

Petro Tiger / Knut Hammarskjold

Case ID:

ST-484

Case Cluster :

Petro Tiger

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

Colombia

Year of Settlement:

2015

Month/Day of Settlement (or Notes):

9/14

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Individual

Type of Settlement:

Criminal

Legal Form of Settlement:

Guilty Plea

Monetary Sanctions (Types):

Criminal Fine, Criminal Restitution

Total Monetary Sanctions (US\$):

\$121,592.93

Criminal Fine/Penalty (US\$) :

\$15,000

Criminal Forfeiture / Confiscation (US\$):

\$0

Criminal Restitution / Reparation (US\$):

\$106

592.93

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. 7

Offenses - Alleged:

Conspiracy to Defraud US, Wire Fraud, Conspiracy to Commit Wire Fraud, Mail Fraud
(Attempt and Conspiracy, Violation of Foreign Securities Exchanges, Conspiracy to Defraud

US, Conspiracy to Commit ML

Offenses - Settled:

Conspiracy to Defraud US

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the US Department of Justice, Mr. Knut Hammarskjold, the former chief executive officer of PetroTiger Ltd., a British Virgin Islands oil and gas company with operations in Colombia and offices in New Jersey, pleaded guilty for his role in a scheme to pay bribes to foreign government officials and to defraud PetroTiger: "According to the charges, [Mr. Hammarskjold and his co-defendants] allegedly paid bribes to an official in Colombia in exchange for the official's assistance in securing approval for an oil services contract worth roughly \$39 million. To conceal the bribes, the defendants allegedly first attempted to make the payments to a bank account in the name of the foreign official's wife, for purported consulting services she did not perform. The charges allege that Sigelman and Hammarskjold provided Weisman invoices including her bank account information. The defendants made the payments directly to the official's bank account when attempts to transfer the money to his wife's account failed. In addition, court documents allege that the defendants attempted to secure kickback payments at the expense of several of PetroTiger's board members. According to the criminal charges, the defendants were negotiating an acquisition of another company on behalf of PetroTiger, including on behalf of several members of PetroTiger's board of directors who were helping to fund the acquisition. In exchange for negotiating a higher purchase price for the acquisition, two of the owners of the target company agreed to kick back to the defendants a portion of the increased purchase price. According to the charges, to conceal the kickback payments, the defendants had the payments deposited into Sigelman's bank account in the Philippines, created a 'side letter' to falsely justify the payments, and used the code name 'Manila Split' to refer to the payments amongst themselves." (Source: US DOJ Press Release, "Former Chief Executive Officer of Oil Services Company Pleads Guilty to Foreign Bribery Charges," February 18, 2014.) Mr. Hammarskjold was ordered to pay \$15,000 in criminal fine and \$106,592.23 in restitution to Petro Tiger Ltd. (Source: US v. Hammarskjold, Case No. 14-cr-65 (D. NJ), Judgment filed September 14, 2015.)

Sources :

US v. Hammarskjold, Case No. 14-cr-65 (D. NJ), Judgment filed September 14, 2015, accessed via Pacer; other court documents and related press releases including DOJ Press Release, "Former Chief Executive Officer of Oil Services Company Pleads Guilty to Foreign Bribery Charges," February 18, 2014, at <https://www.justice.gov/criminal-fraud/case/united-states-v-knut-hammarskjold-court-docket-number-14-cr-00065-jei>