

## Daimler AG

**Case ID:**

ST-130

**Case Cluster :**

Daimler AG

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Department of Justice

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

China, Croatia, Egypt, Greece, Hungary, Indonesia, Iraq (UN Oil-for-Food), Ivory Coast, Latvia, Nigeria, Russia, Serbia and Montenegro, Thailand, Turkey, Turkmenistan, Uzbekistan, Vietnam and other unspecified countries (at least 22 countries)

**Year of Settlement:**

2010

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

04/01

**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\$):**

\$37,220,000.00

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

\$37,220,000

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

\$0

**UNCAC Articles(s) Implicated:**

Art.16

Art.23

Art.26

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

Art. 1, Art. 2, Art. 7, Art. 8

**Offenses - Alleged:**

Conspiracy to falsify books and records, Falsification of books and records

**Offenses - Settled:**

Conspiracy to falsify books and records, Falsification of books and records

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

Yes

**Summary:**

According to DOJ Report to Congress, "Appendix C: Summaries of Foreign Corrupt Practices Act Enforcement Actions by the United States, January 1, 1998 - September 30, 2010," Daimler AG, at 24-25: Case involved Daimler AG and three subsidiaries: DaimlerChrysler Automotive Russia SAO (DCAR), Daimler Export and Trade Finance GmbH (ETF), and DaimlerChrysler China Ltd. (DCCL). Misconduct alleged (1) hundreds of improper payments worth tens of millions of dollars by Daimler AG and its subsidiaries to foreign officials in at least 22 countries - including China, Croatia, Egypt, Greece, Hungary, Indonesia, Iraq, Ivory Coast, Latvia, Nigeria, Russia, Serbia and Montenegro, Thailand, Turkey, Turkmenistan, Uzbekistan, Vietnam and others - to assist in securing contracts with government customers for the purchase of Daimler vehicles. (2) Daimler AG admitted that it agreed to pay kickbacks to former Iraqi government in connection with contracts to sell vehicles to Iraq under the UN's Oil-for-Food program. Time period of conduct is 1998-2008. The contracts were valued in the hundreds of millions of dollars. According to Daimler AG's Deferred Prosecution Agreement, the company agreed to pay a fine of \$93.6 million; the parties agreed that any fines agreed to and/or ordered against Daimler's subsidiaries would be deducted from that amount. (Source: US v. Daimler AG, Case No. 1:10-cr-063-RJL (D.D.C.), Deferred Prosecution Agreement filed March 24, 2010.) DaimlerChrysler Automotive Russia SAO agreed to pay \$27.26 million in criminal fine and Daimler Export and Trade Finance agreed to pay \$29.12 million in criminal fine. (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, Daimler AG Case Summary at 49-50.)

**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, Daimler AG Case Summary at 49-50, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>; US Department of Justice Report to Congress, "Appendix C: Summaries of Foreign Corrupt Practices Act Enforcement Actions by the United States, January 1, 1998 - September 30, 2010," Daimler AG, at 24-25, accessed at <http://www.justice.gov/criminal/fraud/fcpa/docs/response3-appx-c.pdf>; US v. Daimler AG, et al, Case No. 1:10-cr-00063-RJL (D.D.C.), United States' Sentencing Memorandum filed March 24, 2010 and Information filed Mar. 22, 2010, both accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/daimler-ag.html> and Deferred Prosecution Agreement and Statement of Facts filed March 24, 2010, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/daimler/03-24-10daimlerag-agree.pdf>; ,US Department of Justice Press Release, "Daimler AG and Three Subsidiaries Resolve Foreign Corrupt Practices Act Investigation and Agree to Pay \$93.6 Million in Criminal Penalties," April 1, 2010, accessed at <http://www.justice.gov/opa/pr/2010/April/10-crm-360.html> (accessed September 14, 2011).