Rash of Civil Suits Complicates FCPA Cases

For companies dealing with foreign bribery accusations, making peace with the government is bad enough. But increasingly, taking the blame for foreign corruption allegations brings the added threat of civil liability, reports *The Wall Street Journal*'s Risk & Compliance Journal.

An increasing number of related civil suits are coming out of corporate corruption cases. Those civil suits are being filed on behalf of investors who say they have been harmed by their company's alleged misconduct overseas. These lawsuits are usually unsuccessful, but they corporate counsel's decisions on how much they should disclose possible misconduct to the U.S. Justice Department.

"FCPA-related lawsuits claim that by failing to prevent foreign bribery, top executives have hurt shareholders," the report says. "The suits are often filed soon after news breaks that a company is conducting an internal investigation into allegations that its employees bribed foreign officials, even when few facts have been established."

Read the story.