

United States District Court
Southern District of Texas
FILED

NOV 4 2010

David J. Bradley, Clerk of Court

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

10 - 769

UNITED STATES OF AMERICA

§
§
§
§
§
§
§
§
§
§

CRIMINAL NO.:

v.

Violations

**PANALPINA WORLD
TRANSPORT (HOLDING) LTD.,**

**18 U.S.C. § 371;
15 U.S.C. § 78dd-3; and
18 U.S.C. § 2**

Defendant.

INFORMATION

The United States charges:

GENERAL ALLEGATIONS

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

The Foreign Corrupt Practices Act

1. The Foreign Corrupt Practices Act of 1977, as amended, Title 15, United States Code, Sections 78dd-1, *et seq.* ("FCPA"), prohibited certain classes of persons and entities from corruptly making payments to foreign government officials to assist in obtaining or retaining business. Pertinent to the charges herein, the FCPA prohibited any person other than an issuer or domestic concern, while in the territory of the United States, from making use of the mails or any means or instrumentality of interstate commerce, or doing any other act, corruptly

in furtherance of an offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to a foreign official for the purpose of obtaining or retaining business for, or directing business to, any person.

Relevant Entities and Individuals

The Defendant

2. Defendant PANALPINA WORLD TRANSPORT (HOLDING) LTD. (“PWT”), a Swiss corporation headquartered in Basel, Switzerland, was engaged in the business of providing international freight forwarding and logistics services. PWT was a “person” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3.

Other Relevant Entities

3. Panalpina, Inc. (“Panalpina U.S.”) was a New York corporation, with its principal place of business in Morristown, New Jersey. Panalpina U.S. was a wholly-owned subsidiary and agent of PWT. Panalpina U.S. had 38 branches in several states, including Texas, New Jersey and Michigan. Panalpina U.S.’s Houston, Texas office was the primary relationship office for its oil and gas industry customers.

4. Panalpina World Transport (Nigeria) Limited (“Panalpina Nigeria”), a Nigerian corporation, with its principal place of business in Lagos, Nigeria, was a majority-owned subsidiary and agent of PWT until in or around 2008. Panalpina Nigeria was an affiliate of PANALPINA U.S. and provided a wide variety of services for PANALPINA U.S.’s customers.

5. Panalpina Transportes Mundiais, Navegação e Transitos, SARL (“Panalpina Angola”), an Angolan corporation, with its principal place of business in Luanda, Angola, was a wholly-owned subsidiary and agent of PWT.

6. Panalpina Limitada (“Panalpina Brazil”), a Brazilian corporation, with its principal place of business in São Paulo, Brazil, was a wholly-owned subsidiary and agent of PWT.

7. Panalpina Azerbaijan LLC (“Panalpina Azerbaijan”), an Azerbaijani corporation, with its principal place of business in Baku, Azerbaijan, was a wholly-owned subsidiary and agent of PWT.

8. Panalpina Kazakhstan LLP (“Panalpina Kazakhstan”), a Kazakh corporation, with its principal place of business in Almaty, Kazakhstan, was a wholly-owned subsidiary and agent of PWT.

9. Panalpina World Transport Limited (Russia) (“Panalpina Russia”), a Russian corporation, with its principal place of business in Moscow, Russia, was a wholly-owned subsidiary and agent of PWT.

10. Panalpina World Transport Limited (Turkmenistan) (“Panalpina Turkmenistan”), a Turkmen corporation, with its principal place of business in Turkmenbashi, Turkmenistan, was a wholly-owned subsidiary and agent of PWT.

PWT’s Global Operations

11. PWT provided global freight forwarding and logistics services in approximately 160 jurisdictions, through a network of local subsidiaries, including Panalpina U.S., Panalpina Nigeria, Panalpina Angola, Panalpina Brazil, Panalpina Azerbaijan, Panalpina Kazakhstan, Panalpina Russia, Panalpina Turkmenistan, and other affiliated companies (collectively referred to as “Panalpina”), each of which was responsible for providing the freight forwarding and logistics services to customers and for coordinating with other Panalpina-affiliated companies with respect to the transportation and shipment of cargo from abroad. Panalpina shipped products for its customers located in the United States and elsewhere to other jurisdictions, including Nigeria, Angola, Brazil, Azerbaijan, Russia, Kazakhstan, and Turkmenistan.

