



Month in a Minute: July and August 2025

Hughes Hubbard's anti-corruption "Month in a Minute" offers a quick snapshot of the key foreign corruption-related developments from the prior month. This special Summer Recap edition includes stories you may have missed from July and August while you were, we hope, at the beach.

Highlights from July and August 2025 include action by the U.S. Department of Justice under the revised Foreign Corrupt Practices Act (FCPA) enforcement guidelines, an important privilege ruling from the Sixth Circuit and dismissals in two FCPA actions.

Honeywell DPA Dismissed

On July 8, the U.S. District Court for the Southern District of Texas dismissed, with prejudice, a criminal information (Information) against Honeywell UOP, a subsidiary of Honeywell International Inc. The DOJ had filed an unopposed motion to dismiss the Information on July 2, noting that both Honeywell entities had satisfied their disclosure, compliance and payment obligations under a 2022 deferred prosecution agreement (DPA) and thus warranted the dismissal of the Information before its scheduled termination in December 2025.

The DOJ filed the single-count Information in 2022, charging Honeywell UOP with conspiracy to violate the FCPA in connection with corruption involving an executive at Brazil's state oil company, Petrobras. The resulting three-year DPA required Honeywell UOP to pay a total criminal penalty of \$79,242,750, forfeit \$105,657,000 and satisfy certain cooperation and remediation obligations.

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The early dismissal of the Information is consistent with similar actions by the DOJ to terminate certain DPAs early, as discussed in our [June 2025 Month in a Minute](#).

SEC Suit Against Cognizant Execs Dismissed

On July 15, the U.S. Securities and Exchange Commission submitted a joint stipulation agreeing to dismiss, with prejudice, its suit against Cognizant's former president Gordon Coburn and former chief legal officer Steven Schwartz for their role in a scheme to bribe an Indian government official in exchange for a planning permit.

The SEC's dismissal of charges against Coburn and Schwartz, which was granted on July 16, comes after Judge Farbiarz of the U.S. District Court for the District of New Jersey granted the DOJ's motion to dismiss related criminal charges against Coburn and Schwartz in April. For more information on the Cognizant trial and the charges against Coburn and Schwartz, please see our [February 2025](#) and [March/April 2025](#) Month in a Minute publications.

Liberty Mutual Receives Declination

On Aug. 7, the DOJ sent a letter informing insurance company Liberty Mutual that it was declining to prosecute Liberty Mutual for violations of the FCPA despite evidence of bribery in India. According to the declination letter, Liberty Mutual's Indian subsidiary, Liberty General Insurance (LGI), paid bribes totaling approximately \$1.47 million to officials at Indian state-owned banks from about 2017 to 2022. The payments were made in exchange for the banks' referring their customers to LGI, and LGI employees allegedly attempted to conceal the purpose of the payments by classifying the transactions as marketing expenses and by using third-party intermediaries.

In its letter, the DOJ highlighted several factors that informed the declination decision, including Liberty Mutual's timely and voluntary self-disclosure of the misconduct, cooperation with the investigation, remediation actions and improvements to its compliance program, and agreement to disgorge the profits from the scheme, totaling \$4,699,088. The letter also noted the absence of aggravating factors and the nature and seriousness of the offense as additional factors informing the declination decision.

This is the first public declination issued by the DOJ for FCPA-related offenses under the revised Corporate Enforcement and Voluntary Self-Disclosure Policy, which was discussed in our [May 2025 Month in a Minute](#).

Court of Appeals Clarifies Privilege for Investigative Reports

On Aug. 7, the Sixth Circuit Court of Appeals stayed a district court's order directing FirstEnergy to produce documents from two internal investigations performed by FirstEnergy's outside counsel regarding an alleged bribery scheme. The district court had concluded, in part, that the documents were not subject to privilege because FirstEnergy also used outside counsel's advice for business purposes. The Sixth Circuit ruled that the district court likely erred in holding that neither attorney-client privilege nor the work-product doctrine applied to the fruits of the internal investigations because "[w]hat matters for attorney-client privilege is not what a company does with its legal advice, but simply whether a company seeks legal advice[,] which FirstEnergy had done, and the materials created as part of the investigation were likely drafted because of actual legal and regulatory threats and thus likely subject to the work-product doctrine.

DOJ Files FCPA Charges Against Two Mexican Nationals

On Aug. 11, a court in the Southern District of Texas unsealed an indictment alleging that two Mexican citizens lawfully residing in the United States with permanent resident status (holding green cards) – Ramon Alexandro Rovirosa Martinez and Mario Alberto Avila Lizarraga – bribed officials at Petróleos Mexicanos (PEMEX), Mexico's state-owned oil company. The indictment alleges that from June 2019 to October 2021, Rovirosa and Avila paid approximately \$150,000 in cash and luxury items to PEMEX officials. The bribe payments allegedly helped Rovirosa and Avila obtain \$2.5 million in PEMEX contracts for energy companies associated with Rovirosa.

The indictment comes after Rovirosa was arrested – Avila is still at large – and charges Rovirosa and Avila with one count of conspiracy to violate the FCPA and three counts of violating the FCPA. They face a maximum penalty of five years in prison for each count. In addition, a motion to impose certain conditions of release filed separately in the case alleges that Rovirosa has ties to Mexican drug cartel members. This reference to cartel members is an interesting data point in light of the revised FCPA enforcement guidelines issued by Deputy Attorney General Todd Blanche in June 2025, including a focus on FCPA violations that are associated with or otherwise enable cartels. To read more about those guidelines, see our [June 2025 Month in a Minute](#).

Judge Denies Dismissal of Case Against Georgia-Based Manufacturer

On Aug. 28, Judge Jacqueline Becerra of the Southern District of Florida issued a paperless order denying defendant Carl Zaglin's motion to dismiss bribery and money laundering charges against him. Zaglin had argued, in part, that his prosecution was inconsistent with FCPA enforcement priorities as articulated by President Trump's executive order from February and related DOJ memoranda. The DOJ disagreed, noting that, consistent with the February executive order, the attorney general had reviewed the case and authorized the DOJ to proceed to trial.

In December 2023, Zaglin, along with two others, was indicted in a five-count indictment, which included charges of money laundering, engaging in transactions in criminally derived property, and FCPA-related offences related to a scheme to bribe Honduran government officials. See our [March/April 2025 Month in Minute](#) publication for more information.

Zaglin's trial began in September and is ongoing as of the publication of this note.

FACT OF THE MONTH

Take me out to the ball game or catch the action from your TV? That question has dogged Americans since 1939, when on Aug. 26, the first televised Major League Baseball game was broadcast on station W2XBS (later WNBC-TV) between the Cincinnati Reds and the Brooklyn Dodgers. The Reds won the game 5-2, and the historic broadcast featured another reported first – the first televised in-game commercials.

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