

UNITED STATES DISTRICT COURT FOR
THE SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,)	
)	
PLAINTIFF,)	Civil Action No.
)	
v.)	
)	
AIG TRADING CORPORATION;)	COMPLAINT FOR
BP EXPLORATION & OIL INC.; and)	RELIEF FOR VIOLATION OF
CARGILL INTERNATIONAL, S.A.)	
)	15 U.S.C. § 1
DEFENDANTS.)	

COMPLAINT

The United States of America, acting under the direction of the Attorney General, brings this civil action pursuant to Section 4 of the Sherman Act, as amended, 15 U.S.C. § 4, to obtain equitable and other relief to prevent and restrain violations of Section 1 of the Sherman Act, as amended, 15 U.S.C. § 1. For its Complaint, the United States alleges:

I.

JURISDICTION AND VENUE

1. This Court has jurisdiction of this action and jurisdiction over the parties pursuant to 15 U.S.C. § 4 and 28 U.S.C. §§ 1331 and 1337.

2. A substantial part of the events which gave rise to this Complaint occurred in the Southern District of New York. Venue is proper in this district

under 28 U.S.C. § 1391 (b) (2). As to Cargill International S.A., venue is also proper under 28 U.S.C. § 1391 (d).

3. All defendants further consent to jurisdiction and waive any objections as to venue.

II.

DEFINITIONS

4. "Brent contract" means a commercial transaction (i) calling for the delivery FOB at Sullom Voe, United Kingdom, of Brent blend crude oil, a crude oil produced in the North Sea, in cargo lots of 500,000 barrels (plus or minus a 5% operational tolerance at the buyer's option) on an unspecified day in a given month forward; (ii) where the seller is obligated to give notice, by 1700 hours London time, not less than fifteen (15) days prior to the first loading day, of a three day loading range within which the buyer must take delivery; (iii) at a price fixed at the time of that contract; (iv) with payment within thirty (30) days of the bill of lading date; and (v) the contract is governed by English law, with jurisdiction over disputes in the English courts, or should any of these terms be changed or amended, any successor contract for a future purchase of Brent blend crude oil.

5. "Brent spread contract" means a commercial transaction in which there is a simultaneous: (i) purchase of a Brent contract for a given month forward; and (ii) sale of a Brent contract for a different month forward.

6. "CFD" means a commercial transaction involving the purchase of an instrument (a "Contract for Differences") the price of which is determined by the difference between: (i) the published price of a cargo of Brent blend crude oil already

loaded or available to be loaded on a specified day ("dated Brent"); and (ii) the published price of a cargo of Brent blend crude oil available to be loaded on an unspecified day of the first month forward. The "published prices" referred to are those reported presently in Platt's Oilgram Price Report.

7. "Broker" means any person, other than a trader, who is regularly engaged in the business of providing, for remuneration, the service of locating buyers for prospective sellers, or sellers for prospective buyers, of Brent spread contracts or CFDs.

8. "Brokerage commission" means the amount of remuneration paid to a broker for arranging the purchase or sale of Brent spread contracts or CFDs by other persons.

9. "Person" means any natural person, corporation, firm, company, sole proprietorship, partnership, association, institution, governmental department, agency or other unit, or other legal entity.

10. "Trader" means any person who, in the ordinary course of its business, purchases or sells Brent spread contracts or CFDs.

III.

DEFENDANTS

11. Defendant AIG Trading Corporation is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in Greenwich, Connecticut.

12. Defendant BP Exploration & Oil Inc. is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in Cleveland, Ohio.

13. Defendant Cargill International, S.A. is a corporation organized and existing under the laws of Antigua and Barbuda, with its principal place of business in Geneva, Switzerland.

14. During a part or all of the time period covered by this Complaint, each of the defendants identified above acted as a trader of Brent spread contracts and CFDs.

15. The acts, deeds or transactions charged in this Complaint have been done by the defendants and were ordered and performed by their officers, directors, agents, employees or representatives while actively engaged in the management, direction, control or transaction of defendants' business or affairs.

IV.

CO-CONSPIRATORS

16. Various partnerships, corporations and associations, including other traders, not named as defendants in this Complaint, have participated with defendants in the violation alleged in this Complaint.

V.

TRADE AND COMMERCE

17. The defendants are traders of Brent spread contracts and CFDs. Such traders are located in various states of the United States and in foreign countries.

18. During the time period covered by this Complaint, traders, including the defendants, regularly employed the services of brokers in connection with the purchase and sale of Brent spread contracts and CFDs. The brokerage commission paid by traders to brokers in connection with the purchase and sale of Brent spread contracts and CFDs is usually expressed in terms of an amount per barrel purchased and sold. In connection with Brent spread contracts and CFDs, a broker is usually paid a full brokerage commission by each party to the transaction.

19. During the time period covered by this Complaint, traders, including defendants, regularly employed the services of and paid brokerage commissions to brokers located in various states of the United States in a continuous and uninterrupted flow of interstate and foreign trade and commerce. The activities of each defendant as described in this Complaint have been within the flow of, and have substantially affected, interstate trade and commerce.

VI.

VIOLATION ALLEGED

20. Beginning at least as early as July 1992, and continuing at least until May 1993, the exact dates being unknown to the United States, the defendants and their co-conspirators engaged in a combination and conspiracy in unreasonable restraint of interstate trade and commerce in violation of Section 1 of the Sherman Act, as amended (15 U.S.C. § 1). This unlawful combination and conspiracy may be renewed unless the relief prayed for herein is granted.

21. The aforesaid combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the defendants and their

co-conspirators to exchange current and prospective brokerage commission information on Brent spread contracts and CFDs with the purpose and effect of lowering brokerage commissions paid to brokers located in the United States.

22. In furtherance of this combination and conspiracy, the defendants did those things which, as hereinabove alleged, they combined and conspired to do, including:

(a) communicating with each other regarding current and prospective brokerage commissions; and

(b) reducing brokerage commissions.

VII.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays:

1. That the Court adjudge and decree that the defendants have combined and conspired to restrain interstate trade and commerce in violation of Section 1 of the Sherman Act

2. That the defendants, their officers, directors, agents, employees, and successors and all other persons acting or claiming to act on their behalf be enjoined and restrained from, in any manner, directly or indirectly, continuing, maintaining, or renewing the alleged combination and conspiracy, or from engaging in any other combination, conspiracy, contract, agreement, understanding or concert of action having a similar purpose or effect, and from adopting or following any practice, plan, program, or device having a similar purpose or effect.

3. That plaintiff have such other relief as the Court may deem just and proper.

4. That plaintiff recover the costs of this action.

Dated:

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