

Riadh Ben Aïssa, ex-SNC-Lavalin executive, agrees to settlement plan

Swiss settlement deal would mark a 1st in case of troubled Montreal engineering firm

By Dave Seglins, John Nicol, [CBC News](#) Last Updated: Aug 18, 2014 12:50 PM ET

A former executive of Canadian engineering giant SNC-Lavalin may soon be released from a Swiss jail and headed back to Canada after reaching a proposed settlement involving allegations of bribery, money laundering and corruption tied to company business in Libya under the Gadhafiregime.

Riadh Ben Aïssa, the company's one-time executive vice-president of construction, was arrested in Switzerland in April 2012 and accused of funnelling tens of millions of dollars in bribes and kickbacks through Swiss bank accounts and offshore tax havens. It's all tied to the billions of dollars in contracts SNC-Lavalin won from Libya's former dictatorship.

Ben Aïssa still faces extradition to Canada to face charges of arranging \$22.5 million in alleged bribes paid to win a contract to build Montreal's McGill University Health Centre.

Earlier this month, Ben Aïssa and his lawyers signed an out-of-court settlement with Swiss federal prosecutors, as well as SNC-Lavalin (which has status in the proceedings), for him to enter a guilty plea on all charges — except for embezzlement — in exchange for a sentence recommendation that could see him released from Swiss custody.

A joint investigation by CBC/Radio-Canada and RTS (Switzerland's public broadcaster) has learned the deal must now be considered by a Swiss court at a hearing planned for October.

"As of Aug. 4, 2014, the Public Prosecutor of the Confederation (MPC) filed by agreement with the Federal Criminal Court in Bellinzona an indictment brought against the former vice-president of SNC-Lavalin Group Inc," confirmed government spokeswoman Jeannette Balmer .

All sides "have agreed to the indictment that was submitted," Balmer wrote in an emailed statement, noting this could simplify the proceeding, depending on whether the courts accept the terms. If approved, it would pave the way for the first settlement of criminal charges for a string of former SNC-Lavalin executives facing accusations of corruption stemming from probes of various company construction projects in Libya, Algeria, Bangladesh and Canada.

Ben Aïssa's Canadian defence lawyer, Michael Edelson, refused on Sunday to discuss anything about the agreement.

"Proceedings in Switzerland have not been concluded and, as a result, I will be making no comment," he wrote CBC in an email.

However, RTS journalist Yves Steiner reports that according to several sources close to the investigation, Ben Aïssa proposes to plead guilty to bribery, corruption and money laundering related to business dealings with Saadi Gadhafi, the son of Libya's former dictator. Prosecutors will drop charges of fraudulent embezzlement.

In exchange, according to RTS, prosecutors are prepared to recommend Ben Aïssa be sentenced to three years, meaning he could be released in April of 2015.

Seized Swiss account money to be returned

RTS also cites sources as saying that tens of millions of dollars seized from Swiss bank accounts will be returned to SNC-Lavalin, which has standing in Switzerland as a victim in the case.

SNC-Lavalin has declined to make any comment on the deal.

It is not yet clear whether the written agreement, reported by RTS to be close to 100 pages in length, offers any indication of whether Ben Aïssa acted alone, or whether any other executives at SNC-Lavalin were aware of the alleged bribes and money being funnelled through Swiss banks during the company's lucrative years in Libya.

If the court doesn't accept the deal, Ben Aïssa could face a sentence of 7.5 years. Either way, whenever he is released from his Bern, Switzerland jail cell, he will be swiftly extradited back to Canada, where he's expected to be arrested again.

Ben Aïssa, along with former SNC-Lavalin CEO Pierre Duhaime, former MUHC executive director Dr. Arthur Porter and four others face prosecution in Montreal over what police say were \$22.5 million in bribes paid when SNC-Lavalin won the \$1.4-billion contract to build the new hospital.