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Chief Executive in Charge of Going to Jail

At least since the [Yates Memo](#), though some would argue long before, the DOJ has made clear that individual convictions are the prized game in the hunt for FCPA wrongdoers. To truly prevent corruption, people need to be afraid that paying a bribe could land them in prison. For two former executives, that fear recently became a reality.

On September 28, 2018, the DOJ announced that Anthony “Tony” Mace and Robert Zubiate had both been sentenced to jail time. Mace, a U.K. citizen, was the CEO of Dutch oil-services company SBM Offshore from April 2008 to 2011. He was also an executive of a U.S. subsidiary of SBM, making him subject to U.S. jurisdiction and the FCPA. Zubiate is a U.S. citizen and was a sales and marketing agent at the U.S. subsidiary from 1990 to 2016. The two [pled guilty](#) last year to conspiracy to violate the FCPA.

According to their plea agreements, Zubiate and Mace made arrangements for illegal payments to be made to government officials in Brazil, Angola and Equatorial Guinea to procure oil services contracts.

Mace was sentenced to 36 months in prison and fined \$150,000. Zubiate was sentenced to 30 months in jail and will pay a \$50,000 fine. “Their sentences should serve as a warning to corporate executives everywhere: if you pay bribes to advance your business interests, we will catch you and we will prosecute you to the fullest extent of the law,” Assistant Attorney General Brian A. Benczkowski warned in the [press release](#) announcing the sentences.

For its part, SBM settled with [Dutch](#) authorities in 2014 for \$40 million, Brazilian authorities in 2016 for more than \$300 million, U.S. authorities in [December 2017](#) for \$238 million and again with Brazilian authorities (after the 2016 deal [fell through](#)) in July 2018 for \$148 million.

Notably, some of the bribes paid in Brazil wound up in the pocket of executives at Petrobras, which just entered a historic settlement with the SEC and DOJ. I’ll have a lot more to say about that settlement in our next issue, but the question remains – which executives will pay the price for corruption next?

Warmly,

Megan Zwiebel
Senior Editor