



U.S. Securities and Exchange Commission

SEC Institutes Settled Enforcement Action Against Bristow Group for Improper Payments to Nigerian Government Officials and Other Violations

**FOR IMMEDIATE RELEASE
2007-201**

Washington, D.C., Sept. 26, 2007 - The Securities and Exchange Commission today announced the institution of a settled enforcement action against Bristow Group Inc., a Houston-based and New York Stock Exchange-listed helicopter transportation services and oil and gas production facilities operation company, for violations of the Foreign Corrupt Practices Act (FCPA). Among other things, the FCPA prohibits bribery of foreign government officials.

The Commission's Order finds that a Nigerian affiliate of Bristow Group made improper payments to Nigerian state government officials in return for the officials' reduction of the affiliate's employment taxes owed to the Nigerian state governments. The Order also finds that the same affiliate and another Nigerian affiliate of Bristow Group also underreported their expatriate payroll expenses in Nigeria.

"The Foreign Corrupt Practices Act makes it unlawful for public companies to make improper payments to foreign government officials," said David Nelson, Director of the Commission's Miami Regional Office. "Illicit payments to foreign government officials violate U.S. law and detract from the legitimate results of fair and merit-based competition."

Without admitting or denying the Commission's allegations, Bristow Group consented to entry of an Administrative Order that requires Bristow Group to cease and desist from committing violations of the antibribery, internal controls and books and records provisions of the Securities and Exchange Act of 1934 (Exchange Act).

The Order finds that:

- Since at least 2003 and through approximately the end of 2004, Bristow Group's Nigerian affiliate Pan African Airlines Nigeria Ltd. (PAAN) made improper payments totaling approximately \$423,000 to employees of the governments of two Nigerian states to influence them to improperly reduce the amount of expatriate employment taxes payable by PAAN to the respective Nigerian state governments.
- PAAN was responsible for paying an annual expatriate "Pay As You Earn" (PAYE) tax to the Nigerian state governments in each state where PAAN operated. At the end of each year, the government of each Nigerian state assessed a tax on the salaries of PAAN employees in that state and sent PAAN a demand letter. PAAN then negotiated

with the government tax officials to lower the amount assessed. In each instance, the PAYE tax demand amount was lowered and a separate cash payment amount for the tax officials was negotiated. Once PAAN paid the state government and the tax officials, each state government provided PAAN with a receipt reflecting only the amount payable to the state government.

- During the same time period, Bristow Group underreported PAAN and another Bristow Group Nigerian affiliate's payroll expenses to certain Nigerian state governments. As a result, Bristow Group's periodic reports filed with the Commission did not accurately reflect certain of the company's payroll-related expenses.

Further, the Order finds that during the same time period, Bristow Group lacked sufficient internal controls. Finally, the Order finds that Bristow Group mischaracterized the payments as legitimate payroll expenses.

The Order requires Bristow Group to cease and desist from committing or causing any violations and any future violations of Sections 30A, 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. Bristow Group cooperated with the Commission's investigation and took a number of remedial steps as reflected in the Commission's Order.

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▶ Additional materials: [Administrative Proceeding No. 34-56533](#)

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