

Electronic Data Systems Corporation (A.T. Kearney Ltd. - India)

Case ID:

ST-149

Case Cluster :

Electronic Data Systems Corporation

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Securities and Exchange Commission

Jurisdiction of Foreign Public Official(s) :

India

Year of Settlement:

2007

Month/Day of Settlement (or Notes):

09/25

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):

Disgorgement of Profits, Prejudgment Interest

Total Monetary Sanctions (US\$):

\$490,902.00

Civil Disgorgement of Profits (US\$) :

\$358,800

Civil Prejudgment Interest (US\$) :

\$132,102

Civil 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:

Falsification of books and records, Disclosure violations, Regulation violations

Offenses - Settled:

No admission or denial of allegations

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the 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," Electronic Data Systems Corporation, at 81-82: Misconduct in India, 2001-2003; EDS's former Indian subsidiary, A.T. Kearney Ltd. - India (ATKI) alleged to have made at least \$720,000 in illicit payments to high-level employees of two Indian state-owned enterprises threatened in order to retain business with those enterprises; ATKI made the payments at the direction of Srinivasan, ATKI's president, after the officials of the state-owned enterprises threatened to cancel the contracts with ATKI. These bribes allowed EDS to recognize over \$7.5 million in revenue from the Indian companies' contracts after ATKI began paying the bribes. Settlement amounts: \$70,000 civil penalty (Srinivasan), \$358,800 disgorgement and \$132,102 prejudgment interest (EDS / ATKI-related penalties). Resulting civil enforcement/administrative actions: In the Matter of Electronic Data Systems Corporation (September 25, 2007); SEC v. Chandramowli Srinivasan (D.D.C., September 25, 2007).

Sources :

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," Electronic Data Systems Corporation, at 81-82, accessed at www.justice.gov/criminal/fraud/fcpa/docs/response3-appx-c.pdf; SEC v. Chandramowli Srinivasan, case summary and related documents at <http://fcpa.shearman.com/?mode=form&id=221>; In the Matter of Electronic Data Systems Corporation, Administrative Proceedings, File No. 3-12825, Order Instituting Cease and Desist Proceedings (September 25, 2007), accessed at <http://www.sec.gov/litigation/admin/2007/34-56519.pdf>.