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U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

_____	)	
UNITED STATES OF AMERICA	)	CRIMINAL NO.
	)	
v.	)	15 U.S.C. §§ 78dd-1(a) & (g)
	)	(Foreign Corrupt Practices Act)
MONSANTO COMPANY,	)	
	)	15 U.S.C. § 78m(b)
<i>defendant.</i>	)	(False Books & Records)
	)	
_____	)	

INFORMATION

The Assistant Attorney General for the Criminal Division charges that:

GENERAL ALLEGATIONS

1. At all times material to this Information, the Foreign Corrupt Practices Act of 1977 (FCPA), as amended, 15 U.S.C. §§78dd-1, *et seq.*, was enacted by Congress for the purpose of, among other things, making it unlawful for United States persons, businesses and residents to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value to a foreign government official for the purpose of obtaining or retaining business for, or directing business to, any person.
2. At all times material to this Information:
  - a. Defendant MONSANTO COMPANY was a business incorporated under the laws of the State of Delaware, and having its principal place of business in St. Louis, Missouri and offices elsewhere, including in the District of Columbia. At all relevant times, MONSANTO COMPANY had a class of securities registered pursuant to section 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78o) and was

required to file reports with the U.S. Securities & Exchange Commission under section 12 of the Securities Exchange Act (15 U.S.C. § 78l). As such, MONSANTO COMPANY was an “issuer” within the meaning of the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-1.

- b. Employee A was an American citizen and employee of MONSANTO COMPANY. As such, Employee A was an employee of an “issuer” within the meaning of the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-1.
  - c. Consultant Company is a corporation incorporated under the laws of Indonesia, which was hired by defendant MONSANTO COMPANY and its Indonesia subsidiary, P.T. Monagro Kimia, to assist it in obtaining various governmental approvals and licenses. As such, Consultant Company was an agent of an “issuer” within the meaning of the Foreign Corrupt Practices Act, 15 U.S.C. §§ 78dd-1.
  - d. Official A was a high-ranking official of the Republic of Indonesia who was in a position to authorize various decrees and regulations that would have enabled defendant MONSANTO COMPANY to sell certain products in Indonesia. MONSANTO COMPANY viewed Official A’s support as “essential for for [sic] us to further develop our . . . business” in Indonesia and as “a very important person for our commercial approvals . . . there.” As such, Official A was a “foreign official” within the meaning of the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-1(f)(1)(A).
3. Defendant MONSANTO COMPANY is a global provider of technology-based solutions and agricultural products that it markets as improving farm productivity and food quality. Such

products include various genetically-modified crops, including cotton, which it markets as being superior to naturally-occurring crops in their ability to resist various diseases and produce higher yields. However, various groups oppose the expanded use of such crops and lobby governments and government officials around the world to deny permits, enact restrictive or prohibitive laws and regulations, and generally obstruct the sales, planting, harvesting, and marketing of such crops.

4. In Indonesia, prior to 2001, the government announced a rule requiring an environmental impact study, known as AMDAL, be performed for a variety of activities including the cultivation of genetically-modified crops. After a change of governments and the appointment of new officials, the defendant MONSANTO COMPANY and Consultant Company sought to have the new government, in which Official A had a post, amend or repeal the requirement for the environmental impact statement.
5. Despite months of such efforts by the defendant MONSANTO COMPANY, through Employee A and Consultant Company, the defendant MONSANTO COMPANY had failed to obtain Official A's agreement to amend or repeal the AMDAL requirement. At several meetings with Consultant Company, both in the United States and Indonesia, Official A explained that it was very difficult politically for him to sign a decree repealing the AMDAL requirement. Finally, at a meeting between Employee A and representatives of Consultant Company, Employee A directed Consultant Company to "incentivize" Official A by paying him \$50,000 in cash. Employee A stated that defendant MONSANTO COMPANY would reimburse Consultant Company through paying invoices that falsely sought "consultant fees" relating to trips by Indonesian officials to the United States in December 2001 and January

2002. Employee A also agreed that defendant MONSANTO COMPANY would cover any income or value-added taxes Consultant Company would owe on the income from the "consultant fees." During the planning of the payment to Official A, Employee A instructed Consultant Company not to discuss the payment with any other employee of MONSANTO COMPANY.

