

August 1, 2017

## FCPA Conviction Highlights DOJ's Continued Focus on Individual Enforcement

The U.S. Department of Justice ("DOJ") secured an important victory for its Foreign Corrupt Practices Act ("FCPA") enforcement efforts on July 27, 2017, when a Manhattan jury found Chinese billionaire Ng Lap Seng guilty on six counts related to a bribery scheme. After a four-week trial, the jury found Seng guilty of FCPA violations, domestic bribery, money laundering, and conspiracy to commit money laundering. Awaiting a sentencing hearing, Seng faces up to 65 years in prison. The jury deliberated for merely four hours before reaching their decision. The guilty verdict brings resolution to an indictment that has left Seng on house arrest since September 2015.

**Attorneys**  
[Ryan Rohlfen](#)  
[Dante Roldan](#)  
[Sarah M. Kimmer](#)

According to prosecutors, from 2010 to 2015 Seng paid millions of dollars in bribes to former United Nations General Assembly President and Antiguan Ambassador John Ashe and Dominican Republic Ambassador Francis Lorenzo. Seng's bribes were used to secure support for a U.N. facility in China dubbed the "Geneva of Asia." The proposed conference center in Macau included a hotel, marina, condominiums, heliport, and shopping center that would generate future revenue for Seng.

During the years in question, Seng made cash payments directly to Ashe and his wife, as well as through third parties, to cover the Antiguan Ambassador's personal expenses. Seng also paid Lorenzo \$20,000, and later \$50,000, per month disguised as compensation for the ambassador's service as president of a Seng-owned media organization.

Thursday's verdict illustrates a continued commitment by DOJ to prosecute individuals in white-collar matters, such as FCPA.<sup>1</sup> Further, this case also demonstrates that DOJ is not relying solely upon FCPA charges in pursuing individuals.<sup>2</sup>

Seng's counsel publicly stated their intention to appeal the verdict to the Second Circuit. We expect that appeal will address important FCPA enforcement issues argued before and during trial. These may include the scope of the "local law" defense under the FCPA and a post-*McDonnell*<sup>3</sup> interpretation of an "official act" under the FCPA. We will monitor this appeal closely over the coming months.

<sup>1</sup> Attorney General Jeff Sessions recently spoke to the importance of individual accountability for FCPA violations (see <http://www.latimes.com/politics/washington/la-na-essential-washington-updatessessions-white-collar-1493059785-htmlstory.html>); Assistant Attorney General Kenneth Blanco has also indicated his stance on the issue, "there is no place for corrupt individuals to hide, and no place for them to hide their money, assets or any kind of wealth." (see <http://fcpacompliance.com/2017/07/13252/>).

<sup>2</sup> For an additional example of the DOJ's prosecution of individuals, see <https://www.ropesgray.com/newsroom/alerts/2015/February/Eleventh-Circuit-Upholds-the-US-DOJs-Expansive-Approach-to-Anti-Corruption-Enforcement.aspx>.

<sup>3</sup> *McDonnell v. United States*, 135 S. Ct. 2355 (2016).