12. In addition to transportation services, Panalpina provided its customers with importation, customs clearance and ground shipment services once the shipped goods reached their destination jurisdiction. Panalpina did so by enlisting the assistance of the local Panalpina entities, including Panalpina Nigeria, Panalpina Angola, Panalpina Brazil, Panalpina Azerbaijan, Panalpina Kazakhstan,

Panalpina Russia, Panalpina Turkmenistan, in providing in-country services, including customs and importation services, which required interaction with customs officials and the payment of any customs duties, fines and other payments that had been levied on the goods.

13. PWT operated in the United States through its wholly-owned subsidiary, Panalpina U.S., which serviced a variety of customers, including customers in the oil and gas industry. Panalpina U.S.'s Houston, Texas office, located within the Southern District of Texas, was the primary relationship office for Panalpina U.S.'s operations with all of its oil and gas customers.

Panalpina's Culture of Corruption

14. Prior to 2007, dozens of employees throughout the Panalpina organization were involved in paying bribes to foreign officials. Panalpina generally made payments on behalf of customers in order to circumvent the customs process for imports and exports of goods and items. Panalpina paid these bribes for various reasons, such as to cause officials to overlook insufficient, incorrect, or false documentation and/or to circumvent the local laws and inspections so as to allow the shipment of contraband (mainly unauthorized food and clothing). Panalpina also on occasion paid bribes to secure foreign government contracts for itself or to obtain favorable tax treatment by foreign governments.

15. The highest levels of PWT's leadership, including a former member of PWT's Board of Directors ("Board Member A"), knew of and tolerated Panalpina's payments of bribes. For example, in 2001, Board Member A successfully resisted the adoption of a basic "Code of Ethics" program that included anti-bribery provisions, which PWT's outside auditor recommended after finding that a Panalpina entity in Central Asia was making undocumented payments.

16. Panalpina's longstanding practice of making bribe payments in violation of the FCPA resulted from a variety of factors, including: (1) pressure from Panalpina's customers to have services performed as quickly as possible, or to receive preferential treatment in obtaining services; (2) an inadequate compliance structure; (3) a corporate culture that tolerated and/or encouraged bribery prior to 2007 as customary and necessary in various markets; (4) the involvement of management in PWT's Swiss headquarters that tolerated the improper payments prior to 2007; and (5) the involvement of Panalpina management in the U.S. and in other countries that encouraged the improper payments prior to 2007.

17. Between in or around 2002 and in or around 2007, Panalpina paid bribes to foreign officials valued at approximately \$49 million. Payments paid on

behalf of Panalpina's U.S. customers and their foreign subsidiaries accounted for approximately \$27 million of these bribe payments.

Panalpina's Payment of Bribes on Behalf of Its Customers in Nigeria

18. Panalpina had a substantial number of oil and gas customers that shipped items into Nigeria, including customers in the United States. The goods shipped by Panalpina into Nigeria could only be imported into the jurisdiction if they satisfied the local statutory and regulatory requirements, which required product inspection, submission of satisfactory paperwork, and payment of customs duties and other taxes. Furthermore, once the items had been imported, they remained subject to local laws or regulations.

19. Some of Panalpina's customers, including its U.S. customers, sought to avoid local customs and import laws and processes by seeking to import goods without sufficient documentation, without being inspected, or without paying the required taxes, duties or fees.

20. Panalpina used a portion of the revenue earned from its customers to make bribe payments to local customs officials in exchange for their cooperation in assisting Panalpina in circumventing these local legal or regulatory requirements on behalf of Panalpina's customers. Panalpina sought reimbursement for these bribe payments through invoices that used false terms to characterize the bribe payments.

