

**And Then There Was One-  
the Updated Box Score of FCPA Settlements from the  
Nigerian Bribery Scandal**

Yesterday, both the Department of Justice (DOJ) and the Securities and Exchange Commission (SEC) announced the agreement by the Dutch company, Snamprogetti Netherlands BV, (Snamprogetti) to pay a \$240 million criminal penalty to the DOJ to resolve charges related to the Foreign Corrupt Practices Act (FCPA) for its participation in a decade-long scheme to bribe Nigerian government. In addition to the DOJ resolution, Snamprogetti and ENI also reached a settlement of a related civil complaint filed by the SEC, which charged Snamprogetti with violating the FCPA's anti-bribery provisions, falsifying books and records, and circumventing internal controls and charged ENI with violating the FCPA's books and records and internal controls provisions. As part of that settlement, Snamprogetti and ENI agreed jointly to pay \$125 million in disgorgement of profits relating to those violations. Both the DOJ and the SEC resolutions were discussed in both in yesterday's FCPA Blog and today's posting by the FCPA Professor.

Snamprogetti and ENI both also agreed to enter into Deferred Prosecution Agreements (DPA) and the filing of Criminal Information against each. Under the terms of each DPA, the DOJ agreed to defer prosecution of Technip for two years. It is noteworthy that neither Snamprogetti nor ENI was required to agree to retain an independent compliance monitor. If both Snamprogetti and ENI abide by the terms of the DPAs, the DOJ will dismiss the criminal charges when the term of the agreements expires. The Snamprogetti and ENI resolution leads to an update to the monetary count for the resolution of the Nigerian Bribery Scandal of the following:

**SETTLEMENT BOX SCORE**

<i>Entity</i>	<i>Fine, Penalty and Disgorgement of Profits</i>
Halliburton +KBR	<b>\$579 Million</b>
Snamprogetti & ENI	<b>\$365 Million</b>
Technip	<b>\$338 Million</b>
JGC	None yet reported
<b>Total</b>	<b>\$1.28 Billion</b>

So for those of you keeping score at home, there have fines, penalties and profit disgorgement of over **\$1.28 billion**. All of this for bribes paid on by or on behalf of the four-company joint venture named **TSJK**, which totaled up to \$180MM. This joint venture won four contracts from the Nigeria government between 1995 and 2004 to build LNG facilities on Bonny Island. The contracts were worth more than \$6 billion.

This total settlement figure does not include any potential costs going forward such as reduction of credit ratings, the payment of legal fees and any forensic accounting fees during the pendency of the DPAs. The costs listed above do not include the total cost paid by Snamprogetti and ENI for their internal company investigation into this matter. However based upon the reported fees to date paid by Snamprogetti and ENI, these investigation fees will surely be in the tens of millions of \$.

As pointed out by the FCPA Professor in his blog today, the **\$1.28 BN** figure amount is quite a pretty penny for the US Treasury. He poses the question as to whether FCPA enforcement has become a “cash cow” for the US Treasury. The FCPA Professor has explored this question more extensively in a prior blog posting. (See here) Additionally for those of you keeping score at home, could this case break the all time fine set by Siemens? All we know for certain at this time is *and then there was one*--JGC.

For a copy of the DOJ Press Release, [click here](#).

For a copy of the SEC Press Release, [click here](#).

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