

## BNY Mellon

**Case ID:**

ST-423

**Case Cluster :**

BNY Mellon

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Securities and Exchange Commission

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

Unidentified Middle East nation

**Year of Settlement:**

2015

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

8/18

**Other Jurisdictions of Settlement:**

Unknown

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

Legal Person

**Type of Settlement:**

Civil

**Legal Form of Settlement:**

Cease and Desist Order

**Monetary Sanctions (Types):**

Disgorgement of Profits, Prejudgment interest, Civil Fine

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

\$14,800,000

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

\$8,300,000

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

\$1,500,000

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

\$5,000,000

**Other Civil Monetary Sanctions (US\$):**

\$0

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

\$0

**Monetary Sanctions Returned / Ordered Returned (Explanation):**

NA

**UNCAC Articles(s) Implicated:**

Art.16

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

Art. 1, Art. 2, Art. 8

**Offenses - Alleged:**

Bribery of Foreign Officials, 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, Bank of New York Mellon "has agreed to pay \$14.8 million to settle charges that it violated the Foreign Corrupt Practices Act (FCPA) by providing valuable student internships to family members of foreign government officials affiliated with a Middle Eastern sovereign wealth fund. An SEC investigation found that BNY Mellon did not evaluate or hire the family members through its existing, highly competitive internship programs that have stringent hiring standards and require a minimum grade point average and multiple interviews. The family members did not meet the rigorous criteria yet were hired with the knowledge and approval of senior BNY Mellon employees in order to corruptly influence foreign officials and win or retain contracts to manage and service the assets of the sovereign wealth fund. According to the SEC's order instituting a settled administrative proceeding, the sovereign wealth fund officials requested that BNY Mellon provide their family members with internships, and they made numerous follow-up requests about the status, timing, and other details of the internships for their relatives." (Source: SEC Press Release, "SEC Charges BNY Mellon With FCPA Violations," August 18, 2015.)

**Sources :**

US Securities and Exchange Commission, In the Matter of The Bank of New York Mellon Corporation, Administrative Proceeding File No. 3-16762, August 18, 2015, at <https://www.sec.gov/litigation/admin/2015/34-75720.pdf>; SEC Press Release, "SEC Charges BNY Mellon With FCPA Violations," August 18, 2015, at <https://www.sec.gov/news/pressrelease/2015-170.html>.