

## **SAP SE / Vicente Edward Garcia**

**Case ID:**

ST-500

**Case Cluster :**

SAP SE

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Securities and Exchange Commission

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

Panama

**Year of Settlement:**

2015

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

8/12

**Other Jurisdictions of Settlement:**

Unknown

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

Individual

**Type of Settlement:**

Civil

**Legal Form of Settlement:**

Cease and Desist Order

**Monetary Sanctions (Types):**

Disgorgement of Profit; Prejudgment interest

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

\$92,395

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

\$85,965

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

\$6,430

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

\$0

**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. 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, the agency's "investigation found that Vicente E. Garcia, the former vice president of global and strategic accounts for SAP SE, orchestrated a scheme to pay \$145,000 in bribes to one government official and promised to pay two others in order to obtain four contracts to sell SAP software to the Panamanian government. He essentially caused SAP, which is headquartered in Germany and executes most of its sales through a network of worldwide corporate partners, to sell software to a partner in Panama at discounts of up to 82 percent. The excessive discounts enabled the partner to create a slush fund from its excessive earnings on the other end of the sales and tap that money to pay the bribes to Panamanian government officials so SAP could sell the software. Garcia, who lives in Miami, also received kickbacks from the slush fund into his bank account." (Source: US SEC Press Release, "SEC Charges Former Software Executive With FCPA Violations," August 12, 2015.) Mr. Garcia was ordered to pay "disgorgement of \$85,965, representing the kickback Garcia received in connection with the bribery scheme, and prejudgment interest of \$6,430 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury subject to Exchange Act Section 21F(g)(3)." (Source: US SEC Administrative Proceeding File No. 3-16750, In the Matter of Vicente E. Garcia, August 12, 2015.)

**Sources :**

US Securities and Exchange Commission, Administrative Proceeding File No. 3-16750, In the Matter of Vicente E. Garcia, August 12, 2015., at <https://www.sec.gov/litigation/admin/2015/34-75684.pdf>; US SEC Press Release, "SEC Charges Former Software Executive With FCPA Violations," August 12, 2015, at <https://www.sec.gov/news/pressrelease/2015-165.html>