
Cahill Partner Edward O’Callaghan Resolves DOJ and SEC Investigations on Behalf of Austal

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Cahill partner Edward O’Callaghan represented Austal USA, a US Navy shipbuilder, and its ASX listed parent, Austal Ltd, an Australian Navy prime contractor, in reaching agreements with the U.S. Department of Justice and US Securities and Exchange Commission to resolve their investigations into allegations that former employees misstated Austal’s financial performance in publicly-filed reports.

Austal entered a plea agreement with the DOJ, which includes a \$24 million fine and “certain compliance and compliance reporting obligations.” The SEC agreement resolves allegations of violations of the antifraud provisions of the Securities Exchange Act of 1934 and includes the same \$24 million civil penalty. Both agreements are subject to court approval.

John Rothwell, Austal’s former chairman who remains on the board, said in a statement that the deal is the “best outcome” for the company.

On November 18, a federal judge approved the plea agreement between federal prosecutors and Austal USA following a negotiation and addendum with the Department of Justice, which resulted in a favorable disposition for the company.

To learn more, click [here](#), [here](#), and [here](#).

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