

## **Bribery by Oil Services and Freight Forwarding Companies / Pride International, Inc**

**Case ID:**

ST-93

**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) :**

Venezuela, India, Mexico

**Year of Settlement:**

2010

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

11/04

**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\$):**

\$0.00

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

\$0

**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 falsify books and records, Aiding and abetting falsification of books and records

**Offenses - Settled:**

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

**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 Deferred Prosecution Agreement in the case, "Finally, the parties agree that any criminal penalty that might be imposed by the Court on, or otherwise paid by, Pride Forasol in connection with its guilty plea and plea agreement entered into simultaneously herewith will be deducted from the \$32,625,000 fine contemplated by this Agreement." (US v. Pride International, Inc. Case No. 4:10-cr-00766 (S.D. Tex.), Deferred Prosecution Agreement, para 9.)

**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>. US v. Pride International, Inc., Case No. 4:10-cr-766 (S.D. Tex.), Criminal Information filed November 4, Nov 2010, accessed at [www.justice.gov/criminal/fraud/fcpa/cases/pride-intl/11-04-10pride-intl-info.pdf](http://www.justice.gov/criminal/fraud/fcpa/cases/pride-intl/11-04-10pride-intl-info.pdf); Deferred Prosecution Agreement, accessed at [www.justice.gov/criminal/fraud/fcpa/cases/pride-intl/11-04-10pride-intl-dpa.pdf](http://www.justice.gov/criminal/fraud/fcpa/cases/pride-intl/11-04-10pride-intl-dpa.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>