21. Between in or around 2002 and in or around 2007, Panalpina used approximately 160 different terms to falsely describe the bribes it paid in Nigeria relating to the customs process. These terms, which were designed to help Panalpina's customers conceal the true and improper nature of the payments in their books and records, included "CPC Processing," "Customs Intervention," "Evacuations," "Export Formalities," "Local Handling," "Manifest," "Operational Expenses," "Pre-releases," "Special Handling," "TI Bond Assessment," and "TI Bond Cancellation." All of the terms were used internally at Panalpina to discuss improper payments. The terms were also used externally to invoice customers for the improper payments that were paid on behalf of the customers.

22. The bribes paid by Panalpina relating to the customs process were paid to officials in the Nigerian Customs Service (NCS), a Nigerian government agency within the Ministry of Finance of the Federal Republic of Nigeria. The NCS was responsible for assessing and collecting duties and tariffs on goods imported into Nigeria. The NCS was an agency and instrumentality of the Government of Nigeria and its employees were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A).

23. The bribe payments to Nigerian government officials could be grouped into the following categories: (1) Pancourier; (2) Temporary Import

Permits payments; (3) “special” and other bribe payments; and (4) recurring payments to government officials.

24. In total, between in and or around 2002 and in or around 2007, Panalpina paid over \$30 million in bribes to Nigerian government officials. Payments made on behalf of Panalpina’s U.S. customers and their foreign subsidiaries accounted for at least \$19 million of these bribe payments.

Pancourier Payments

25. Panalpina provided its customers with an express courier service to Nigeria known as Pancourier. Certain Panalpina customers that sought to import goods or contraband into Nigeria without complying with Nigerian customs law routinely shipped commercial products into Nigeria using the Pancourier service instead of the normal shipping process.

26. Panalpina charged its customers a premium for this service and explained that no government receipt or paperwork would be available from NCS for the goods that were imported. Panalpina typically billed its customers for two separate charges. The first charge was based on the weight of the shipment, while the second was a “special” fee. Typically, the “special fee” was falsely characterized on the invoices as a “local processing fee” (“LPF”) and/or “administrative/transport fees,” among other terms. In fact, the second charge was

the bribe paid to the NCS officials for the purpose of securing an improper advantage for the customer.

27. Between in or around 2002 and in or around 2007, Panalpina, through Panalpina Nigeria, paid hundreds of bribes to NCS officials in relation to the Pancourier service.

“Special” and Other Improper Payments

28. In addition to the Pancourier service, Panalpina also offered standard freight forwarding and shipping service. For standard Panalpina freight forwarding and shipping, once the goods arrived at their destination, a Panalpina Nigeria employee would ensure that the goods cleared customs. The clearance process typically required the submission of documents, an inspection of the product being shipped, and the payment of any customs and other fees associated with the importation of that product.

29. The goods shipped by Panalpina frequently encountered delays in clearing customs for various reasons, including insufficient or missing documentation or delays due to the legally-required inspection process. Panalpina customers often sought to avoid local customs and import laws and processes to expedite their shipments into Nigeria. Panalpina made cash bribe payments, through Panalpina Nigeria, to local government officials, including NCS employees, to expedite customs clearance, avoid the required cargo inspections,

avoid fines, duty payments, and tax payments, and to circumvent permit requirements and other legal requirements.

30. The term “special” in combination with a variety of other terms, such as “special handling,” “special intervention,” and “special charge,” was typically used by Panalpina to refer to the cash payments to NCS officials to secure the expedited processing of customs paperwork or otherwise obtain an improper advantage for its customers.

31. The terms “intervention” or “evacuation” typically were used by Panalpina to refer to cash payments to NCS officials to avoid the Nigerian regulations and to resolve a problem or dispute that involved an immigration or customs matter due to incomplete, inaccurate, or late documentation.

32. Between in or around 2002 and in or around 2007, Panalpina, through Panalpina Nigeria, paid thousands of bribes on behalf of its customers to Nigerian government officials to resolve these types of customs and immigrations matters.

