



United States Department of Justice  
Criminal Division

Fraud Section

Washington, D.C. 20005

August 20, 2018

Matthew Reinhard, Esq.  
Miller & Chevalier Chartered  
900 16<sup>th</sup> Street, NW  
Washington, DC 20006

**Re: Guralp Systems Limited**

Dear Mr. Reinhard:

I write regarding the investigation by the U.S. Department of Justice, Criminal Division, Fraud Section and the U.S. Attorney's Office for the Central District of California (collectively, the "Department") into your client, Guralp Systems Limited ("GSL" or the "company"), concerning possible violations of the Foreign Corrupt Practices Act ("FCPA"), 15 U.S.C. § 78dd-1, *et seq.*, and U.S. money laundering statutes resulting from GSL's payments to Heon-Cheol Chi ("Chi"), the director of the Earthquake Research Center at the Korea Institute of Geoscience and Mineral Resources. Based upon the information known at this time and consistent with the FCPA Corporate Enforcement Policy, the Department has closed its inquiry into GSL, notwithstanding evidence of violations of the FCPA arising from GSL's payments to Chi.

The Department has reached this conclusion for a number of reasons, including GSL's voluntary disclosure of the misconduct to the Department, significant remedial efforts undertaken by GSL, GSL's substantial cooperation with the Department's investigation, and the fact that GSL, a U.K. company with its principal place of business in the U.K., is the subject of an ongoing parallel investigation by the U.K.'s Serious Fraud Office for violations of law relating to the same conduct and has committed to accepting responsibility for that conduct with the SFO. GSL's cooperation with the Department included the voluntary production of relevant documents and information relevant to the Department's investigation. GSL's voluntary disclosure of the misconduct and its cooperation assisted the Department with the prosecution of Chi for violating the U.S. money laundering statute.

If the Department learns of additional information, or if the circumstances noted above change, it may reopen its inquiry.

Sincerely,

Daniel S. Kahn  
Deputy Chief

cc: David M. Fuhr  
Anna G. Kaminska  
Poonam Kumar