

United States v. Albert Jackson Stanley (S.D. Tex. 2008)

Nature of the Business.

Engineering, procurement, and construction (“EPC”) contracts to build liquefied natural gas (“LNG”) facilities on Bonny Island, Nigeria. Albert “Jack” Stanley (“Stanley”) is a U.S. citizen and a former officer and director of Kellogg, Brown & Root, Inc. (“KBR”), a global engineering and construction company based in Houston, Texas, that was during part of the relevant period a subsidiary of Halliburton.

Influence to be Obtained.

KBR participated in a joint venture seeking EPC contracts to build LNG facilities on Bonny Island, Nigeria. Four EPC contracts were awarded to the joint venture by Nigeria LNG Ltd., the largest shareholder of the Nigerian government-owned Nigerian National Petroleum Corporation. Stanley was responsible for hiring two agents to pay bribes to Nigerian government officials. From 1995 to 2004, the joint venture paid the two agents a total of \$182 million, to be used in part to bribe government officials. Stanley also received \$10.8 million dollars in kickbacks from a consultant whom his former employer had hired at his direction.

Enforcement.

On September 3, 2008, Stanley pleaded guilty to one count of conspiring to violate the FCPA as well as one count of conspiring to commit mail and wire fraud. On February 23, 2012, Stanley was sentenced to 30 months in prison followed by three years of supervised release. The sentencing also included a payment of \$10.8 million in restitution set by the terms of Stanley’s plea agreement.

On February 11, 2009, KBR and Halliburton settled related actions with the DOJ and SEC. Two alleged co-conspirators, Wojciech Chodan and Jeffrey Tesler, were indicted on February 17, 2009. Chodan subsequently pleaded guilty to conspiracy on December 6, 2010. Tesler, having been extradited to the United States by the United Kingdom, pleaded guilty to conspiracy as well as one count of violating the anti-bribery provisions of the FCPA on March 11, 2011. Both individuals were sentenced in 2012.

Key Facts

Citation. *United States v. Stanley*, No. 08-cr-00597 (S.D. Tex. 2008).

Date Filed. August 29, 2008.

Country. Nigeria.

Date of Conduct. 2003 – 2007.

Amount of the Value. \$182 million.

Amount of Business Related to the Payment. \$6 billion.

Intermediary. Two Agents.

Foreign Official. Officials of the Nigerian Government.

FCPA Statutory Provision. Conspiracy (Anti-Bribery).

Other Statutory Provision. Conspiracy (Wire Fraud & Mail Fraud).

Disposition. Plea Agreement.

Defendant Jurisdictional Basis. Conspiracy; Domestic Concern; Agent of Domestic Concern.

Defendant’s Citizenship. United States.

Total Sanction. 30-Months Imprisonment; \$10,800,000 Restitution.

Related Enforcement Actions. *United States v. Kellogg Brown & Root LLC*; *United States v. ENI, S.p.A.*; *United States v. Technip S.A.*; *United States v. JCG Corp*; *United States v. Stanley, et al.*