

JMK/DK:DCP:JPM/GM/DK
F. #2018R01039

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- against -

SGA SOCIÉTÉ GÉNÉRALE
ACCEPTANCE, N.V.,

Defendant.

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INFORMATION

Cr. No. 18 CR 274
(T. 18, U.S.C., §§ 371 and 3551 et seq.)

THE UNITED STATES CHARGES:

At all times relevant to this Information, unless otherwise stated:

INTRODUCTION

I. The Defendant and Relevant FCPA Definitions and Entities

1. The Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Sections 78dd-1 et seq., was enacted by Congress for the purpose of, among other things, making it unlawful to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value, directly or indirectly, to a foreign official for the purpose of assisting in obtaining or retaining business for, or directing business to, any person.

2. Société Générale S.A. (“Société Générale”) was a financial institution and global financial services company headquartered in Paris, France, which maintained a subsidiary financial services company and a branch located in New York, New York. Société Générale

was a “person” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-3(a) and (f)(1).

3. The defendant SGA SOCIÉTÉ GÉNÉRALE ACCEPTANCE, N.V. (“SGA” or “the Company”), a company organized under the laws of Curaçao, was a Société Générale subsidiary that issued structured notes, including those purchased by Libyan state institutions. SGA partnered with Société Générale in the issuance of structured notes to Libyan state agencies and instrumentalities. Structured notes were complicated securities that typically combine a debt obligation and a derivative component. SGA was a “person” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-3(a) and (f)(1).

4. The “Libyan Intermediary,” an individual whose identity is known to the United States and the Company, was a dual Libyan and Italian national who resided in Dubai and London during the relevant period. The Libyan Intermediary traveled to the United States and was a “person” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-3(a) and (f)(1).

5. The “Panamanian Company,” an entity whose identity is known to the United States and the Company, was a company incorporated under the laws of Panama and controlled by the Libyan Intermediary.

6. The “Investment Management Firm,” an entity whose identity is known to the United States and the Company, was a U.S.-headquartered investment management firm that provided investment advisory and financial services to Libyan government investors. The Investment Management Firm was a “domestic concern” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

7. The Central Bank of Libya (“CBL”) was a Libyan state-owned financial and regulatory institution responsible for, among other things, managing the country’s official monetary and foreign reserves and regulating its financial system. The CBL performed a government function on behalf of Libya and was a client of Société Générale. The CBL was an “agency” and “instrumentality” of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-1(f)(1)(A), 78dd-2(h)(2)(A), and 78dd-3(f)(2)(A).

8. The Libyan Arab Foreign Bank (“LAFB”) was a Libyan bank that was owned and controlled by the CBL. The LAFB performed a government function on behalf of Libya and was a client of Société Générale. The LAFB was an “agency” and “instrumentality” of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-1(f)(1)(A), 78dd-2(h)(2)(A), and 78dd-3(f)(2)(A).

9. The Economic and Social Development Fund (“ESDF”) was a Libyan state-owned financial institution that managed assets in Libya for the purpose of investing in major economic projects that supported the overall development of Libya and the distribution of its wealth. The ESDF performed a state government function on behalf of Libya and was a client of Société Générale. The ESDF was an “agency” and “instrumentality” of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-1(f)(1)(A), 78dd-2(h)(2)(A), and 78dd-3(f)(2)(A).

10. The Libyan Investment Authority (the “LIA” and, together with the LAFB, ESDF, and CBL, the “Libyan State Agencies”) was a Libyan government entity formed in 2006 to serve as a Libyan sovereign wealth fund, with a focus on investing and managing oil revenues on behalf of the Libyan government. The LIA was overseen by senior Libyan government officials, was controlled by the Libyan government, and performed a government

function on behalf of Libya. The LIA was a client of Société Générale. The LIA was an “agency” and “instrumentality” of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-1(f)(1)(A), 78dd-2(h)(2)(A), and 78dd-3(f)(2)(A).

