

## Key Takeaways from the DOJ FCPA Pilot Program Declination Involving CDM Smith, Inc.

**Enforcement Action:** DOJ Declination with Disgorgement (CDM Smith, Inc.) – June 29, 2017

**Total Sanctions:** \$4,037,138

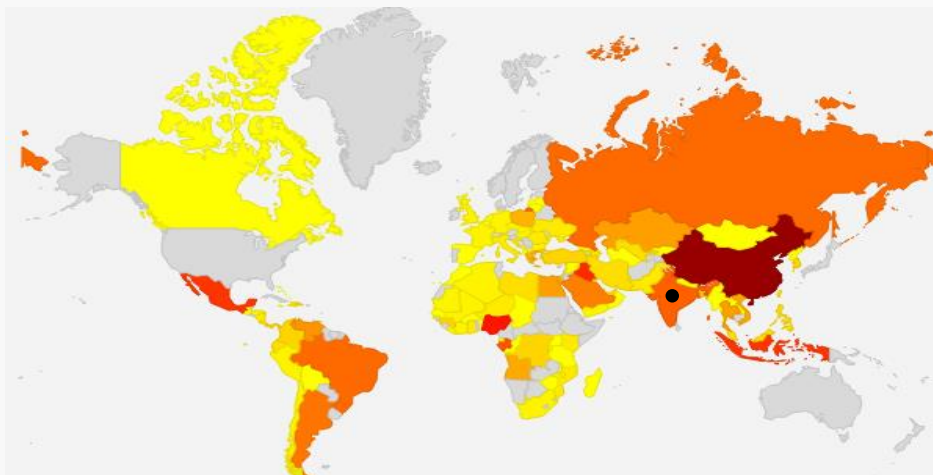
**\$0** | **\$4 million**

**\$1.7 billion**

112th highest monetary sanction (of 190 total monetary sanctions against corporations in FCPA Groups to date)

**Type of Bribery:** Money

**Geography:** India



**Industry:** Industrial Goods - the 43rd FCPA Group involving the Industrial Goods industry

**Implicated Companies:** CDM Smith, Inc. (private company)  
CDM Smith India Private Ltd. (subsidiary of CDM Smith, Inc.)

**Individuals Prosecuted:** None

### **Description & Notes on the Resolutions:**

According to the declination letter, from about 2011 to 2015, employees of CDM Smith’s internal division for Indian operations as well as employees of CDM Smith India paid bribes to officials at the National Highways Authority of India (“NHA”), which was India’s state-owned highway management agency, as well as to local officials in the Indian state of Goa. Senior management of CDM Smith India approved and participated in the bribery scheme. In all, CDM Smith paid approximately \$1.18 million in bribes in India in order to secure contracts for highway construction supervision and design from NHA and for a separate water project in the state of Goa. These contracts resulted in over \$4 million in profits to CDM Smith.

On June 29, 2017, the DOJ issued a declination letter to CDM Smith pursuant to its FCPA Pilot Program. In declining to prosecute CDM Smith, the DOJ cited the company’s voluntary self-disclosure of the misconduct, thorough cooperation, extensive remediation, and agreement to disgorge the profits associated with the misconduct. CDM Smith disgorged just over \$4 million.

### **Mitigating / Aggravating Factors:**

Self-Reported	Cooperation	Voluntary Remediation
Yes	Yes	Yes

### **Compliance / Reporting:**

Compliance Obligation	Monitor Ordered	Length of Reporting
No	None	N/A