

SEC v. Technip (S.D. Tex. 2010)

Nature of the Business.

Engineering, procurement, and construction (“EPC”) contracts for natural gas liquefaction facilities at Bonny Island in Nigeria (“Bonny Island Project”) as part of a four-company joint venture. Technip is a French corporation, headquartered in Paris.

Influence to be Obtained.

Technip participated in a joint venture to obtain and perform EPC contracts to build and expand the Bonny Island Project for Nigeria LNG Limited, which is owned in part by the Nigerian National Petroleum Corporation. The joint venture was awarded four EPC contracts for the Bonny Island Project between 1995 and 2004. From August 1994 until June 2004, Technip and its partners in the joint venture allegedly authorized, promised, and paid bribes to Nigerian government officials, including officials in the executive branch, employees of the government-owned Nigerian National Petroleum Corporation, and employees of government-controlled Nigeria LNG Limited, to win and retain the EPC contracts to build the Bonny Island Project. To conceal the bribes, the joint venture allegedly entered into sham consulting or services agreements with intermediaries and held cultural meetings” where the joint venture partners met with their agents to plan how to pay the bribes. The joint venture allegedly used U.K. and Japanese agents to transfer approximately \$183.5 million to Nigerian officials during the relevant time period.

Enforcement.

On June 28, 2010, Technip entered into an agreement to settle civil claims brought by the SEC in a complaint filed the same day by agreeing to pay \$98 million in disgorgement of the profits obtained as a result of the illicit payments. In its complaint, the SEC alleged that Technip violated the FCPA’s anti-bribery and books and records provisions. Technip also settled a related criminal case with the DOJ by agreeing to pay a \$240 million fine.

Key Facts

Citation. *SEC v. Technip*, No. 10-cv-2289 (S.D. Tex. 2010).

Date Filed. June 28, 2010.

Country. Nigeria.

Date of Conduct. 1995 – 2004.

Amount of the value. Approximately \$183.5 million.

Amount of business related to the payment. Over \$6 billion.

Intermediary. Agents.

Foreign official. Officials in the executive branch of the Nigerian government, employees of Nigerian National Petroleum Corporation, and employees of Nigeria LNG Limited, controlled by the Nigerian government.

FCPA Statutory Provision. Anti-Bribery; Books-and-Records; Internal Controls.

Other Statutory Provision. None.

Disposition. Consent Order.

Defendant Jurisdictional Basis. Issuer.

Defendant’s Citizenship. France.

Total Sanction. \$98,000,000.

Compliance Monitor/Reporting Requirements. None.

Related Enforcement Actions. *United States v. Technip S.A.*, No. 10-cr-439 (S.D. Tex. June 28, 2010) (deferred prosecution agreement).

Total Combined Sanction. \$338,000,000.