

VimpelCom Limited and Unitel LLC (Netherlands Settlement)

Case ID:

ST-529

Case Cluster :

VimpelCom Limited

Jurisdiction of Settlement:

Netherlands

Jurisdiction of Settlement / Enforcement Agency:

Openbaar Ministrie (Public Prosecution Service)

Jurisdiction of Foreign Public Official(s) :

Uzbekistan

Year of Settlement:

2016

Month/Day of Settlement (or Notes):

2/18

Other Jurisdictions of Settlement:

United States

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Criminal

Legal Form of Settlement:

Out of Court Settlement

Monetary Sanctions (Types):

Criminal Fine; Criminal Confiscation

Total Monetary Sanctions (US\$):

\$397,500,000

Criminal Fine/Penalty (US\$) :

\$100,000,000

Criminal Forfeiture / Confiscation (US\$):

\$297

500

000

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, Art. 8

Offenses - Alleged:

Bribery of foreign officials, falsification of books and records; internal controls violations

Offenses - Settled:

Bribery of foreign officials, falsification of books and records; internal controls violations

Public Procurement Contract / SOE Involved?:

No (License)

Summary:

According to the Press Release issued by the Openbaar Ministerie (Public Prosecution Service, DPP), "The criminal investigation was initiated in 2013. The Dutch criminal investigation was carried out by the FIOD under supervision of the National Prosecutor's Office for Serious Fraud, Environmental Crime and Asset Confiscation (Functioneel Parket?). During the investigation, Vimpelcom's head office in Amsterdam was searched in March 2014. Vimpelcom has initiated its own investigation into its activities in Uzbekistan. This investigation was conducted by internal investigators, by an American specialized law firm and by forensic accountants. Both the DPPS and the US authorities were regularly informed about the results of this internal investigation. []" VimpelCom was fined US\$100 million and subject to confiscation of illegally obtained proceeds totaling US\$130 million; US\$167.5 million was confiscated from its subsidiary Unitel. (Source: Openbaar Ministerie, Vimpelcom pays close to 400 million dollars to the Netherlands for bribery in Uzbekistan," February 16, 2016.

See also, Statement of Facts. Both at

<https://www.om.nl/algemeen/english/@93227/vimpelcom-pays-close/>) The US Department of Justice press release stated that "Under the terms of its resolution with the SEC, VimpelCom agreed to a total of \$375 million in disgorgement of profits and prejudgment interest, to be divided between the SEC and OM." (Source: US DOJ Press Release, "VimpelCom Limited and Unitel LLC Enter into Global Foreign Bribery Resolution of More Than \$795 Million? United States Seeks \$850 Million Forfeiture in Corrupt Proceeds of Bribery Scheme," February 18, 2016.)

Sources :

Openbaar Ministerie, Vimpelcom pays close to 400 million dollars to the Netherlands for bribery in Uzbekistan," February 16, 2016. See also, Statement of Facts (link to downloadable PDF), at <https://www.om.nl/algemeen/english/@93227/vimpelcom-pays-close/>; US DOJ Press Release, "VimpelCom Limited and Unitel LLC Enter into Global Foreign Bribery Resolution of More Than \$795 Million? United States Seeks \$850 Million Forfeiture in Corrupt Proceeds of Bribery Scheme," February 18, 2016