6. On December 20, 2001, Employee A directed Consultant Company to send defendant MONSANTO COMPANY an invoice seeking a "flat fee" of \$66,000 for "consultant services." The next day Consultant Company did so, but Employee A sent an electronic mail message stating that he needed the fee justified by hours spent by Consultant Company's employees. On December 31, 2001, Consultant Company sent two invoices, on the letterhead of an affiliated company, seeking reimbursement of \$22,000 and \$44,000 for two trips by Indonesian officials and stating that specific employees had spent a certain number of hours at a certain billing rate on these trips, even though one of these trips would not occur for several more weeks.
7. On February 1, 2002, Employee A authorized the payment of Consultant Company's invoices. Upon questioning by other employees of the defendant MONSANTO COMPANY, he justified the invoices by stating that Consultant Company had provided additional consulting services related to the Indonesian official's trips that were "outside the retainer." In addition, he obtained from Consultant Company a third set of invoices, again for \$22,000 and \$44,000, attached to which were detailed breakdowns of the work purportedly performed by Consultant Company's employees. Based upon these invoices, other employees of the defendant MONSANTO COMPANY approved the payment of the invoices.

8. On February 5, 2002, an employee of Consultant Company withdrew \$50,000 from its affiliate's bank account. The following day, the employee of Consultant Company delivered the \$50,000 to Official A, explaining that defendant MONSANTO COMPANY wanted to do something for him in exchange for repealing the AMDAL requirement. Official A promised that he would do so at an appropriate time.
9. In or about March 2002, defendant MONSANTO COMPANY, through its Indonesian subsidiary, paid the invoices, thus reimbursing Consultant Company for the \$50,000 bribe, as well as the tax it owed on that income.
10. Official A never authorized repealing the AMDAL requirement, and MONSANTO COMPANY did not receive any benefit related to the payment authorized by Employee A.

COUNT ONE

FOREIGN CORRUPT PRACTICES ACT  
(15 U.S.C. §78dd-1(a) & (g))

11. The allegations contained in paragraphs 1 through 10 are realleged and incorporated as if fully set forth herein.
12. On or about March 10, 2002, in Indonesia, defendant MONSANTO COMPANY, an "issuer" within the meaning of the Foreign Corrupt Practices Act, did take an act outside the United States, a wire transfer of funds, corruptly in furtherance of an offer, payment, promise to pay and authorization of the payment of money to an official of the Government of the Republic of Indonesia, and to other persons, while knowing that all or a portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to such foreign official, for the purpose of influencing acts and decisions of such foreign official in his official

capacity, inducing such foreign official to do and omit to do act in violation of his lawful duty, and to obtain an improper advantage, in order to assist MONSANTO COMPANY in obtaining and retaining business for, and directing business to, MONSANTO COMPANY, P.T. Monagro Kimia, and other subsidiaries and affiliates of Monsanto.

All in violation of Title 15, United States Code, Sections 78dd-1(a) & (g), and Title 18, United States Code, Section 2.

COUNT 2

FALSE BOOKS AND RECORDS  
(15 U.S.C. § 78m(b)(5))

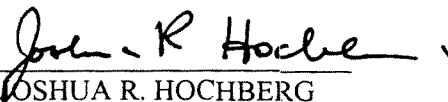
13. The allegations contained in paragraphs 1 through 10 are realleged and incorporated by reference as if fully set forth herein.
14. From in or about December 20, 2001 to in or about March 2002, in connection with the payment to Official A described in paragraphs 1 through 10 above, in the District of Columbia and elsewhere, the defendant MONSANTO COMPANY, unlawfully, willfully, and knowingly, directly and indirectly, falsified and caused to be falsified books, records, and accounts which, in reasonable detail, accurately and fairly reflected the transactions and dispositions of the assets of MONSANTO COMPANY, an issuer with classes of securities outstanding pursuant to Section 12 of the Securities Exchange Act, to wit, invoices

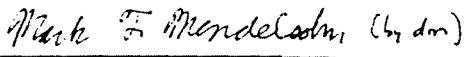
authorized by Employee A falsely classified a bribe to an Indonesian official as "consultant fees."

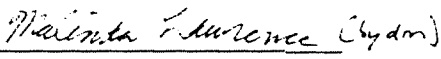
In violation of Title 15, United States Code, Sections 78m(b)(2)(A), 78m(b)(5) and 78ff; Title 17, Code of Federal Regulations, Section 240.13b2-1; and Title 18, United States Code, Section 2.

Date: Washington, D.C  
January 6, 2005

CHRISTOPHER A. WRAY  
ASSISTANT ATTORNEY GENERAL

  
\_\_\_\_\_  
JOSHUA R. HOCHBERG  
Chief, Fraud Section  
Criminal Division  
United States Department of Justice

  
\_\_\_\_\_  
MARK F. MENDELSON  
Acting Deputy Chief

  
\_\_\_\_\_  
MALINDA LAWRENCE  
Trial Attorney  
Fraud Section, Criminal Division  
United States Department of Justice  
1400 New York Avenue  
Washington, D.C. 20005  
(202) 514-7023