

## **Alliance One International, Inc. / Alliance One Tobacco Osh LLC**

**Case ID:**

ST-33

**Case Cluster :**

Alliance One International, Inc.

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Department of Justice

**Jurisdiction of Foreign Public Official(s) :**

Kyrgyzstan, Thailand, Malawi, Greece, Indonesia, Mozambique, China

**Year of Settlement:**

2010

**Month/Day of Settlement (or Notes):**

08/06

**Other Jurisdictions of Settlement:**

Unknown

**Settlement with Individual or Legal Person?:**

Legal Person

**Type of Settlement:**

Criminal

**Legal Form of Settlement:**

Guilty Plea

**Monetary Sanctions (Types):**

Criminal Fine

**Total Monetary Sanctions (US\$):**

\$4,201,200.00

**Criminal Fine/Penalty (US\$) :**

\$4,200,000

**Monetary Sanctions Returned / Ordered Returned (US\$):**

\$0

**UNCAC Articles(s) Implicated:**

Art.16

Art.26

**OECD Anti-Bribery Convention Articles Implicated:**

Art. 1, Art. 2

**Offenses - Alleged:**

Conspiracy to bribe foreign officials, Bribery of foreign officials, Aiding and abetting falsification of books and records

**Offenses - Settled:**

Conspiracy to bribe foreign officials, Bribery of foreign officials, Aiding and abetting falsification of books and records

**Public Procurement Contract / SOE Involved?:**

Yes

**Summary:**

According to the June 2011 United States Report to the OECD, "On August 6, 2010, two foreign subsidiaries of Alliance One International, Inc. (Alliance One), a global tobacco leaf merchant headquartered in Morrisville, N.C., were charged in separate three-count criminal informations with conspiring to violate the FCPA, violating the anti-bribery provisions of the FCPA, and violating the books and records provisions of the FCPA. On the same date, the SEC filed a settled civil action against Alliance One in the U.S. District Court for the District of Columbia. [ ] Previously, on August 3, 2010, Bobby Jay Elkin, Jr., Dimon's former Kyrgyzstan country manager, was charged with one-count of conspiring to violate the FCPA's anti-bribery provisions. Elkin, along with three other former Alliance One employees, was also charged by the SEC in a settled civil enforcement action filed on April 28, 2010. The criminal and civil charges filed against Alliance One, its subsidiaries, and former employees stem from bribery schemes in multiple countries," including from 1996 to 2004, \$3 million in bribes to various officials in the Republic of Kyrgyzstan, including officials of the Kyrgyz Tamekisi, a government entity which controlled and regulated the tobacco industry in Kyrgyzstan as well as provincial and tax officials; from 2000 to 2004, more than \$1.2 million in bribes to the Thailand Tobacco Monopoly officials; in China and Thailand, gifts and entertainment to government officials; in Greece, \$96,000 cash payment to a Greek tax official which resulted in a reduced tax payment from EUR 2.5 million to approximately EUR 600,000; in Indonesia, cash payment of approximately \$44,000 to an Indonesian tax official in exchange for terminating an audit and obtaining a tax refund of \$67,000. (Source: US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Alliance One International, Inc. Case Summary at 41-45.)

**Sources :**

US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Alliance One International, Inc. Case Summary at 41-45, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US v. Alliance One Tobacco Osh LLC, Case No. 4:10-cr-016-JLK (W.D. Va.), Plea Agreement filed August 6, 2010, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/alliance-one/08-06-10alliance-tobacco-plea-agree.pdf>; Judgment (October 21, 2010), accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/alliance-one/10-21-10alliance-one-tobacco-judgment.pdf>