

## Key Takeaways from the FCPA Enforcement Action Involving Anheuser-Busch InBev SA/NV

**Enforcement Actions:** SEC Administrative Proceeding – September 28, 2016

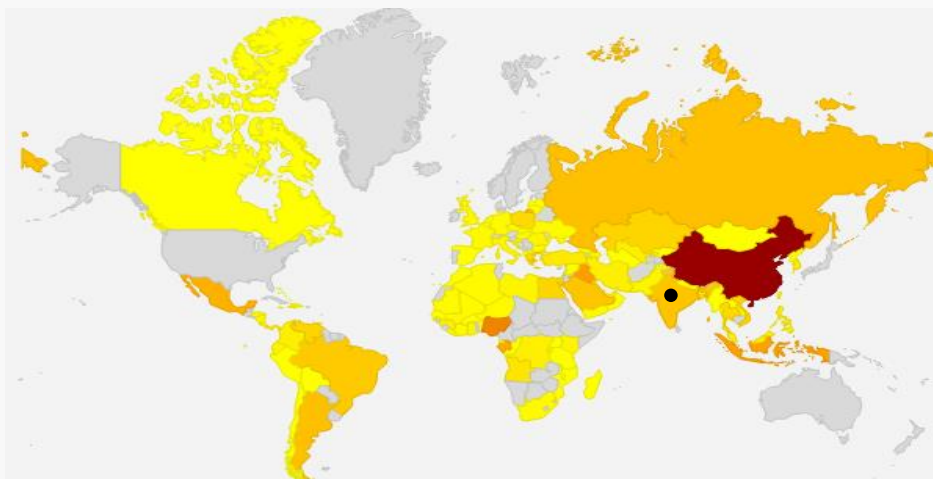
**Total Sanctions:** \$6,008,291



90<sup>th</sup> highest monetary sanction (of 176 total monetary sanctions against corporations in FCPA Groups to date)

**Type of Bribery:** Money

**Geography:** India



**Industry:** Consumer Goods - the 29<sup>th</sup> FCPA Group involving the Consumer Goods industry

**Implicated Companies:** Anheuser-Busch InBev SA/NV (ticker: BUD, exchange: NYSE)  
Crown Beers India Private Ltd. (subsidiary of AB InBev)  
InBev India Int'l Private Ltd. (joint venture between AB InBev and RJ Corp.)

**Individuals Prosecuted:** None

**Description & Notes on the Resolutions:**

After the formation of Anheuser-Busch InBev SA/NV (“AB InBev”) in November 2008, AB InBev conducted its Indian operations through wholly-owned subsidiary Crown Beers India Private Limited (“Crown”). From 2009 to 2012, AB InBev owned 49% of an Indian joint venture, InBev India International Private Limited (“IIPL”), which marketed and distributed Crown beer. According to the cease and desist order, in which AB InBev neither admitted nor denied the findings, IIPL used third-party intermediaries to make improper payments to Indian governmental officials in order to increase beer sales and to extend brewery operating hours. These payments were then invoiced to Crown and improperly recorded in Crown’s records as legitimate promotional expenses and accruals, which were then consolidated into AB InBev’s books and records. On more than one occasion, a Crown employee made internal complaints to AB InBev about the improper payments. Crown terminated the employee in 2012. Prior to his termination, the employee had been communicating with the SEC but stopped abruptly when he was fired because his separation agreement prohibited communications with government enforcement authorities. On September 28, 2016, the SEC filed a settled administrative proceeding ordering AB InBev to cease and desist violations of the books & records and internal controls provisions of the FCPA as well as the Dodd-Frank whistleblower provisions. The SEC noted AB InBev’s remediation and partial cooperation.

**Mitigating / Aggravating Factors:**

Self-Reported	Cooperation	Voluntary Remediation
No	Partial	Yes

**Compliance / Reporting:**

Compliance Obligation	Monitor Ordered	Length of Reporting
Yes	Self-Reporting	2 years