Temporary Import Permits Payments

33. Another service offered by Panalpina involved obtaining Temporary Import Permits (“TIPs”) required under Nigerian law to import high-value special equipment, such as rigs and other large vessels, into Nigerian water. A TIP could be extended through two six-month extensions (known as “TIP extensions”). Vessels imported under a TIP (and TIP extensions) could not remain in Nigeria

longer than the period allowed for by the TIP and/or TIP extensions. Upon expiration, the vessel was required to be exported from Nigeria and, if appropriate, the customer could re-apply for a new TIP.

34. Panalpina, through Panalpina Nigeria, made improper payments to Nigerian government officials to assist some of its customers to circumvent TIP regulations. Specifically, Panalpina Nigeria made payments to NCS officials, on behalf of customers, to extend TIPs without complying with Nigerian TIP regulations. As a result, the customers avoided the time and cost of removing vessels upon the expiration of the TIP, as was otherwise required by Nigerian law.

35. To conceal the bribes, Panalpina created false documentation stating that the customers had exported and re-imported their vessels into Nigeria, when in reality they remained in Nigeria in violation of Nigeria's TIP regulations. Panalpina invoiced the customers for the bribe payments and falsely characterized the payments as "TI interventions" or "TI recycling" costs.

36. Between in or around 2002 and in or around 2007, Panalpina, through Panalpina Nigeria, paid over a hundred bribes to Nigerian government officials on behalf of Panalpina's customers to improperly secure TIPs and TIP extensions.

Panalpina's Payment of Bribes to Secure a Contract in Nigeria

37. Beginning in or around November 2003, through in or around August 2005, Panalpina promised to pay \$50,000 to a National Petroleum Investment

Management Services official (the “NAPIMS Official”) in exchange for the official’s assistance in securing the award by NAPIMS of a logistics contract to Panalpina. NAPIMS supervised and managed Nigeria’s investment in the oil and gas industry. As a part of its oversight function, NAPIMS officials had the authority to approve or disapprove logistics contracts awarded for certain projects. NAPIMS employees were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A).

38. Panalpina was awarded a global framework logistics contract in or around November 2003. In or around August 2005, PWT directed the \$50,000 bribe payment to be made to the NAPIMS Official in cash.

Panalpina’s Payment of Bribes to Angolan Government Officials

39. Between in or around 2002 and in or around 2008, Panalpina Angola paid approximately \$4.5 million in bribes to Angolan government officials.

Customs and Immigration Payments

40. In Angola, the terms “Special Intervention” or “SPIN” were typically used by Panalpina Angola and its customers to refer to improper cash payments paid to Angolan government officials responsible for customs and immigration matters. These officials were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A).

41. The purpose of the payments was to cause such officials to: overlook incomplete or inaccurate documentation; avoid levying proper customs duties; or avoid imposition of fines relating to the failure of Panalpina Angola, or its customer, to comply with legal requirements. Although the customers were frequently invoiced for a “SPIN” payment, these payments were also referred to as “agency fees,” “special arrangement fees,” and “emergency” payments. In each instance, the customer was advised that this was a cash payment and no receipt or government paperwork supported the payment.

42. Between in or around 2002 and in or around 2007, Panalpina Angola paid hundreds of bribes described as SPIN payments or other names to Angolan government officials. The value of the bribe payments ranged from *de minimus* amounts to \$25,000 per transaction.

Payments to Secure Contracts

43. Between in or around December 2006 and in or around March 2008, Panalpina Angola paid over \$300,000 to two Angolan government officials responsible for Angolan oil and gas operations to secure two separate logistics contracts. These officials were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A). The Angolan government officials had the authority to approve or disapprove the retention of

logistics companies to provide services for projects that Panalpina sought to secure.

44. Between in or around December 2006 and March 2008 Panalpina Angola paid at least two separate bribes valued at \$40,000 each and a third bribe payment of \$75,000 to government officials responsible for Angolan oil and gas operations for the purpose of securing a two-year exclusive logistics contract.

