Possible Civil Suits Arising from Corruption: U.S. Courts

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| **Potential Claimants; recovery theories** | **Experience** |
| **National governments**  - direct loss from bribery, bid rigging  - *parens patrie* for damages citizens suffered from bribery plus environmental damage and personal injury | - Action by government of Trinidad under Florida racketeering statute for bid rigging  - Iraq v. ABB, filed ’08, asserting claims under federal racketeering law, common law fraud, and competition law; survived dismissal; on-going |
| **Employer of Bribe Recipient**  - companies whose employees were bribed; action for fraud; racketeering | - Alcoa paid $85 million to Bahrain state-owned company to settle claim it bribed employees October 2012  [Costa Rican state-owned enterprise motion to be crime victim rejected by U.S. Court of Appeals for the 11th Circuit] |
| S**hareholders of Bribe Payer**  **-** state law derivate actions; federal securities law private actions  - minority shareholder claims: under-reporting of profits; unfair buyouts s | - hurdles to Securities Act cases appearing; slew of s/h derivative actions by institutional investors in pre-trial; SciClone Pharmaceuticals settlement imposes significant compliance requirements on company |
| **Competitors**  - conspiracy under §§s 1 and 2 of the Sherman Act; state unfair competition and antitrust laws  - interference with contractual relations  - RICO | - Innospect settled claims by competitor NewMarket for being shut out of Iraq and Indonesian markets under Sherman §1 and state law unfair comp laws for $41 million;  - Ca. Supreme Court permitted in *Korea Supply*  - Supreme Court permits in *Environmental Tectonics* |
| **Partners/Joint Ventures**  **- -** fraud and commercial torts; breach of contract theories | - raised in *Grynberg v. BP*; *Agro-Tech v. Yamada* |
| **Employee-Whistleblowers**  - wrongful termination actions under state law  - Dodd-Frank actions/recoveries under SOX; §1504 extension | - Jacobs v. Las Vegas Sands Corp. Nevada,10/20/10); Lowe V. Allison Transmission, Inc., Indiana, 11/15/10  - Dodd-Frank purports to expand protections to employees of entities within the consolidated corporate group, although whether non-US employees of foreign subsidiaries covered being litigated |