

Rolls-Royce to Pay \$817 Million to Resolve Bribery Investigation

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Rolls-Royce, the United Kingdom-based manufacturer and distributor of power systems for the aerospace, defense, marine and energy sectors, agreed to [pay](#) the United States nearly \$170 million as part of an \$800 million [global resolution](#) of investigations by the United Kingdom Serious Fraud Office (SFO), United States Department of Justice (DOJ) and Brazilian Federal Prosecution Service (MPF) into a long-running scheme to bribe government officials in exchange for government contracts. Rolls-Royce apologized after it was found paying [bribes](#), including a luxury car and millions of pounds worth of cash, to middlemen in order to secure orders in countries including Indonesia, Russia, and China.

According to recently [unsealed court papers](#), Rolls-Royce admitted that between 2000 and 2013, the company conspired to violate the Foreign Corrupt Practices Act (FCPA) by paying more than \$35 million in bribes through third parties to foreign officials in various countries. In exchange for the money, the officials assisted in providing confidential information and awarding contracts to Rolls-Royce. Rolls-Royce entered into a [deferred prosecution agreement](#) and agreed to pay a penalty in connection with the criminal charges. The company has also agreed to continue to cooperate fully with the department's ongoing investigation, including its investigation of certain individuals.

In related proceedings, Rolls-Royce also [settled](#) with the SFO and MPF. As part of its resolution with the SFO, Rolls-Royce admitted to paying additional bribes or failing to prevent bribery payments in connection with Rolls-Royce's business operations in China, India, Indonesia, Malaysia, Nigeria, Russia, and Thailand between in or around 1989 and 2013. As part of the settlement, Rolls-Royce agreed to pay a fine of about \$606 million.

A [number of factors](#) contributed to Rolls-Royce's decision to settle with various authorities, including the fact that Rolls-Royce did not disclose their criminal conduct to any authorities until after the media began reporting allegations of corruption. However, the company did cooperate once the SFO launched an investigation. Rolls-Royce has also taken significant remedial measures, including terminating business relationships with multiple employees and third-party intermediaries who were implicated in the corrupt scheme, enhancing compliance procedures to review and approve intermediaries, and implementing new and enhanced internal controls to address and mitigate corruption and compliance risks.