

## Chiquita Brands International, Inc.

**Case ID:**

ST-122

**Case Cluster :**

Chiquita Brands International, Inc.

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Securities and Exchange Commission

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

Colombia

**Year of Settlement:**

2001

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

10/03

**Other Jurisdictions of Settlement:**

Unknown

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

Legal Person

**Type of Settlement:**

Civil

**Legal Form of Settlement:**

Consent to Cease-and-Desist Order

**Monetary Sanctions (Types):**

Civil Penalty

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

\$100,000.00

**Civil Disgorgement of Profits (US\$) :**

\$0

**Civil Prejudgment Interest (US\$) :**

\$0

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

\$100,000

**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:**

Internal controls violations, Falsification of books and records

**Offenses - Settled:**

No admission or denial of allegations

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

No (Customs)

**Summary:**

According to the US Securities and Exchange Commission Litigation Release, on October 3, 2007, the agency announced that it had filed a settled complaint against Chiquita Brands, alleging that the company had violated the books and records and internal controls provisions of the FCPA as a result of the conduct of its Colombian subsidiary, C.I. Bananos de Exportacion, S.A (Banadex). The SEC had alleged that Banadex's chief administrative officer authorized the company's customs broker, as well as Banadex's security officer and controller, to make a corrupt payment of \$30,000 to local customs officials to secure the renewal of the port facility's license. The SEC also alleged that Banadex's books and records incorrectly identified the two installment payments, made in 1996 and 1997. Without admitting or denying the Commission's findings, Chiquita consented to the entry of an order that requires Chiquita to cease and desist from violating those provisions. The Commission also filed a settled complaint in federal court seeking entry of a consent order requiring Chiquita to pay a \$100,000 civil penalty. Chiquita settled the action without admitting or denying the Commission's allegations. (Source: US Securities and Exchange Commission Litigation Release No. 17169 / October 3, 2001, SEC v. Chiquita Brands International, Inc., Civ. Action No. 1:01CV02079 (D.D.C.) (filed October 3, 2001), "SEC Settles Case against Chiquita Brands International, Inc.")

**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, Chiquita Brands International, Inc. Case, at 128-129, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>; US Securities and Exchange Commission, Admin Proceedings File No. 3-10613, In the Matter of Chiquita Brands International, Inc., October 3, 2001, accessed at <http://www.sec.gov/litigation/admin/34-44902.htm>;