

Bribery by Oil Services and Freight Forwarding Companies / Pride Forasol S.A.S.

Case ID:

ST-92

Case Cluster :

Bribery by Oil Services and Freight Forwarding Companies

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

India, Mexico, Venezuela

Year of Settlement:

2010

Month/Day of Settlement (or Notes):

12/07

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Criminal

Legal Form of Settlement:

Deferred Prosecution Agreement

Monetary Sanctions (Types):

Criminal Fine

Total Monetary Sanctions (US\$):

\$32,625,000.00

Criminal Fine/Penalty (US\$) :

\$32,625,000

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, Art. 8

Offenses - Alleged:

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

Offenses - Settled:

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

Public Procurement Contract / SOE Involved?:

No (Customs)

Summary:

According to a US Department of Justice Press Release, in "documents filed in U.S. District Court for the Southern District of Texas, Pride International Inc., a Houston-based corporation, and Pride Forasol S.A.S., a wholly owned French subsidiary of Pride International (collectively "Pride"), admitted that Pride paid a total of approximately \$800,000 in bribes directly and indirectly to government officials in Venezuela, India and Mexico. According to court documents, the bribes were paid to extend drilling contracts for three rigs operating offshore in Venezuela; to secure a favorable administrative judicial decision relating to a customs dispute for a rig imported into India; and to avoid the payment of customs duties and penalties relating to a rig and equipment operating in Mexico. During the course of the investigation, Pride provided information and substantially assisted in the investigation of Panalpina. Pride International was charged in a criminal information filed today with conspiring to violate the anti-bribery and books and records provisions of the FCPA; violating the anti-bribery provisions of the FCPA; and violating the books and records provisions of the FCPA. The department and Pride International agreed to resolve the charges by entering into a deferred prosecution agreement. The department also filed a criminal information charging Pride Forasol with conspiring to violate the anti-bribery provisions of the FCPA; violating the anti-bribery provisions of the FCPA; and aiding and abetting the violation of the books and records provisions of the FCPA. Pride Forasol has agreed to plead guilty to the charges. The agreements require the payment of a \$32.625 million criminal penalty." (Source: US Department of Justice Press Release, "Oil Services Companies and a Freight Forwarding Company Agree to Resolve Foreign Bribery Investigations and to Pay More Than \$156 Million in Criminal Penalties," November 4, 2010.) According to the Judgment in US v. Pride Forasol S.A.S., Case No. 4:10-cr-771 (S.D. Tex.), filed December 7, 2010, Pride Forsol was ordered to pay \$32,625,000 in crimina penalties.

Sources :

Report by the United States to the OECD, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (June 2011), Bribery by Oil Services and Freight Forwarding Companies Case Summary at 32-37, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. United States v. Pride Forasol S.A.S. Case No. 4:10-cr-771 (S.D.Tex.), Criminal Information filed November 4, 2010, accessed at www.justice.gov/criminal/fraud/fcpa/cases/pride-forasol/11-04-10pride-forasol-info.pdf; Plea Agreement accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/pride-forasol/12-07-10pride-forasol-plea-agree.pdf>; Judgment of December 7, 2010, accessed at www.justice.gov/criminal/fraud/fcpa/cases/pride-forasol/11-04-10pride-forasol-judgement.pdf. US Department of Justice Press Release, "Oil Services Companies and a Freight Forwarding Company Agree to Resolve Foreign Bribery Investigations and to Pay More Than \$156 Million in Criminal Penalties," November 4, 2010, accessed at <http://www.justice.gov/opa/pr/2010/November/10-crm-1251.html>