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# SEC Charges Networking and Cybersecurity Solutions Company with Violations of the FCPA

## ADMINISTRATIVE PROCEEDING

File No. 3-19397

**August 29, 2019** - The Securities and Exchange Commission today announced the institution of settled cease-and-desist proceedings against Juniper Networks, Inc., a California-based networking and cybersecurity solutions company, for violations of the Foreign Corrupt Practices Act (FCPA) through its subsidiaries in Russia and China. Juniper agreed to settle charges that it violated the internal accounting controls and recordkeeping provisions of the FCPA and to pay more than \$11.7 million in monetary relief.

According to the SEC's order, certain sales employees of Juniper's Russia subsidiary secretly agreed with third-party distributors to fund leisure trips for customers, including government officials through the use of off-book accounts. Even after a member of Juniper's senior management learned of the misconduct in Russia, the order states, Juniper's remedial efforts were ineffective, and the misconduct continued for over three years. Additionally, the order finds that, certain sales employees of Juniper's Chinese subsidiaries falsified trip and meeting agendas for customer events to understate the true amount of entertainment involved in the trips.

The SEC's order finds that Juniper violated the internal accounting controls and recordkeeping provisions of Sections 13(b)(2)(A) and 13(b)(2)(B) of the Securities Exchange Act of 1934. Without admitting or denying the findings, Juniper has agreed to cease and desist from committing or causing any violations and to pay \$4,000,000 in disgorgement, \$1,245,018 in prejudgment interest, and a \$6,500,000 civil penalty. The SEC took into consideration Juniper's cooperation and remediation in determining whether to accept Juniper's offer of settlement.

The SEC's investigation was conducted by Tanya Beard and Jennifer Moore of the FCPA Unit and the Salt Lake Regional Office and was supervised by Daniel Wadley. The SEC appreciates the assistance of the Department of Justice Criminal Division's Fraud Section and the U.S. Attorney's Office for the Northern District of California.

## Related Materials

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- Order - Juniper Networks, Inc.

*Modified: Aug. 29, 2019*