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Former Officer and Director of Global Engineering and Construction Company Pleads Guilty to Foreign Bribery and Kickback Charges

Defendant Participated in a Scheme to Bribe Nigerian Government Officials to Obtain Contracts

WASHINGTON – Albert "Jack" Stanley, a former officer and director of a global engineering, construction and services company based in Houston, pleaded guilty today to conspiring to violate the Foreign Corrupt Practices Act (FCPA) by participating in a decade-long scheme to bribe Nigerian government officials to obtain engineering, procurement and construction (EPC) contracts and to conspiring to commit mail and wire fraud as part of a separate kickback scheme, Acting Assistant Attorney General Matthew Friedrich of the Criminal Division announced. The EPC contracts to build liquefied natural gas (LNG) facilities on Bonny Island, Nigeria, were valued at more than \$6 billion.

Stanley, 65, a U.S. citizen and resident of Houston, entered the plea in U.S. District Court in Houston before U.S. District Judge Keith P. Ellison. Stanley pleaded guilty to a two-count criminal information charging him with conspiracy to violate the FCPA and conspiracy to commit mail and wire fraud. As part of his plea agreement, Stanley agreed to cooperate with law enforcement authorities in the ongoing investigations.

Stanley's former employer was part of a four-company joint venture that was awarded four EPC contracts by Nigeria LNG Ltd. (NLNG) between 1995 and 2004 to build LNG facilities on Bonny Island. The government-owned Nigerian National Petroleum Corporation was the largest shareholder of NLNG, owning 49 percent of the company.

Stanley was the senior representative for his former employer on the joint venture's steering committee, which made major decisions on behalf of the joint venture, including decisions relating to the hiring of agents to assist the joint venture in obtaining business. Stanley admitted that he authorized the joint venture to hire two agents, Consulting Company A and Consulting Company B, to pay bribes to a range of Nigerian government officials to assist the joint venture in obtaining the EPC contracts. Stanley also admitted that, at crucial junctures before the award of the EPC contracts, he and others met with three successive former holders of a top-level office in the executive branch of the Nigerian government to ask the office holder to designate a representative with whom the joint venture should negotiate bribes to Nigerian government officials. According to the criminal information to which Stanley pleaded guilty, the joint venture paid approximately \$132 million to Consulting Company A and more than \$50 million to Consulting Company B during the course of the bribery scheme. Stanley admitted that he had intended for the agents' fees to be used, in part, for bribes to Nigerian government officials.

In addition, Stanley pleaded guilty to a conspiracy count relating to a mail and wire fraud scheme to defraud his former employer and others. Stanley admitted to receiving approximately \$10.8 million in kickbacks from a consultant whom he caused his former employer and its predecessor company to hire in connection with LNG projects around the world.

"The Department of Justice is committed to aggressively enforcing the Foreign Corrupt Practices Act," said Acting Assistant Attorney General Matthew Friedrich. "Today's plea demonstrates that corporate executives who bribe foreign government officials in return for lucrative business deals can expect to face prosecution."

In a related civil action, the Securities and Exchange Commission (SEC) today charged Stanley with violating the anti-bribery provisions of the FCPA and related provisions of the federal securities laws.

"As this case demonstrates, the Securities and Exchange Commission is committed to holding violators accountable when they engage in illegal conduct to obtain business in foreign countries," said Linda Chatman Thomsen, Director of the SEC's Division of Enforcement.

On the two conspiracy counts, Stanley faces a maximum penalty of 10 years in prison and a \$500,000 fine. Under his plea agreement, which the court accepted at today's guilty plea hearing, Stanley faces a sentence of

seven years in prison and the payment of \$10.8 million in restitution. A sentencing date has not been set.

The case is being prosecuted by Trial Attorneys William J. Stuckwisch and Patrick F. Stokes of the Criminal Division's Fraud Section, with investigative assistance from the FBI and the Internal Revenue Service, Criminal Investigative Division. The Criminal Division's Office of International Affairs provided substantial assistance in gathering evidence abroad and facilitating international cooperation. Significant assistance was provided by the SEC's Division of Enforcement and by the authorities in France, Italy, Switzerland and the United Kingdom.

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