

Clients & Friends Memo

DOJ Issues First Declination under New Department-Wide CEP in FCPA Matter Involving Medical Equipment Manufacturer

March 23, 2026

On March 19, 2026, the Department of Justice (“DOJ”) [announced](#) that it was declining to prosecute Balt SAS, a France-based medical device company, and its subsidiary Balt USA LLC (together, “Balt”), in connection with an alleged foreign bribery scheme involving a physician at a state-owned hospital in France (“Balt declination” or “Balt declination letter”). The Balt declination is the first resolution under Part I of DOJ’s recently announced Department-wide [Corporate Enforcement Policy](#) (“CEP”). As part of the resolution, Balt has agreed to disgorge approximately \$1.2 million in profits tied to the misconduct. Balt also entered into a parallel resolution with French authorities, which, per the DOJ declination letter, “will include corporate compliance requirements imposed under the French system.”

As set forth in the Balt declination letter, between approximately 2017 and 2023, Balt paid more than \$600,000 in bribes to an employee of a French state-owned hospital to secure purchases of Balt medical devices. The payments were funneled through a third-party consultant in Belgium and were disguised as consulting fees and bonuses. Balt sought to conceal the scheme through the use of sham consulting agreements, fake invoices, and personal email accounts. The scheme generated approximately \$1.68 million in revenue and roughly \$1.21 million in profits for Balt.

DOJ found that Balt qualified for a declination under Part I of the CEP because it made a timely and voluntary self-disclosure to the Fraud Section, fully and proactively cooperated with the government’s investigation, timely and appropriately remediated, and lacked aggravating circumstances that “when weighed against Balt’s voluntary self-disclosure, cooperation, and remediation, would warrant a disposition other than a resolution under Part I of the CEP.” DOJ specifically cited Balt’s “accept[ance of] responsibility for the criminal conduct,” its agreement to continue cooperating with ongoing investigations and prosecutions, and its agreement to disgorge ill-gotten gains. In addition, DOJ highlighted Balt’s remediation efforts, including disciplining the individuals involved, ending the business relationships that gave rise to the misconduct, providing compliance training for senior management, and strengthening its compliance program and internal controls.

In many ways, the Balt declination does not appear to mark a new approach to corporate resolutions. Indeed, DOJ relied on the same core factors it emphasized in prior declinations (i.e., timely self-disclosure, full cooperation, appropriate remediation, no aggravating circumstances, and disgorgement of profits tied to the misconduct), which makes sense given how closely the new Department-wide CEP aligns with the framework that was previously in place under the Criminal Division's CEP. Even so, the Balt matter is significant as the first example of how DOJ intends to apply the Department-wide policy in practice. The resolution suggests that when a company satisfies the standards set out in Part I of the CEP, DOJ will offer a declination as it has promised.

The resolution also reinforces a message DOJ has continued to emphasize: its desire to hold individuals accountable for misconduct. On March 4, 2026, a few weeks prior to the Balt declination, a federal grand jury [indicted](#) David Ferrera, a senior executive of Balt USA LLC, and Marc Tilman, a Belgium-based consultant, in connection with the bribery scheme at issue in the Balt declination, charging them with conspiracy to violate the FCPA, substantive FCPA violations, conspiracy to commit money laundering, and money laundering. In line with DOJ's practice historically to decline to protect individuals as part of a corporate resolution, the Balt declination letter expressly states that it "does not provide any protection against prosecution of any individuals, regardless of their affiliation with Balt." Furthermore, in announcing the resolution, Assistant Attorney General A. Tysen Duva emphasized that DOJ's resolution "credits Balt's self-report to the Department as well as its full cooperation and timely remediation" and that the indictment against Ferrera and Tilman "demonstrates the Criminal Division's unwavering pursuit of culpable individuals that engage in corrupt conduct."

Key Takeaways

Balt is the first company to receive a public declination under DOJ's new Department-wide CEP, but the outcome is broadly consistent with DOJ's previous approach under the Criminal Division's CEP. This resolution reinforces the importance of having strong internal compliance systems, reporting channels, and prompt internal investigation procedures in place. At the same time, companies should not view self-disclosure as automatic or risk-free. Those decisions remain highly fact-specific and should be made carefully and with counsel. Finally, DOJ again made clear that leniency for a company does not mean leniency for the individuals involved. Even where a company meets DOJ's standards for a declination, employees, executives, and agents tied to the misconduct still may face investigation and prosecution.

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If you have any questions, please feel free to contact any of the following Cadwalader attorneys.

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