

## Universal Corporation

**Case ID:**

ST-369

**Case Cluster :**

Universal Corporation

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Securities and Exchange Commission

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

Thailand, Malawi, Mozambique

**Year of Settlement:**

2010

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

08/06

**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 Profit

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

\$4,581,276.51

**Criminal Fine / Penalty (Explanation):**

NA

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

\$4,581,276.51

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

\$0

**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:**

Bribery of Foreign Officials, Falsification of Books and Records, Internal Controls Violations

**Offenses - Settled:**

No admission or denial of alleged offenses

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

Yes

**Summary:**

According to the US Securities and Exchange Commission Litigation Release, on August 6, 2010, the Commission charged Universal Corporation with violations of the FCPA, namely "According to the SEC's complaint, between 2000 and 2004, Universal, in coordination with two of its competitors, Dimon, Inc. ("Dimon") and Standard Commercial Corporation ("Standard"), paid approximately \$800,000 to bribe officials of the government-owned Thailand Tobacco Monopoly ("TTM") in exchange for securing approximately \$11.5 million in sales contracts for its subsidiaries in Brazil and Europe. From 2004 through 2007, Universal also made a series of payments in excess of \$165,000 to government officials in Mozambique through corporate subsidiaries in Belgium and Africa. Universal made these payments, among other things, to secure an exclusive right to purchase tobacco from regional growers and to procure legislation beneficial to the company's business. Between 2002 and 2003, Universal subsidiaries paid a total of \$850,000 to high-ranking Malawian government officials. Universal did not accurately record these payments in its books and records." (Source: US Securities and Exchange Commission Litigation Release No. 21618 / August 6, 2010, Securities and Exchange Commission v. Universal Corporation Inc., Civil Action No. 01:10-cv-01318 (RWR) (D.D.C.) (filed August 6, 2010), Securities and Exchange Commission v. Alliance One International, Inc., Civil Action No. 01:10-cv-01319 (RMU) (D.D.C.) (filed August 6, 2010), "SEC Files Anti-Bribery Charges Against Two Global Tobacco Companies.")

**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, Universal Corporation Case Summary at 44-45, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US Securities and Exchange Commission Litigation Release No. 21618 / August 6, 2010, Securities and Exchange Commission v. Universal Corporation Inc., Civil Action No. 01:10-cv-01318 (RWR) (D.D.C.) (filed August 6, 2010), Securities and Exchange Commission v. Alliance One International, Inc., Civil Action No. 01:10-cv-01319 (RMU) (D.D.C.) (filed August 6, 2010), "SEC Files Anti-Bribery Charges Against Two Global Tobacco Companies," accessed at <http://www.sec.gov/litigation/litreleases/2010/lr21618.htm>; Complaint filed August 6, 2010, accessed at <http://www.sec.gov/litigation/complaints/2010/comp21618-universal.pdf>