be "approximately":

2. The Commonwealth of Puerto Rico was a self-governing Commonwealth in association with the United States of America. Puerto Rico was divided into 78 administrative divisions called municipalities. Guaynabo was a municipality within the Commonwealth of Puerto Rico.

3. In each of the calendar years 2019, 2020, and 2021, the Municipality of Guaynabo received more than \$10,000 in benefits from the United States government under federal programs involving grants, subsidies, loans, guarantees, insurance, and other forms of assistance.

4. ANGEL PEREZ-OTERO was first elected Mayor of Guaynabo in the special election of August 2017. He was re-elected in the general election of November 2020.

5. Individual A owned and had a financial interest in a construction company, Company A.

COUNT 1
Conspiracy; Federal Funds Bribery and Kickbacks
18 U.S.C. § 371

6. The preceding paragraphs of this Indictment are hereby re-alleged and incorporated in this Count.

Object of the Conspiracy

7. From in or about late 2019, until in or about May 2021, in the District of Puerto Rico, defendant ANGEL PEREZ-OTERO, a government official and agent of Guaynabo, did knowingly and willfully conspire and agree with Individual A, and with others known and unknown to the Grand Jury, to commit offenses against the United States, including Federal Program Bribery, that is, to corruptly solicit, demand, accept, and agree to accept for his own benefit, things of value from Individual A, intending to be influenced and rewarded in connection with any business, transaction,

and series of transactions of Guaynabo valued at \$5,000 or more in each year of the conspiracy as opportunities arose, that is, municipal contracts. In each of the years 2019, 2020, and 2021, the municipality of Guaynabo received benefits in excess of \$10,000 under federal programs involving grants, subsidies, loans, guarantees, insurance, and other forms of assistance. All in violation of 18 U.S.C. § 666(a)(1)(B).

Purpose of the Conspiracy

8. The purpose of the conspiracy was for defendant PEREZ-OTERO to benefit and enrich himself by accepting bribes and kickbacks from Individual A in exchange for securing municipal contracts for Company A as opportunities arose.

Manner and Means of the Conspiracy

9. The manner and means by which defendant PEREZ-OTERO carried out the scheme included, but were not limited to, the following:

10. Individual A regularly met in secret with PEREZ-OTERO to pay cash bribes and kickbacks to PEREZ-OTERO, in order to secure and maintain municipal contracts.

11. In exchange for cash payments from Individual A, defendant PEREZ-OTERO took steps benefitting Individual A and his business, Company A, including advising, pressuring, and directing municipal officials to ensure that Company A was awarded municipal contracts in Guaynabo and was paid pursuant to those contracts.

12. During the course of the conspiracy, PEREZ-OTERO and Individual A took steps to conceal and disguise their corrupt scheme, such as meeting in secret

locations, communicating in coded text messages, and using cash for bribe and kickback payments.

Acts in Furtherance of the Conspiracy

13. In furtherance of the conspiracy, and to affect the object of the conspiracy, the following overt acts, among others, were committed in the District of Puerto Rico:

14. From late 2019 through May 2021, defendant PEREZ-OTERO received and accepted \$5,000 cash payments on a regular basis from Individual A.

15. In exchange for these payments, PEREZ-OTERO agreed to award, facilitate, and protect contracts for Company A. PEREZ-OTERO continually reassured Individual A that he would obtain and retain contracts for Company A and ensured that Company A's invoices were promptly paid.

All in violation of 18 U.S.C. § 371.

COUNT 2

Federal Program Bribery/Aiding and Abetting
18 U.S.C. §§ 666(a)(1)(B) and 2

16. Paragraphs One through Five of this Indictment are hereby re-alleged and incorporated in this Count.

17. From on or about May 19, 2021, through on or about August 19, 2021 in the District of Puerto Rico, defendant ANGEL PEREZ-OTERO, a public official and agent of Guaynabo, did corruptly solicit, demand, accept, and agree to accept for

his own benefit, things of value from Individual A, to wit: three individual \$5,000 cash payments, with the intent of being influenced and rewarded in connection with any business, transaction, and series of transactions of Guaynabo valued at \$5,000 or more as opportunities arose, that is, municipal contracts. In calendar year 2021, the municipality of Guaynabo received benefits in excess of \$10,000 under federal programs involving grants, subsidies, loans, guarantees, insurance, and other forms of assistance.

All in violation of 18 U.S.C. §§ 666(a)(1)(B) and 2.

COUNT 3
Extortion Under Color of Official Right
18 U.S.C. § 1951

18. Paragraphs One through Five of this Indictment are hereby re-alleged and incorporated in this Count.

19. From in or about late 2019 until in or about August 19, 2021, in the District of Puerto Rico, defendant ANGEL PEREZ-OTERO, did knowingly obstruct, delay, and affect commerce and the movement of articles and commodities in commerce, and did attempt to obstruct delay, and affect commerce and the movement of articles and commodities in commerce, by extortion, as those terms are defined in Title 18, United States Code, Section 1951; that is, PEREZ-OTERO, obtained property not due to him or his office as a public official, from Individual A, with individual A's consent, under color of official right.

All in violation of 18 U.S.C. § 1951.

FORFEITURE ALLEGATION
28 U.S.C. § 2461(c); 18 U.S.C. § 981(a)(1)(C)

20. The preceding paragraphs of this Indictment are hereby re-alleged and incorporated in this Allegation.

21. Pursuant to 28 U.S.C. § 2461(c) and 18 U.S.C. § 981(a)(1)(C), the United States gives notice to the defendant ANGEL PEREZ-OTERO that in the event of a conviction for the offense charged in Counts One through Four of this Indictment, all property, real or personal, which represents or is traceable to the gross receipts obtained, directly or indirectly, from such offense, is subject to forfeiture.

Money Judgment

22. Defendant is notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture.

Substitute Assets

23. Defendant is notified that in the event that property subject to forfeiture, as a result of any act or omission of that defendant,

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

e. has been commingled with other property that cannot be divided without difficulty,

the United States will seek to forfeit any other property of Defendant up to the total value of the property subject to forfeiture pursuant to 21 U.S.C. § 853(p), as incorporated by reference in 28 U.S.C. § 2461(c) and 18 U.S.C. § 982(b)(1).

TRUE BILL

Jury Foreperson

Dated: 12/8/2021

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