

PTC Inc. / Parametric Technology (Shanghai) Software Company Ltd. and Parametric Technology (Hong Kong) Limited

Case ID:

ST-489

Case Cluster :

PTC Inc.

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

China

Year of Settlement:

2016

Month/Day of Settlement (or Notes):

2/16

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Criminal

Legal Form of Settlement:

Non-Prosecution Agreement

Monetary Sanctions (Types):

Criminal Fine

Total Monetary Sanctions (US\$):

\$14,540,000

Criminal Fine/Penalty (US\$) :

\$14,540,000

Criminal Forfeiture / Confiscation (US\$):

\$0

Criminal Restitution / Reparation (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

Offenses - Alleged:

Bribery of Foreign Officials

Offenses - Settled:

Bribery of Foreign Officials

Public Procurement Contract / SOE Involved?:

Yes

Summary:

The US Department of Justice Press Release stated, "According to admissions made in the resolution documents, Parametric Technology (Shanghai) Software Company Ltd. and Parametric Technology (Hong Kong) Ltd. (collectively, PTC China), through local business partners, arranged and paid for employees of various Chinese state owned enterprises to travel to the United States, ostensibly for training at PTC Inc.'s headquarters in Massachusetts, but primarily for recreational travel to other parts of the United States, including New York, Los Angeles, Las Vegas and Hawaii. PTC China paid a total of more than \$1 million through its business partners to fund these trips, while during the same time period, PTC China entered into more than \$13 million in contracts with the Chinese stateowned entities. Company employees typically accompanied the Chinese officials on these trips. PTC China admitted that the cost of these recreational trips was routinely hidden within the price of PTC China's software sales to the Chinese state owned entities whose employees went on the trips." (Source: US Department of Justice, "PTC Inc. Subsidiaries Agree to Pay More Than \$14 Million to Resolve Foreign Bribery Charges," February 16, 2016.)

Sources :

US Department of Justice, "PTC Inc. Subsidiaries Agree to Pay More Than \$14 Million to Resolve Foreign Bribery Charges," February 16, 2016.