

Bribery by Oil Services and Freight Forwarding Companies / Pride International, Inc. / Joe Summers

Case ID:

ST-96

Case Cluster :

Bribery by Oil Services and Freight Forwarding Companies

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Securities and Exchange Commission

Jurisdiction of Foreign Public Official(s) :

Venezuela

Year of Settlement:

2010

Month/Day of Settlement (or Notes):

08/09

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Individual

Type of Settlement:

Civil

Legal Form of Settlement:

Consent to Permanent Injunction

Monetary Sanctions (Types):

Civil Penalty

Total Monetary Sanctions (US\$):

\$25,000.00

Civil Disgorgement of Profits (US\$) :

\$0

Civil Prejudgment Interest (US\$) :

\$0

Civil Fine / Penalty (US\$):

\$25,000

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

\$0

UNCAC Articles(s) Implicated:

Art.16

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 8

Offenses - Alleged:

Bribery of foreign officials, Falsification of books and records, Internal controls violations, Aiding and Abetting Pride's bribery of foreign officials, Aiding and Abetting Pride's falsification of books and records, Aiding and Abetting Pride's internal controls violations

Offenses - Settled:

No admission or denial of alleged offenses

Public Procurement Contract / SOE Involved?:

No (Customs)

Summary:

According to the US Securities and Exchange Commission Litigation Release, "On August 5, 2010, the Securities and Exchange Commission charged a former employee of Pride International, Inc. (Pride) with violations relating to bribes paid to foreign officials in Venezuela. The Commission's complaint names Joe Summers of John Day, Oregon, Pride's former Venezuela Country Manager. The complaint alleges that from approximately 2003 to 2005, Summers authorized or allowed payments totaling approximately \$384,000 to third-party companies believing that all or a portion of the funds would be given to an official of Venezuela's state-owned oil company in order to secure extensions of three drilling contracts. The complaint further alleges that Summers authorized the payment of approximately \$30,000 to a third party believing that all or a portion of the funds would be given to an employee of Venezuela's state-owned oil company in order to obtain the payment of receivables." (Source: US Securities and Exchange Commission, Litigation Release No. 21617 / August 5, 2010, SEC v. Joe Summers, Civil Action No. 4:10-cv-02786 (S.D. Texas, August 5, 2010), "SEC Charges Former Employee of Pride International with Violating the Foreign Corrupt Practices Act.")

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 Securities and Exchange Commission, Litigation Release No. 21726 / November 4, 2010, SEC v. Pride International, Inc., Civil Action No. 4:10-cv-4335 (S.D. Texas, November 4, 2010), "SEC Charges Pride International with Violating the Foreign Corrupt Practices Act," accessed at www.sec.gov/litigation/litreleases/2010/lr21726.htm; US Securities and Exchange Commission, Litigation Release No. 21617 / August 5, 2010, SEC v. Joe Summers, Civil Action No. 4:10-cv-02786 (S.D. Texas, August 5, 2010), "SEC Charges Former Employee of Pride International with Violating the Foreign Corrupt Practices Act," accessed at <http://www.sec.gov/litigation/litreleases/2010/lr21617.htm>; Complaint filed August 5, 2010, accessed at www.sec.gov/litigation/complaints/2010/comp21617.pdf