

Judge sets bail for shamed ex-boss of Spanish wifi firm

July 14 2014



Disgraced ex-boss of Spanish wifi provider Let's Gowex, Jenaro Garcia Martin, leaves the courthouse in Madrid on July 14, 2014

The disgraced ex-boss of Spanish wifi provider Let's Gowex faces up to 10 years in jail for years of financial fraud, a judge said on Monday, setting his bail at 600,000 euros (\$816,00).

Judge Santiago Pedraz in Spain's highest criminal [court](#) gave the company's former chief executive Jenaro Garcia Martin 15 days to come up with the money or else be taken into custody.

The judge also prohibited Garcia Martin from leaving the country and seized his passport as a precautionary measure.

Gowex, which offered wifi services in public spaces in over 90 cities around the world including Paris and New York, announced on July 6 that Garcia Martin had admitted faking its results for "at least" four years.

On July 10 the company made a preliminary court filing for bankruptcy protection in a case that has raised questions about Spain's regulation of its financial markets.

Gowex's collapse prompted a flight by investors from Madrid's junior market, the Alternative Equity Market, where Gowex is listed.

Garcia Martin was questioned in the immediate aftermath of the scandal.

After Gowex announced that he had faked the firm's results and had resigned, Garcia Martin said he had made a "voluntary confession in court" and was willing to cooperate with the justice system.

During Monday's court appearance, which lasted around two hours, Garcia Martin handed his laptop and mobile phone to the investigating judge and admitted that he falsified the company's accounts and invoices.

He also told the judge that he had a bank account in Luxembourg with around three million euros.

The [judge](#) said in a written ruling that Garcia Martin is suspected of several crimes including insider trading, falsification of economic and financial information and false accounting.

The European professional association ASINVER filed a suit on July 4 against Gowex with the Spanish public prosecutor alleging false accounting.

© 2014 AFP

Citation: Judge sets bail for shamed ex-boss of Spanish wifi firm (2014, July 14) retrieved 16 July 2024 from <https://phys.org/news/2014-07-bail-shamed-ex-boss-spanish-wifi.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.