



global witness

The Honorable Jeff Sessions
Attorney General
US Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Letter regarding evidence of corruption, Exxon Mobil Corp, and Liberia

March 29, 2018

Dear Attorney General Sessions,

Please find a report that Global Witness released today entitled [*Catch Me if You Can: Exxon's complicity in Liberian oil sector corruption and how its Washington lobbyists fight to keep oil deals secret.*](#)

We are writing to bring to your attention evidence seen by Global Witness regarding the activities of Exxon Mobil Corp in Liberia related to the purchase of Liberian Oil Block 13, which Exxon knew was tainted by corruption when it acquired it. A full description of Global Witness' findings is contained in the attached publication. In summary, there is evidence of the following:

1. In April 2013, the Exxon Mobil subsidiary ExxonMobil Exploration and Production Liberia Ltd (Exxon) purchased a majority share in the Liberian oil license Block 13 from the company Peppercoast Petroleum Plc (Peppercoast).
2. There is evidence that, in 2007 when Peppercoast was originally awarded Block 13, Liberian legislators were bribed by the state oil agency to ensure the company received the license.
3. There is evidence that Peppercoast was illegally part-owned by the former Liberian Mining Minister Jonathan Mason. Current Liberian House of Representatives Member Adolph Lawrence owned a Peppercoast interest in 2011, although it is unknown if he held this interest when Exxon purchased Block 13 in 2013. Of the money paid by Exxon to Peppercoast to purchase Block 13, there is evidence that a share of \$3.3 million may have gone to Mason and \$15,000 may have gone to Lawrence.
4. Prior to purchasing Block 13, Exxon was aware that payments had been made to ensure the original award of the license to Peppercoast and suspected that former Liberian Government officials owned Peppercoast. In a December 2011 presentation given by Exxon to the Liberian Government, Exxon stated that these issues gave Exxon "*concern... regarding US anti-corruption laws.*"
5. Exxon designed a transaction for purchasing Block 13 for \$120 million that the company believed would address its US legal concerns. Peppercoast first assigned the license to a third company, Canadian Overseas Petroleum Ltd (COPL), which then assigned the majority of the license to Exxon. These transactions occurred on the same day and all funds used to acquire the license were paid from a US-based Exxon bank account. Additional shares were transferred from COPL to Exxon in June 2013.
6. Exxon has not responded to Global Witness' request for comment regarding this evidence. COPL has written to Global Witness, stating that it was "aware of the

allegations concerning Peppercoast's minority shareholders." However, the company also stated but that its due diligence did not find "credible evidence" that former officials were part-owners of Peppercoast and that all Peppercoast shareholders were required to sign "compliance certificates" promising that their payments would not be given to anyone else. Additionally, any payments made to Lawrence as a result of his Peppercoast ownership interest were reported to the Liberian Government. COPL also stated that the Block 13 deal was structured as a two-step process because the Liberian Government wanted to sign a new oil license with Exxon and COPL rather than amending the license originally awarded to Peppercoast.

7. There is evidence that, in 2013, Liberian Government officials responsible for signing Exxon's Block 13 purchase received unusual, large payments of \$35,000, representing an estimated 160 percent of the officials' annual salary. They were made by Liberia's oil agency (NOCAL) and were likely made from the same bank account into which Exxon had recently deposited funds it owed the government for purchasing Block 13. There is no evidence that Exxon was aware of these payments, although it was aware that bribes had previously been paid by NOCAL to ensure the approval of oil licenses, including Block 13 in 2007.

Further detail is contained in the attached publication, as are excerpts of evidence that substantiate the above statements.

Global Witness believes that Exxon Mobil Corp should be investigated by the Department of Justice to determine if the company's actions in Liberia violate US laws, including anti-money laundering statutes and the Foreign Corrupt Practices Act, and if appropriate, Exxon Mobil Corp should be held accountable for its actions.

Global Witness exposes the hidden links between demand for natural resources, corruption, armed conflict and environmental destruction.

If your office has questions about the report or would like to meet to discuss these findings, please contact Stefanie Ostfeld, Deputy Head of US Office at sostfeld@globalwitness.org or (202) 621-6674.

Sincerely,

Corinna Gilfillan
Head of US Office
Global Witness

Cc:
Daniel Kahn, Chief, FCPA Unit
Deborah Connor, Acting Chief, Money Laundering and Asset Recovery Section

Attached: Global Witness, Catch Me if You Can, March 2018.