



**Department of Justice**

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## **Airbus Agrees to Pay over \$3.9 Billion in Global Penalties to Resolve Foreign Bribery and ITAR Case**

Airbus SE (Airbus or the Company), a global provider of civilian and military aircraft based in France, has agreed to pay combined penalties of more than \$3.9 billion to resolve foreign bribery charges with authorities in the United States, France and the United Kingdom arising out of the Company's scheme to use third-party business partners to bribe government officials, as well as non-governmental airline executives, around the world and to resolve the Company's violation of the Arms Export Control Act (AECA) and its implementing regulations, the International Traffic in Arms Regulations (ITAR), in the United States. This is the largest global foreign bribery resolution to date.

Airbus entered into a deferred prosecution agreement with the department in connection with a criminal information filed on Jan. 28, 2020 in the District of Columbia charging the Company with conspiracy to violate the anti-bribery provision of the Foreign Corrupt Practices Act (FCPA) and conspiracy to violate the AECA and its implementing regulations, the ITAR. The FCPA charge arose out of Airbus's scheme to offer and pay bribes to foreign officials, including Chinese officials, in order to obtain and retain business, including contracts to sell aircraft. The AECA charge stems from Airbus's willful failure to disclose political contributions, commissions or fees to the U.S. government, as required under the ITAR, in connection with the sale or export of defense articles and defense services to the Armed Forces of a foreign country or international organization. The case is assigned to U.S. District Judge Thomas F. Hogan of the District of Columbia.

"Airbus engaged in a multi-year and massive scheme to corruptly enhance its business interests by paying bribes in China and other countries and concealing those bribes," said Assistant Attorney General Brian A. Benczkowski of the Justice Department's Criminal Division. "This coordinated resolution was possible thanks to the dedicated efforts of our foreign partners at the Serious Fraud Office in the United Kingdom and the PNF in France. The Department will continue to work aggressively with our partners across the globe to root out corruption, particularly corruption that harms American interests."

"International corruption involving sensitive U.S. defense technology presents a particularly dangerous combination. Today's announcement demonstrates the Department's continuing commitment to ensuring that those who violate our export control laws are held to account," said Principal Deputy Assistant Attorney General David P. Burns of the Justice Department's National Security Division (NSD). "The resolution, however, also reflects the significant benefits available under NSD's revised voluntary self-disclosure policy for companies that choose to self-report export violations, cooperate, and remediate as to those violations, even where there are aggravating circumstances. We hope other companies will make the same decision as Airbus to report potential criminal export violations timely and directly to NSD so that they too can avail themselves of the policy's benefits."

"Today, Airbus has admitted to a years-long campaign of corruption around the world, said U.S. Attorney Jessie K. Liu of the District of Columbia. "Through bribes, Airbus allowed rampant corruption to invade the U.S. system. Additionally, Airbus falsely reported information about their conduct to the U.S. government for more than five years in order to gain valuable licenses to export U.S. military technology. This case

exemplifies the ability of our prosecutors and law enforcement to work with our foreign counterparts to ensure that corruption around the world is prevented and punished at the highest levels.”

“Airbus SE, the second largest Aerospace company world-wide, engaged in a systematic and deliberate conspiracy, that knowingly and willfully violated U.S. fraud and export laws,” said Special Agent in Charge Peter C. Fitzhugh of U.S. Immigration and Customs Enforcement’s Homeland Security Investigations (HSI) New York. “Airbus’s fraud and bribery in commercial aircraft transactions strengthened corrupt airlines and bad actors worldwide, at the expense of straightforward enterprises. Additionally, the bribery of government officials, specifically those involved in the procurement of U.S. military technology, posed a national security threat to both the U.S. and its allies. The global threats facing the U.S. have never been greater than they are today, and HSI New York is committed to working with our federal and international partners to assure sensitive U.S. technologies are not unlawfully and fraudulently acquired. As this investigation reflects, national security continues to be a top priority not just for Department of Homeland Security, but for HSI New York.”

The Company’s payment to the United States will be \$527 million for the FCPA and ITAR violations, and an additional 50 million Euros (approximately \$55 million) as part of a civil forfeiture agreement for the ITAR-related conduct, and the department will credit a portion of the amount the Company pays to the Parquet National Financier (PNF) in France under the Company’s agreement with the PNF. In addition, the Company has agreed to pay a \$10 million penalty to the U.S. Department of State’s Directorate of Defense Trade Controls (DDTC), of which the department is crediting \$5 million. In related proceedings, the Company settled with the PNF in France over bribes paid to government officials and non-governmental airline executives in China and multiple other countries and the Company has agreed to pay more than 2 billion Euros (more than approximately \$2.29 billion) pursuant to the PNF agreement. As part of this coordinated global resolution, the Company also entered into a deferred prosecution agreement with the United Kingdom’s Serious Fraud Office (SFO) over bribes paid in Malaysia, Sri Lanka, Taiwan, Indonesia and Ghana, and the Company has agreed to pay approximately 990 million Euros equivalent (approximately \$1.09 billion) pursuant to the SFO agreement. The PNF and SFO had investigated the Company as part of a Joint Investigative Team.