45. Between in or around 2006 and in or around March 2008, Panalpina Angola paid quarterly bribes valued at \$30,000 each to another government official responsible for Angolan oil and gas operations to secure a separate exclusive logistics contract. To generate cash for the bribes to pay this official, Panalpina Angola invoiced an Angolan government-controlled entity for a non-existent employee (referred to as the “ghost employee”) who was allegedly dedicated to the Angolan entity to work on the logistics for the particular project. Panalpina Angola used the money that was paid for the ghost employee to pay the cash bribes to the Angolan government official.

Panalpina’s Payment of Bribes to Azerbaijani Government Officials

46. Between in or around 2002 and in or around 2007, Panalpina Azerbaijan paid approximately \$900,000 in bribes to Azeri government officials responsible for assessing and collecting duties and tariffs on imported goods. These officials were “foreign officials” within the meaning of the FCPA, Title 15,

United States Code, Section 78dd-3(f)(2)(A). The purpose of many of the bribes paid to the Azeri government officials was to cause these officials to overlook incomplete or inaccurate documentation; avoid levying proper customs duties; or avoid imposition of fines relating to the failure of Panalpina, or its customer, to comply with legal requirements. In addition, Panalpina also made bribe payments to Azeri tax officials to secure preferential treatment for Panalpina Azerbaijan. These officials were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A).

Panalpina’s Payment of Bribes to Brazilian Government Officials

47. Between in or around 2002 and in or around 2007, Panalpina Brazil paid over \$1 million in bribes to Brazilian government officials responsible for assessing and collecting duties and tariffs on imported goods on behalf of its customers. These officials were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A). The purpose of many of these bribes was to expedite the customs clearance process; to avoid the imposition of fines and penalties; to circumvent Brazilian law requirements for customs declaration of courier shipments; to permit shipments to be imported in Brazil without an import license; and to allow exports from Brazil of goods originally imported without accurate and complete documentation. Many of the bribe payments made by Panalpina Brazil on behalf of its customers were in

connection with shipments to Brazil originating with Panalpina U.S. from the United States.

Panalpina's Payment of Bribes to Kazakh Government Officials

48. Between in or around 2002 and in or around 2007, Panalpina Kazakhstan paid over \$4 million in bribes to Kazakh government officials, including, for example, payments to Kazakh government officials responsible for assessing and collecting duties and tariffs on imported goods and officials responsible for administering and enforcing Kazakhstan tax policy. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A). The purpose of many of the bribes paid to the Kazakh government officials was to cause officials to overlook incomplete or inaccurate documentation; avoid levying proper customs duties; and avoid imposition of fines relating to the failure of Panalpina, or its customer, to comply with legal requirements.

49. These payments were euphemistically referred to as "sunshine" or "black cash" by officers and employees of Panalpina. Ultimately, these cash payments were invoiced to Panalpina's customers as various line items, including "expedited customs clearance" or "special handling." The payments ranged from several hundred dollars to \$50,000 per transaction.

50. In addition to the customs-related payments, Panalpina Kazakhstan paid bribes to Kazakhstan officials responsible for administrating Kazakhstan tax policy in conjunction with its annual tax audits to minimize the duration and depth of the audits as well as to reduce proposed fines.

Panalpina's Payment of Bribes to Russian Government Officials

51. Between in or around 2002 and in or around 2007, Panalpina Russia paid over \$7 million in bribes to Russian government officials responsible for assessing and collecting duties on imported goods. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A). The purpose of many of the bribes paid to the Russian government officials was to avoid delays, administrative fines, and other legal action as a result of missing, incomplete or erroneous documentation; to avoid problems arising out of the improper use of a TIP; and to bypass the customs process in total.

Panalpina's Payment of Bribes to Turkmen Government Officials

52. Between in or around 2002 and in or around 2009, Panalpina Turkmenistan paid over \$500,000 in cash bribes to: (i) Turkmen government officials responsible for assessing and collecting duties and tariffs on imported goods in order to expedite the release of shipments and undocumented shipments and to circumvent the official Turkmen customs and immigration regulations; (ii)

Turkmen government officials responsible for auditing, assessing, and collecting taxes on economic activity in Turkmenistan to minimize the duration of audits and investigations and to reduce proposed fines; and (iii) Turkmen government officials responsible for enforcing Turkmenistan labor, health, and safety laws, including through the use of audits and inspections, to minimize the duration of audits and investigations and to reduce the proposed fines. These officials were “foreign officials” within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(2)(A).

