

Fiat S.p.A. / Iveco S.p.A., CNH Italia S.p.A. and CNH France S.A.

Case ID:

ST-155

Case Cluster :

Fiat S.p.A.

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Securities and Exchange Commission

Jurisdiction of Foreign Public Official(s) :

Iraq (UN Oil-for-Food)

Year of Settlement:

2008

Month/Day of Settlement (or Notes):

12/22

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Civil

Legal Form of Settlement:

Consent to Permanent Injunction

Monetary Sanctions (Types):

Disgorgement of Profits, Prejudgment Interest, Civil Penalty

Total Monetary Sanctions (US\$):

\$10,809,142.00

Civil Disgorgement of Profits (US\$) :

\$5,309,632

Civil Prejudgment Interest (US\$) :

\$1,899,510

Civil Fine / Penalty (US\$):

\$3,600,000

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:

Internal controls violations, Falsification of books and records

Offenses - Settled:

No admission or denial of allegations

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the US Securities and Exchange Commission Litigation Release (December 22, 2008), the Commission "filed Foreign Corrupt Practices Act books and records and internal controls charges against Fiat S.p.A. and CNH Global N.V. in the U.S. District Court for the District of Columbia. Fiat S.p.A., an Italian company, provides automobiles, trucks and commercial vehicles. CNH Global N.V., a majority-owned subsidiary of Fiat, provides agricultural and construction equipment. The Commission's complaint alleges that from 2000 through 2003, certain Fiat and CNH Global subsidiaries made approximately \$4.3 million in kickback payments in connection with their sales of humanitarian goods to Iraq under the United Nations Oil for Food Program (the "Program"). The kickbacks were characterized as "after sales service fees" ("ASSFs"), but no bona fide services were performed." (Source: US Securities and Exchange Commission Litigation Release No. 20835 (December 22, 2008), Securities and Exchange Commission v. Fiat S.p.A. and CNH Global N.V., Civil Action No. 08 CV 0221 (D.D.C.) (CKK), "SEC Files Settled Books and Records and Internal Controls Charges Against Fiat S.p.A. and CNH Global N.V. For Improper Payments to Iraq Under the U.N. Oil for Food Program ? Fiat Agrees to Pay Over \$10 Million in Disgorgement, Interest, and Penalties.")

Sources :

US Securities and Exchange Commission Litigation Release No. 20835 (December 22, 2008), Securities and Exchange Commission v. Fiat S.p.A. and CNH Global N.V., Civil Action No. 08 CV 0221 (D.D.C.) (CKK), "SEC Files Settled Books and Records and Internal Controls Charges Against Fiat S.p.A. and CNH Global N.V. For Improper Payments to Iraq Under the U.N. Oil for Food Program -- Fiat Agrees to Pay Over \$10 Million in Disgorgement, Interest, and Penalties," accessed at <http://www.sec.gov/litigation/litreleases/2008/lr20835.htm>; Complaint filed December 22, 2008, accessed at <http://www.sec.gov/litigation/complaints/2008/comp20835.pdf>