According to admissions and court documents, beginning in at least 2008 and continuing until at least 2015, Airbus engaged in and facilitated a scheme to offer and pay bribes to decision makers and other influencers, including to foreign officials, in order to obtain improper business advantages and to win business from both privately owned enterprises and entities that were state-owned and state-controlled. In furtherance of the corrupt bribery scheme, Airbus employees and agents, among other things, sent emails while located in the United States and participated in and provided luxury travel to foreign officials within the United States.

The admissions and court documents establish that in order to conceal and to facilitate the bribery scheme, Airbus engaged certain business partners, in part, to assist in the bribery scheme. Between approximately 2013 and 2015, Airbus engaged a business partner in China and knowingly and willfully conspired to make payments to the business partner that were intended to be used as bribes to government officials in China in connection with the approval of certain agreements in China associated with the purchase and sale of Airbus aircraft to state-owned and state-controlled airlines in China. In order to conceal the payments and to conceal its engagement of the business partner in China, Airbus did not pay the business partner directly but instead made payments to a bank account in Hong Kong in the name of a company controlled by another business partner.

Pursuant to the AECA and ITAR, the DDTC regulates the export and import of U.S. defense articles and defense services, and prohibits their export overseas without the requisite licensing and approval of the DDTC. According to admissions and court documents, between December 2011 and December 2016, Airbus filed numerous applications for the export of defense articles and defense services to foreign armed forces. As part of its applications, Airbus was required under Part 130 of the ITAR to provide certain information related to political contributions, fees or commissions paid in connection with the sale of defense articles or defense services. The admissions and court documents reveal, however, that the Company engaged in a criminal conspiracy to knowingly and willfully violate the AECA and ITAR, by failing to provide DDTC with accurate information related to commissions paid by Airbus to third-party brokers who were hired to solicit, promote or otherwise secure the sale of defense articles and defense services to foreign armed forces.

As part of the deferred prosecution agreement with the department, Airbus has agreed to continue to cooperate with the department in any ongoing investigations and prosecutions relating to the conduct, including of individuals, and to enhance its compliance program.

For the FCPA-related conduct, the department reached this resolution with Airbus based on a number of factors, including the Company's cooperation and remediation. In addition, for the FCPA-related conduct, the U.S. resolution recognizes the strength of France's and the United Kingdom's interests over the Company's corruption-related conduct, as well as the compelling equities of France and the United Kingdom to vindicate their respective interests as those countries deem appropriate, and the department has taken into account these countries' determination of the appropriate resolution into all aspects of the U.S. resolution.

With respect to the AECA and ITAR-related conduct, the department reached this resolution with Airbus based on the voluntary and timely nature of its disclosure to the department as well as the Company's cooperation and remediation.

HSI's New York Field Office Counter Proliferation Investigations Group is investigating the case. Deputy Chief Christopher Cestaro, Assistant Chief Vanessa Sisti and Trial Attorney Elina A. Rubin Smith of the Criminal Division's Fraud Section, Deputy Chief Elizabeth L. D. Cannon and Trial Attorney David Lim of the National Security Division's Counterintelligence and Export Control Section, and Assistant U.S. Attorneys Michelle Zamarin, Gregg Maisel, David Kent and Karen Seifert of the District of Columbia are prosecuting the case. The Criminal Division's Office of International Affairs provided assistance.

The Department of Justice acknowledges and expresses its appreciation of the significant assistance provided by France's Parquet National Financier and the UK's Serious Fraud Office.

The Fraud Section is responsible for all investigations and prosecutions of the Foreign Corrupt Practices Act, and conducts other investigations into sophisticated economic crimes. The Counterintelligence and Export Control Section supervises the investigation and prosecution of cases involving the export of military and strategic commodities and technology, including cases under the AECA and ITAR.

The year 2020 marks the 150th anniversary of the Department of Justice. Learn more about the history of our agency at [www.Justice.gov/Celebrating150Years](http://www.Justice.gov/Celebrating150Years).

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**Attachment(s):**

[Download Airbus Deferred Prosecution Agreement](#)

[Download Airbus Information](#)

**Topic(s):**

Financial Fraud

Foreign Corruption

Counterintelligence and Export Control

**Component(s):**

[Criminal Division](#)

[Criminal - Criminal Fraud Section](#)

[National Security Division \(NSD\)](#)

[USAO - District of Columbia](#)

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