

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT
IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

EL INSTITUTO COSTARRICENSE DE
ELECTRICIDAD,

Plaintiff,

vs.

Case No. 1025859 CA13

ALCATEL-LUCENT, S.A. f/k/a ALCATEL, S.A.,
ALCATEL CIT, S.A. n/k/a ALCATEL-LUCENT
FRANCE, ALCATEL LUCENT TRADE
INTERNATIONAL, AG a/k/a ALCATEL
STANDARD, S.A., ALCATEL
CENTROAMERICA, S.A. a/k/a ALCATEL DE
COSTA RICA, S.A., ALFREDO REDONDO, and
JOHN and JANE DOES 1-100,

Defendants.

DECLARATION OF EDGAR VALVERDE ACOSTA

I, EDGAR VALVERDE ACOSTA, declare as follows:

1. My name is Edgar Valverde Acosta.
2. I was born in San Ramon, Costa Rica on September 4, 1947.
3. In February 1996, I was hired by Alcatel De Costa Rica, S.A., and had responsibility for Central America.
4. At that time, Alcatel personnel in Latin America reported to Alcatel in Spain.
5. In 2000 I was employed by Alcatel as President of Alcatel De Costa Rica, S.A., when Alcatel announced personnel in Latin America would no longer report to Alcatel in Spain but rather to personnel in its newly established headquarters for Latin America in Miami, Florida, U.S.A., located at 5200 Blue Lagoon Drive.

6. At that time, Alfredo Redondo, then employed by Alcatel Spain and managing Alcatel de Argentina, was relocated to Miami. His title was President of Alcatel Latin America even though he continued to be employed by Alcatel Spain, as far as I know. His role was as a senior manager in the Alcatel Americas Business Area, one of a few Business Areas in the worldwide organization of Alcatel; this Business Area included Canada, the USA, the Caribbean and Latin American countries, except Cuba. The business within this Business Area was conducted through numerous Alcatel entities including Alcatel De Costa Rica; Alcatel CIT, S.A.; Alcatel USA, Inc.; and other Alcatel entities in many Latin American countries. These Latin American Alcatel entities were primarily marketing entities and their activities were directed by the management of Alcatel Americas to support the Industrial Units of Alcatel wanting to obtain contracts within the Business Area. Redondo lived and worked in Miami, Florida.

7. During the period Redondo managed Latin American operations from Miami, I met with him in Miami on numerous occasions at his offices in Miami as well as other locations. The offices were staffed with approximately thirty people and included a financial officer, a human resources executive, and legal counsel. These executives managed the operation of Alcatel throughout Latin America. The managers in Miami worked for several Alcatel entities and they managed the activities of Alcatel subsidiaries throughout Latin America. The necessary visas for them to work in the USA were arranged through the firm named Alcatel USA Marketing Inc.

8. In addition to my meetings with Redondo, Alcatel Latin America also held regular quarterly meetings in Miami, as well as in other cities in Latin America, with various managers from the Latin America region. These executives worked for various Alcatel entities throughout Latin America, but they took directions from Alcatel's offices in Miami run by Redondo. The

Regional meetings were occasionally held in a hotel contiguous to the Alcatel offices that were located at 5200 Blue Lagoon in Miami. The meetings were held at the hotel because the number of Latin America executives attending was too large for the Alcatel offices. I was advised that the offices were established in Miami because of Miami's prominence in Latin American business and the ease of transportation and communication to and through Miami to all of Latin America and Europe.

9. Between 2000 and the end of 2003, I regularly interacted with Mr. Redondo and his staff in Miami and so did other Alcatel executives throughout Latin America.

10. I attended the first Regional meeting in Miami after the reorganization referred to in #5 above. The Latin America regional executives attended and participated in meetings directed by Redondo and Michael Quigley. Quigley held the title of President, Alcatel Americas and was the executive to whom Redondo reported. He was a senior executive of Alcatel and was employed by Alcatel USA, Inc. His offices, at that time, were in Plano, Texas. Alcatel USA, Inc. had a major facility in Plano, Texas that employed thousands.

11. Together, Redondo and Quigley were charged by Alcatel with providing marketing and sales support for all of the various Alcatel subsidiaries throughout Latin America. That group was known as the Regional Marketing Group and was comprised of personnel from numerous Alcatel subsidiaries.

12. Other members of the regional marketing group were Deputy Vice President Christian Sapsizian and Vice President Marcel Mafille. Miguel Robirosa, until then responsible for Business Development, replaced Mafille when the Latin America headquarters were moved back to Spain at the end of 2003.

13. Sapsizian reported to Mafille and Redondo. Mafille reported to Redondo as did Robirosa. To the best of my knowledge, Mafille was legally an employee of Alcatel CIT and expatriated to manage Alcatel de Chile, S.A. Sapsizian worked for Alcatel CIT. Robirosa worked for Alcatel Argentina S.A. All of these executives, save Sapsizian and Mafille, worked in the Alcatel offices in Miami. While they all technically worked for different subsidiaries, they all worked for Alcatel Latin America and had oversight over the operations of Alcatel in Latin America, including in Costa Rica.

14. Beginning in 2000, following the signature by France of the OECD anti-corruption convention, Alcatel established a strict practice that was required of Alcatel de Costa Rica, S.A. as well as all other subsidiaries of Alcatel with respect to the use of "lobbyists," also referred to as "consultants."

15. Pursuant to these procedures, executives who wanted to retain "lobbyist/consultants" were required to submit a detailed memorandum clearly marked "DRAFT" explaining how the consultants would be used in relation to any particular project. The consultants were retained by the Industrial Unit in charge of the particular project – Alcatel CIT in the case of most projects in Costa Rica. The new procedures called for the corresponding paperwork to be handled through the local office in each country. The executives were given specific instructions that no copies of their "Drafts" were to be retained. The memorandum would then be approved by my superiors, including Redondo in Miami and Quigley in Plano, Texas.

16. Alcatel would then create a contract with all the relevant terms and execute same through Alcatel Standard, S.A., its Swiss subsidiary, on behalf of the Industrial Unit in charge of the particular project. The copies of the memoranda were never returned. To the best of my

knowledge, Alcatel Standard did not conduct any business in Switzerland and its CEO, Hugh Barras, was employed by Alcatel and reported to its CFO in France.

Under penalties of perjury, I, Edgar Valverde Acosta, declare that the foregoing is true and correct.

Dated: Dec. 4th, 2010



EDGAR VALVERDE ACOSTA