

News Release

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MILLER & CHEVALIER ANNOUNCES RESULTS OF LATIN AMERICA CORRUPTION SURVEY
*Corruption Continues to be a Significant Obstacle
Plaguing Businesses Throughout the Americas*

Washington D.C., October 27, 2008 – Miller & Chevalier Chartered and six Latin American law firms today announced the results of their Latin America Corruption Survey measuring the current perspectives and attitudes of leading corporate executives on corruption in the region. Despite the fact that the Inter-American Convention Against Corruption was adopted by the Organization of American States (OAS) 12 years ago, the results reflect an opinion that corruption continues to be a widespread and costly problem for businesses in the region.

“Respondents to our survey see corruption as a significant obstacle for their businesses,” said Miller & Chevalier Member Homer Moyer, who founded the firm’s International Department and has been practicing in the Foreign Corrupt Practices Act (FCPA) area for more than 30 years. “More than half believe they have lost business to competitors who have made illicit payments. Survey responses reflect both a high level of concern in the private sector about corruption and a cynicism about meaningful enforcement of the anti-corruption laws adopted to implement the OAS Convention.”

31 percent of respondents said they are not aware of any company, individual, or government official being punished for making or receiving illicit payments related to obtaining business. 35 percent of respondents do not think a company, individual, or government official will be punished for making or receiving illicit payments related to obtaining business.

Notwithstanding pervasive doubt that anti-corruption laws will be enforced, three quarters of respondents reported that their companies have taken actions to protect themselves from corruption risk. Of those companies that have taken action, most have instituted anti-corruption policies and procedures, and two-thirds have implemented anti-corruption training.

When asked about the FCPA, one third of respondents said they are not at all familiar with the law. Of the 53 percent of respondents who are clearly subject to the FCPA – because they are based in the U.S., publicly listed in the U.S., or work for a U.S. multi-national company – 30 percent did not recognize that they are covered by the law.

“While respondents tell us that corruption prevention and training are priorities, many do not understand the related laws regulating their businesses. The FCPA has been in effect for more than three decades, but even U.S.- based companies are not fully aware of the scope of this regulation. This lack of knowledge exposes them to serious potential risk, regardless of other anti-corruption measures they have instituted,” said James Tillen, Member and Coordinator of Miller & Chevalier’s FCPA Practice.

When asked to rank perceptions of corruption in 12 different countries, survey respondents indicated that they thought that Bolivia and Venezuela are the most corrupt. Conversely, they thought that the U.S. and Chile are the least corrupt.

Survey Highlights

In September, law firms Miller & Chevalier (U.S.), Brigard & Urrutia (Colombia), Claro y Cia. (Chile), Demarest & Almeida (Brazil), Estudio Beccar Varela (Argentina), Rodrigo, Elías & Medrano Abogados (Peru) and Rubio Villegas y Asociados, S.C. (Mexico), distributed the survey (in Portuguese, Spanish, and English) via e-mail to executives at a broad cross-section of small and large regional and multinational companies. The survey was completed by 201 respondents who provided opinions on the prevalence of corruption in different regions and branches of government, punishment for offenses and anti-corruption laws.

Some survey highlights include:

- Nearly half of all respondents (48%) say corruption is a significant obstacle to doing business.
- 35% of respondents do not think a company, individual, or government official will be punished for making or receiving illicit payments related to obtaining business.
- Fewer than one in five respondents (18%) think anti-corruption laws are effective in the country where they work.
- Of the 53% of respondents who are clearly subject to the FCPA – because they are based in the U.S., publicly listed in the U.S., or work for a U.S. multi-national company – 30% did not recognize that they are covered by the law.
- Despite the low opinion of the effectiveness of anti-corruption laws in the region, or possibly because of it, many companies (77%) say they have taken actions to protect themselves from corruption risk.
- 55% of respondents believe that dealing with corruption risks is a top priority of their companies, with 66% believing that the importance of preventing corruption has increased for their companies over the last five years.

For a full copy of the survey results and analysis, please contact Laura Miller at (312) 252-4104 or visit www.millerchevalier.com.

About Miller & Chevalier

Founded in 1920, Miller & Chevalier is a leading Washington, D.C. law firm with more than 100 lawyers who practice in the areas of international trade; benefits, including ERISA; tax; federal healthcare programs; white collar; federal procurement fraud; and related litigation. For more information on the firm, visit www.millerchevalier.com.

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