COUNT 1
Conspiracy to Violate the Foreign Corrupt Practices Act
(18 U.S.C. § 371)

53. Paragraphs 1 through 52 are realleged and incorporated by reference as though fully set forth herein.

54. From at least in or around January 2002 through in or around July 2007, in the Southern District of Texas and elsewhere, the defendant PWT did unlawfully, willfully, and knowingly combine, conspire, confederate, and agree with Panalpina U.S., Panalpina Nigeria, Panalpina Angola, Panalpina Brazil, Panalpina Azerbaijan, Panalpina Kazakhstan, Panalpina Russia, Panalpina Turkmenistan, and others known and unknown, to commit an offense against the United States, that is, while in the territory of the United States, to willfully make use of the mails and means and instrumentalities of interstate commerce and to do

other acts corruptly 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 any foreign officials, and any person while knowing that all or a portion of such money or thing of value would be or had been offered, given, or promised, directly or indirectly, to foreign officials, for purposes of: (i) influencing acts and decisions of such foreign officials in their official capacities; (ii) inducing such foreign officials to do and omit to do acts in violation of the lawful duties of such officials; (iii) securing an improper advantage; and (iv) inducing such foreign officials to use their influence with a foreign government and instrumentalities thereof to affect and influence acts and decisions of such government and instrumentalities, in order to assist the defendant PWT and others in obtaining and retaining business for and with, and directing business to, the defendant PWT and others, in violation of Title 15, United States Code, Section 78dd-3(a).

PURPOSE OF THE CONSPIRACY

55. The primary purpose of the conspiracy was to assist customers of Panalpina's worldwide freight forwarding and logistics business in circumventing numerous customs, importation, immigration and other regulatory requirements in various countries and to secure foreign government contracts and foreign tax

advantages for Panalpina through the use of improper payments of money to foreign government officials.

MANNER AND MEANS OF THE CONSPIRACY

56. To accomplish the purpose and object of the conspiracy, the defendant PWT and its co-conspirators employed various manner and means, including, but not limited to, the following:

a. It was part of the conspiracy that PWT and its officers, employees, and subsidiaries repeatedly made bribe payments to government officials in Nigeria, Angola, Brazil, Azerbaijan, Kazakhstan, Russia and Turkmenistan to expedite customs clearance and circumvent legal requirements, such as customs duties and proper documentation, required by these countries for the importation and exportation of products handled by Panalpina on behalf of its customers.

b. It was further part of the conspiracy that PWT and its officers, employees and subsidiaries falsely characterized the bribes paid in connection with its freight forwarding services on invoices issued to customers as special freight forwarding charges for local processing, handling, administrative, and customs fees, among other characterizations.

c. It was further part of the conspiracy that PWT and its officers, employees, and subsidiaries made bribe payments to Nigerian government officials

on behalf of its customers to circumvent the TIP requirements for the importation of high-value special equipment into Nigerian waters.

d. It was further part of the conspiracy that PWT and its officers, employees, and subsidiaries falsely described these bribes on customer invoices as “TI interventions” and “TI recycling” costs.

e. It was further part of the conspiracy that PWT and its officers, employees, and subsidiaries created documentation that falsely indicated that customers had exported and re-imported the vessels into Nigerian waters when in reality they had remained in Nigeria in violation of the TIP requirements.

f. It was further part of the conspiracy that PWT and its officers, employees, and subsidiaries made bribe payments to Nigerian and Angolan government officials to secure logistic contracts with the Nigerian and Angolan governments, respectively.

g. It was further part of the conspiracy that PWT and its officers, employees, and subsidiaries made bribe payments to officials of Azerbaijan and Kazakhstan to secure preferential tax treatment from those authorities on behalf of Panalpina Azerbaijan and Panalpina Kazakhstan, respectively.

