

FOREIGN CORRUPT PRACTICES ACT (FCPA) OF 1977
(Pub. L. 95-213, 12/19/1977; 26 U.S.C., Sec. 162)

1. THE FCPA REQUIRED THAT CORPORATIONS MUST:

- Maintain adequate internal accounting controls.
- Follow generally accepted accounting practices.
- Maintain accurate books and records.
- Provide for accurate reporting of financial conditions.
- Have adequate internal or external audit overview to monitor compliance with act.

2. FCPA COMPLIANCE ACTIONS – SENIOR MANAGERS AND DIRECTOR:

- Establish policies and procedures to:
 - Safeguard assets against loss
 - Produce reliable financial records
- Understand record keeping and internal accounting control function.
- Become aware of compromising control deficiencies.
- Allocate resources for system and audit function to:
 - Investigate, report, and correct deficiencies
 - Monitor compliance with established policies, procedures and the law.

2. FCPA COMPLIANCE ACTIONS – OPERATING MANAGERS:

- Implement corporate policies and procedures
- Review and document system control deficiencies
- Design and implement new systems with adequate controls
- Work with internal and external auditors and consultants to help ensure compliance

Note: Was amended on 11/10/1998 when Congress enacted Public Law 105-206 extending it to non-U.S. citizens, foreign corporations and international organizations.