

US widens probe of HP bribery allegations

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(AP) -- U.S. investigators have widened their probe of alleged kickbacks paid to Russian authorities by employees of a Hewlett-Packard Co. subsidiary in Germany.

Authorities in Russia, Germany and the U.S. have been looking into alleged bribes totaling \$11 million paid to secure a \$44.5 million contract that ran from 2001 until 2006.

Now, U.S. [Securities and Exchange Commission](#) is also investigating governmental and "quasi-governmental" transactions in Russia dating to 2000, according to a quarterly financial statement the [computer maker](#) filed Thursday.

HP says it is cooperating with the investigation, which so far has not produced any allegations aimed at the company itself.

The probe is another distraction for a company that just forced out its CEO for allegedly faking expense reports.

HP accused Mark Hurd, who led HP for five years before resigning abruptly last month, of trying to hide a relationship with a contractor who ended up suing him for [sexual harassment](#). Hurd has denied making any sexual advances toward the contractor and said he didn't prepare his own expense reports.

The story hasn't ended with his departure. HP is suing Hurd to keep him out of a new job with rival Oracle Corp., arguing his knowledge of the

company would give [Oracle](#) an unfair advantage. Both companies provide corporate servers.

The Russian kickback probe came up in April when authorities arrested three people in Germany and Switzerland in connection with the allegations. German prosecutors charged them with offenses including breach of trust, tax evasion and money laundering.

Authorities are also investigating six other individuals who did no work for HP but may have aided the bribery scheme.

Thursday was the first time that HP, based in Palo Alto, Calif., disclosed the investigation in its financial statements as a potential legal cost.

The company said the SEC is looking into whether HP violated the Foreign Corrupt Practices Act, which bars American companies from bribing foreign government officials.

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