

Aluminum Bahrain B.S.C. / Alcoa Case (Private Civil Action)

Case ID:

ARW-14

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Bahrain

Position of Public Official(s) (yrs in office):

Senior Officials of State Owned Entity (unnamed)

Jurisdiction of Asset Recovery:

United States

Jurisdiction of Asset Recovery ? Description:

Undertaking Recovery Effort, Location of Recovery Effort

Asset Recovery Start:

2008

Asset Recovery End:

2013

UNCAC Offenses Implicated:

Art.16

Art.18

Art.21

Money laundering Implicated:

Yes

Legal Basis for Asset Recovery:

Private Civil Action

Intl.Cooperation: MLAT/Letter of Request?:

No

Basis for Intl Cooperation:

NA

Contributing Factors in Asset Recovery:

Private civil action resulted in settlement agreement.

Status of Asset Recovery :

Completed

Stage in Asset Recovery Chain:

Assets Returned to Victim or Requesting Jurisdiction

Agreement for Returned Assets:

No

Agreement for Returned Assets - Description:

NA

Case Summary:

In October 2012, Alcoa Inc. announced that it had reached an \$85 million settlement agreement with Aluminum Bahrain B.S.C. ("Alba"), a majority state owned enterprise to settle the civil suit that Alba had filed in 2008, in U.S. District Court for the Western District of Pennsylvania against the U.S. company and related parties. (Source: Aluminum Bahrain B.S.C. v. Alcoa, Inc., et al, Case No. 2:08-cv-00299-DWA (W.D. Pa.), Stipulation of Dismissal

with Prejudice, filed October 9, 2012; Alcoa Press Release, "Alcoa and Alba Resolve Civil Litigation," October 9, 2012.) In 2009, it filed a similar suit in the Southern District of Texas against the Japanese company Sojitz Corporation and its U.S. affiliate, Sojitz Corporation of America. Alba alleged that the companies paid bribes to one or more senior officials of Alba and the Government of Bahrain in order to induce Alba to cede a controlling interest in that company to Alcoa and to overpay for alumina and in the Sojitz case, to secure below-market discounts on aluminum. In filing the civil Racketeer Influenced and Corrupt Organizations (RICO) suit against Alcoa, Alba sought damages in excess of \$1 billion and in the Sojitz suit, \$31 million in damages. According to Alcoa, the second of the two payments to Alba was completed in October 2013. (Source: Alcoa, Stakeholder Engagement, "Committed to Ongoing, Transparent Engagement," http://www.alcoa.com/sustainability/en/info_page/community_stakeholder.asp, accessed on July 27, 2014.)

Disposition of Criminal Case(s):

The asset recovery resulted from a private civil action by the state owned entity. In related enforcement actions by the US, in January 2014, Alcoa entered into settlements with the US Department of Justice and the Securities and Exchange Commission which included a guilty plea to one count of violation of the Foreign Corrupt Practices Act. (Source: US Department of Justice Press Release, "Alcoa World Alumina Agrees to Plead Guilty to Foreign Bribery and Pay \$223 Million in Fines and Forfeiture," January 9, 2014.)

Jurisdiction of Asset Recovery: Investigative Agency:

Alcoa DOJ Enforcement: Federal Bureau of Investigation

Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):

Pennsylvania and Texas: Akin Gump Strauss Hauer and Feld LLP (Lead Attorneys Colleen M. Coyle, Lauren B. Kerwin, Mark J. MacDougall); Pennsylvania: Buchanan Ingersoll & Rooney PC (Attorney Charles B. Gibbons); Department of Justice, Criminal Division, Fraud Section; U.S. Attorney's Office for the Southern District of Texas

Jurisdiction of Asset Recovery: Courts Involved:

U.S. District Court for the Western District of Pennsylvania and the U.S. District Court for the Southern District of Texas

Documents:








Aluminum_Bahrain_Alcoa_Complaint_Feb_27_2008.zip



Aluminum_Bahrain_Alcoa_Motion_Stay_Mar_20_2008.pdf

Aluminum_Bahrain_Sojitz_Complaint_Dec_18_2009.pdf

Aluminum_Bahrain_Sojitz_US_Justice_Department_Application_Intervene_May_27_2010.pdf

Documents:

Attachment	Size
 Aluminum_Bahrain_Amended_Complaint_2011.pdf	174.72 KB
 Aluminum_Bahrain_WDPA_Stipulation_Dismiss_Oct_2012.pdf	93.16 KB
 Aluminum_Bahrain_WDPA_Order_Reopen_Case_Nov_2011.pdf	157.11 KB
 Alba_Sojitz_US_SDTEX_Stipulation_Dismissal_Dec_21_2012.pdf	40.89 KB
 Alba_Sojitz_US_SDTEX_Order_Dismissal_Jan_16_2013.pdf	44.18 KB
 ALBA_Alcoa_US_DOJ_SEC_Settlement_PR_Jan_9_2014.pdf	364.36 KB
 Alba_Alcoa_Stakeholder Engagement_Jul_27_2014.pdf	500.5 KB

Attachment	Size
 ALBA_Alcoa_WDPA_Judgment_Jan_09_2014.pdf	237.64 KB
 ALBA_Alcoa_WDPA_Plea_Agreement_Jan_09_2014.pdf	2.34 MB

Documents Links:

Other Sources:

Aluminum Bahrain B.S.C. v. Alcoa, Inc., Alcoa World Alumina LLC, et al, Case No. 2:08-cv-00299-DWA (W.D. Pa.), First Amended Complaint filed on November 28, 2011; and Stipulation to Dismiss with Prejudice filed October 9, 2012; Aluminum Bahrain B.S.C. v. Sojitz Corporation and Sojitz Corporation of America, Case No. 4:09-cv-04032 (S.D. Tex), Complaint filed on December 18, 2009, and United States' Application to Intervene and Stay Proceedings in the Instant Proceedings filed on May 27, 2010; Stipulation and Order to Dismiss, filed December 21, 2012 and January 16, 2013 respectively; Alcoa Press Release, "Alcoa and Alba Resolve Civil Litigation," October 9, 2012, accessed at http://www.alcoa.com/global/en/news/news_detail.asp?pageID=2012100900636....

Alcoa, Stakeholder Engagement, "Committed to Ongoing, Transparent Engagement," at http://www.alcoa.com/sustainability/en/info_page/community_stakeholder.asp (accessed on July 27, 2014); US Department of Justice Press Release, "Alcoa World Alumina Agrees to Plead Guilty to Foreign Bribery and Pay \$223 Million in Fines and Forfeiture," January 9, 2014, at <http://www.justice.gov/opa/pr/2014/January/14-crm-019.html>.