



Anti-Corruption, Ethics and Compliance Services

Anti-Corruption Enforcement Gets Serious

In 2017 and 2018, U.S. enforcement authorities collected nearly \$9 billion from individuals and companies for violations of the Foreign Corrupt Practices Act (FCPA). In the U.K., enforcement authorities have added an additional \$20 million to the Serious Fraud Office's budget and pledged increased enforcement. In addition to fines and disgorgement of profits, companies face steep costs in reputation, litigation and loss of government contracts in the U.S., Canada and the European Union. Individual corporate leaders snared in these enforcement actions can even face jail time.

Failure to comply with anti-corruption laws can result in criminal penalties — including jail time, monetary fines, litigation expenses, debarment from government contracts, loss of licenses, and damage to reputations — not to mention record-setting monetary damages.

The FCPA is not the only statute companies need to worry about. The U.K. Bribery Act (UKBA) and Canada's Corruption of Foreign Public Officials Act (CFPOA), among others, establish their own requirements and penalties, which can be even stiffer than those in the U.S. When those countries see the Department of Justice (DOJ) and Securities Exchange Commission (SEC) investigating a company, they may piggyback their own enforcement on the DOJ/SEC actions.

FCPA in the News

Uber

Because of concerns over Uber's rapid growth in more than 70 countries, and because it failed to disclose suspicious behavior by a former employee in an Asian country, the DOJ announced an investigation of the ride-sharing company. The investigation is ongoing and likely will lead to other ride-sharing companies falling under investigation — commonly referred to as an "industry sweep" by enforcement authorities.

Petrobras

Petróleo Brasileiro (known as Petrobras) agreed in 2018 to pay \$2.95 billion to settle a shareholder lawsuit that arose from a bribery investigation — reportedly the largest ever paid by a foreign entity. A separate SEC penalty of \$933 million will be credited toward the settlement. Both the SEC investigation and shareholder lawsuits resulted from kick-back and bribery schemes occurring between 2004 and 2012 that ensnared not only company executives but also two Brazilian presidents.

MTS/Karimova

Russia's largest telecom company agreed in 2019 to pay \$850 million to resolve FCPA violations. In a separate but related action, the DOJ indicted the daughter of the former Uzbek president and an executive with the telecom for their roles in the bribery scheme. The first faces a money laundering charge, while the former executive has been charged with FCPA violations in addition to money laundering. Although MTS does not operate in the U.S., the DOJ claims jurisdiction because the entities used the U.S. financial system.

View a list of SEC Enforcement Act FCPA cases [here](#).



Build Your Defenses Against Corruption and Ethics Violations

Every company — and particularly those that conduct international business — should have a strong compliance program that sets consistent expectations for ethical behavior. A culture that winks at bribery as a cost of doing business may overlook other shady practices as well, and that's not a culture that nurtures long-term success.

Do you have a well-designed, consistently implemented compliance program? If not, Weaver can help. Our forensics and compliance team advises companies how to develop, implement and monitor compliance programs and other proactive, preventive measures. We also help clients respond to regulatory inquiries or whistleblower complaints.

Proactive Services

- ▶ Compliance program development, including policies and procedures
- ▶ Training, outreach and advisory content
- ▶ Program review and monitoring
- ▶ Anti-corruption due diligence (third parties, mergers and acquisitions)
- ▶ Anti-corruption transaction monitoring
- ▶ Forensic due diligence
- ▶ Risk assessments and gap analyses
- ▶ Enterprise risk management
- ▶ Compliance day/week development

Reactive Services

- ▶ Internal and external investigations
- ▶ Litigation assistance, including expert witness testimony
- ▶ Whistleblower claims assistance
- ▶ Audits
- ▶ Forensic accounting
- ▶ Digital forensics and forensic data analytics

Having a well-designed, comprehensive anti-corruption, ethics and compliance program is essential protection. Contact Weaver today for more information about how we can help you create, improve or monitor your program.

To learn how Weaver can help you, contact 800.332.7952 or visit us online at www.weaver.com/services/anticorruption-compliance-and-ethics-ace-services