II. The Bribery Scheme

11. Between in or about 2005 and in or about 2011, following the lifting of broad economic sanctions, the Libyan State Agencies sought to place substantial funds with financial institutions for investment purposes. These placements were heavily sought after by a number of financial institutions, including Société Générale, as well as at least eight U.S.-based financial institutions. By at least 2006, several Société Générale employees, together with their co-conspirators, knew that the Libyan Intermediary was paying bribes and providing other improper financial benefits to Libyan government officials in order to secure financial investments for Société Générale, SGA, and others and agreed to continue to use the Libyan Intermediary despite that knowledge. In providing bribes and other improper benefits on Société Générale’s and SGA’s behalf, and taking other acts in furtherance thereof, the Libyan Intermediary acted as an “agent” of Société Générale and SGA as that term is understood under U.S. law. The Société Générale employees also concealed the bribes through payments to the Libyan Intermediary for purported “introduction” services.

12. During this time period, Société Générale, usually through the defendant SGA and in partnership with the Investment Management Firm, sold the Libyan State Agencies 13 structured notes (and one restructuring) worth a total of approximately \$3.66 billion. SGA issued nine of the structured notes that Société Générale sold to the Libyan State Agencies. SGA relied upon Société Générale and its employees and agents to market the notes that SGA issued and that ultimately Société Générale sold to the Libyan State Agencies. Société

Générale earned profits of approximately \$523 million in connection with these deals. For each transaction, Société Générale paid the Libyan Intermediary's Panamanian Company a commission of between one and a half and three percent of the nominal amount of the investments made by the Libyan State Agencies. In total, Société Générale paid the Libyan Intermediary approximately \$90.74 million from approximately 2005 to 2009 for supposed "introductory" services.

CONSPIRACY TO BRIBE FOREIGN OFFICIALS

13. The allegations contained in paragraphs one through 12 are realleged and incorporated as though fully set forth in this paragraph.

14. In or about and between 2006 and 2011, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant SGA SOCIÉTÉ GÉNÉRALE ACCEPTANCE, N.V., together with others, did knowingly and willfully conspire to commit offenses against the United States, to wit:

(a) together with one or more domestic concerns and one or more agents of a domestic concern, to willfully and corruptly make use of the mails and means and instrumentalities of interstate commerce in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value to a foreign official and foreign political party official and to a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised to a foreign official and a foreign political party official, for purposes of: (i) influencing acts and decisions of such foreign official and foreign political party official in his or her official capacity; (ii) inducing such foreign official and foreign political party official to do and omit to do acts in violation of the lawful duty of such official; (iii)

securing an improper advantage; and (iv) inducing such foreign official and foreign political party official to use his or her influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist the defendant SGA in obtaining and retaining business for and with, and directing business to SGA, Société Générale, the Investment Management Firm, and others, contrary to Title 15, United States Code, Section 78dd-2; and

(b) as a person other than an issuer or domestic concern, through and together with its officers, directors, employees, or agents, while in the territory of the United States, to willfully and corruptly make use of the mails and means and instrumentalities of interstate commerce and to do any act in furtherance of an offer, payment, promise to pay, and authorization of the giving of anything of value to a foreign official and to a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised to a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing any improper advantage; and (iv) inducing such foreign official to use his influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist the defendant SGA, Société Générale, the Investment Management Firm, and others, in obtaining and retaining business for and with, and directing business to SGA, Société Générale, the Investment Management Firm, and others, contrary to Title 15, United States Code, Section 78dd-3.

15. In furtherance of the conspiracy and to effect its objects, the defendant SGA and at least one of the defendant's co-conspirators committed and caused to be committed, within the Eastern District of New York and elsewhere, at least one of the following:

OVERT ACTS

(a) On or about April 28, 2008, Société Générale sent a wire transfer of approximately \$19.8 million through its New York branch to the Panamanian Company's account at Société Générale in Zurich, Switzerland.

(b) On or about May 9, 2008, the Libyan Intermediary sent a wire transfer of approximately \$7.5 million from the \$19.8 million received from Société Générale to a relative of a Libyan official.

(c) On or about May 9, 2008, a Société Générale employee and the Libyan Intermediary traveled to New York City through John F. Kennedy International Airport to meet with a Libyan official. While in New York, the Société Générale employee discussed several potential transactions with the Libyan official. The Société Générale employee also provided the Libyan official and the Libyan Intermediary with multiple days of entertainment in New York.

(Title 18, United States Code, Sections 371 and 3551 et seq.)


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