



Department of Justice

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EVA AIRWAYS CORPORATION AGREES TO PLEAD GUILTY AND TO PAY \$13.2 MILLION FINE FOR PRICE FIXING ON AIR CARGO SHIPMENTS

WASHINGTON — EVA Airways Corporation has agreed to plead guilty and to pay a \$13.2 million criminal fine for its role in a conspiracy to fix prices in the air cargo industry, the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court for the District of Columbia, Taiwan-based EVA participated in a conspiracy to fix particular cargo base rates or fees charged to customers for certain international air shipments, including to and from the United States from at least as early as January 2003 until at least Feb. 14, 2006. Under the plea agreement, which is subject to court approval, EVA has agreed to cooperate with the department's antitrust investigation.

As a result of the department's investigation into price fixing in the air transportation industry, including EVA, a total of 22 airlines and 21 executives have been charged. To date, more than \$1.8 billion in criminal fines have been imposed and four executives have been sentenced to serve prison time. Charges are pending against the remaining executives.

EVA transports a variety of cargo shipments, including sensitive equipment used to manufacture liquid crystal display (LCD) panels, perishable commodities such as cherries and pet food, and consumer goods, on scheduled flights within Taiwan and internationally, including to and from the United States.

According to the charges, EVA and co-conspirators carried out the conspiracy by agreeing during meetings, conversations and other communications on particular cargo base rates or fees to be charged for certain international air shipments. As part of the conspiracy, the department said that EVA and co-conspirators levied cargo rates in accordance with the agreements reached, and monitored and enforced adherence to the agreed-upon cargo rates.

EVA is charged with price fixing in violation of the Sherman Act, which carries a maximum fine for corporations of \$100 million. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's charge is the result of a joint investigation into the air transportation industry being conducted by the Antitrust Division's National Criminal Enforcement Section, the FBI's

Washington Field Office, the Department of Transportation's Office of Inspector General and the U.S. Postal Service's Office of Inspector General. Anyone with information concerning price fixing or other anticompetitive conduct in the air transportation industry is urged to call the Antitrust Division's National Criminal Enforcement Section at 202-307-6694, visit www.justice.gov/atr/contact/newcase.htm or call the FBI's Washington Field Office at 202-278-2000.

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