OVERT ACTS

57. In furtherance of the conspiracy and to achieve its purpose and object, at least one of the co-conspirators committed or caused to be committed, in the Southern District of Texas, and elsewhere, the following overt acts, among others:

a. On or around November 18, 2003, a Panalpina U.S. employee, located in Houston, Texas, sent an email to a Panalpina employee based in Switzerland advising that the NAPIMS Official would award a logistics contract with the Nigerian government to Panalpina in exchange for a bribe of \$50,000.

b. On or around November 21, 2003, Panalpina employees based in Switzerland, Panalpina U.S. employees, located in Houston, Texas, and others participated in a conference call to discuss the \$50,000 payment to the NAPIMS Official.

c. On or around March 16, 2004, Panalpina employees based in Switzerland and others agreed to pay the NAPIMS Official \$50,000 in exchange for the award of the logistics contract.

d. On or around March 16, 2004, a Panalpina employee based in Switzerland sent an email to another Panalpina employee based in Switzerland announcing that Panalpina had won the NAPIMS logistics contract.

e. On or around August 16, 2005, a Panalpina employee based in Switzerland sent an email to two other Panalpina employees based in Switzerland

requesting internal charging instructions for the \$50,000 payment to the NAPIMS Official.

f. On or around August 18, 2005, a Panalpina employee based in Switzerland sent an email to another Panalpina employee based in Switzerland instructing that the charges for the \$50,000 bribe should be split between Panalpina Nigeria, Panalpina U.S., and another Panalpina affiliate as those entities would benefit from the contract that was awarded.

g. In or around December 2006, an employee of Panalpina Angola paid over \$300,000 to an official of Angola to secure two separate logistics contracts.

All in violation of Title 18, United States Code, Section 371.

COUNT 2

Foreign Corrupt Practices Act Violation (15 U.S.C. § 78dd-3(a) and 18 U.S.C. §2)

58. Paragraphs 1 through 52 and 55 through 57 above are re-alleged and incorporated by reference as though fully set forth herein.

59. Between in or around 2002 and in or around 2007, in the Southern District of Texas and elsewhere, the defendant PWT, being a “person” under the FCPA, while in the territory of the United States, did willfully make use of the mails and means and instrumentalities of interstate commerce and do other acts corruptly 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 any foreign officials, and any person while knowing that all or a portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to foreign officials, for the purposes of: (i) influencing acts and decisions of such foreign officials in their official capacities; (ii) inducing such foreign officials to do and omit to do acts in violation of the lawful duties of such officials; (iii) securing an improper advantage; and (iv) inducing such foreign officials to use their influence with a foreign government and instrumentalities thereof to affect and influence acts and decisions of such government and instrumentalities, in order to assist the defendant PWT and others in obtaining and retaining business for and with, and directing business to, the defendant PWT and others, *to wit*, the defendant PWT, through, among other means, the use of email communications between Panalpina's Houston and Lagos offices, paid and caused to be paid approximately \$19 million in bribes to NCS officials and other Nigerian government officials to circumvent regulatory and legal requirements in Nigeria for the importation and exportation of goods on behalf of its customers located in the United States.

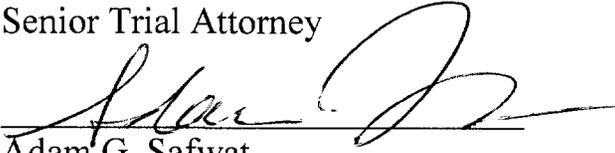
All in violation of Title 15, United States Code, Section 78dd-3(a), and Title 18, United States Code, Section 2.

DATED: November 4th, 2010

JOSÉ ANGEL MORENO
United States Attorney

DENIS J. McINERNEY
Chief, Fraud Section, Criminal Division

By: 
Stacey K. Luck
Senior Trial Attorney


Adam G. Safwat
Assistant Chief

Fraud Section
Criminal Division
U.S. Department of Justice
1400 New York Avenue, N.W.
Washington, D.C. 20005
(202) 514-5650