



Monday, October 1, 2012

4:30 PM - 6:00 PM

203 – Key Sources for Structuring Your Compliance and Ethics Program

Gina Brickley Beredo

Litigation Counsel & Director of Product Compliance
American Greetings Corporation

Rochelle Cooper

Vice President & General Counsel
United Space Alliance, LLC

Daniel I. Small

Partner
Holland & Knight

Darryl Uffelmann

Associate General Counsel
Anheuser-Busch Companies, Inc.

Faculty Biographies

Gina Brickley Beredo

Gina Brickley Beredo serves as chief litigation counsel and director of product compliance at American Greetings Corporation, a publicly traded company. Her responsibilities include managing litigation for the company and its international subsidiaries, as well as matters pending before government regulatory agencies such as CPSC, FTC, OSHA and EPA, designing, implementing and managing the company's compliance and ethics program, and managing the company's product compliance program. American Greetings Corporation is a publicly traded company and has been a creator and manufacturer of innovative social expression products that assist consumers in enhancing their relationships to create happiness, laughter and love. American Greetings Corporation generates annual revenue of approximately \$1.7 billion, and its products can be found in retail outlets worldwide.

Prior to joining American Greetings Corporation, Ms. Brickley Beredo was a litigation associate at Baker & Hostetler, LLP, where she focused her practice on complex business, commercial, product liability, civil rights, insurance defense, construction and real estate matters. While at the law firm, she gained significant first chair trial and appellate experience.

Ms. Brickley Beredo received a BA from Saint Louis University with honors and is a graduate of the Indiana University School of Law-Bloomington.

Rochelle Cooper

Rochelle (Shelly) L. Cooper is vice president and general counsel for United Space Alliance, LLC and is responsible for legal, internal governance, and global trade compliance. She is located in Titusville, FL, and provides advice, counsel and support in the areas of business development; benefits, labor and employment; government, commercial and international contracts; environmental, health and safety; ethics and business conduct; export control; insurance and risk management; intellectual property; litigation management; procurement; real estate and facilities; security; software transactions; training; and other corporate matters.

Prior to joining USA, Ms. Cooper worked for United Technologies Corporation (UTC) where she held various positions of increasing responsibility at the UTC Corporate Office; Hamilton Standard Division; Otis Elevators (Paris, France); Pratt & Whitney, Government Engines and Space Propulsion; and USBI Co.

She currently serves on the board of directors of the Health First Foundation, and recently completed a six-year term on the board of the East Coast Zoological Association (Brevard Zoo). Ms. Cooper previously served on the board of directors for the Florida

Space Research Institute; the Brevard Community College Foundation; and the ACC's Central Florida Chapter.

Ms. Cooper received a BA with distinction from the University of Virginia in rhetoric and communications studies and is a graduate of Emory University School of Law.

Daniel I. Small

Daniel I. Small is a litigation partner in the Boston and Miami offices of Holland & Knight, focusing on compliance, witness preparation, government and internal investigations, white-collar criminal and complex civil litigation. He has extensive investigation, jury trial and other litigation experience. Mr. Small has represented witnesses, plaintiffs and defendants in a wide range of internal and external investigations, administrative proceedings, and civil and criminal litigation. These have included issues of healthcare, education, securities, and others.

Prior to entering private practice, Mr. Small was a prosecutor for the U.S. Department of Justice, during which time he tried RICO, corruption, financial and regulatory cases. Mr. Small received various awards and commendations for his work. He also was general counsel for a publicly traded healthcare management firm, where he oversaw in-house legal and risk management staff, outside counsel, litigation, compliance, and facility, entity and physician contracting.

Mr. Small has written several books on litigation, including *Preparing Witnesses* (ABA, 3d edition, 2009) and *Going To Trial* that are used in CLE programs he gives throughout the country, and was a lecturer on law at Harvard Law School. He is a frequent television, radio and newspaper commentator.

Mr. Small is a graduate of Harvard Law School, and is a cum laude graduate of Harvard College.

Darryl Uffelmann

Darryl Uffelmann is currently associate general counsel at Anheuser-Busch Companies LLC where he is the primary in-house counsel responsible for counseling on all labor relations issues involving its operations throughout the United States. Prior to joining Anheuser-Busch, he was the director of corporate compliance and director of labor and employee relations at Kansas City Power & Light (KCP&L).

In his role as director of corporate compliance at KCP&L, he was responsible for the development of the company-wide corporate compliance program and served as chair of the Corporate Compliance Committee reporting to the Board Audit Committee and senior management. As the director of labor and employee relations at KCP&L, he was






responsible for alignment and execution of HR strategies and ongoing HR support to all business units.

Prior to this, Mr. Uffelmann was the corporate compliance officer, director of labor and employee relations, and senior corporate counsel at Aquila, Inc. He was responsible for administering the many facets of the company's compliance culture reporting directly to the board of directors and Audit Committee. He was also responsible for labor and employee relations across the company and oversaw the relationships with the company's unionized workforces and other employee relation issues, and handled all employment related disputes and litigation.


Immediately prior to joining Aquila, he practiced labor and employment law at Husch Blackwell (f/k/a Blackwell Sanders) exclusively representing employers.

Mr. Uffelmann received a bachelor's degree from the University of Kansas in Lawrence, KS. He also received master's of public administration and law degrees from the University of Missouri, Kansas City.

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“203 – Key Sources for Structuring Your Compliance and Ethics Program”

Part One

Federal Sentencing Guidelines

Dan Small

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Historical Perspective

1) “White-Collar Crime”
THEN:

“Crime committed by a person of respectability and high social status in the course of his occupation.”

[Edwin Sutherland,](#)
[American Sociological Society, 1939](#)


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Historical Perspective

“White-Collar Crime”
NOW:



BEST PLACES
TO GO TO PRISON

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Historical Perspective

2) Sentencing Guidelines

THEN:

- **Goal Was Standardization**
 - Defendants in N.J., GA & NV
 - Courtroom 1, 5 & 11 in Same Courthouse
- **Shift Enforcement Leverage from Judicial Branch to Executive Branch**
 - Charging Decision is Critical Juncture

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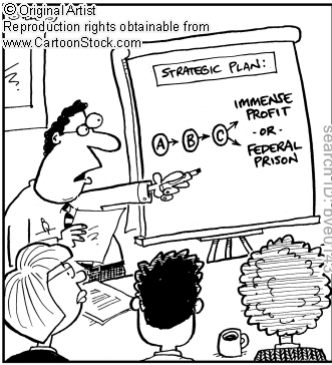
Historical Perspective

Sentencing Guidelines

NOW:

Question:







- **How To Sentence Organizations?**



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Modern Day Parable U.S. vs. Peterson USDC - EDNY

The Grim Facts:

- High Level Morgan Stanley (MS) official
- \$ Millions of MS real estate investments to Chinese official
- Plus \$1.8 million in payments divided
- In exchange: \$ Millions in Chinese business to MS.

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U.S. vs. Peterson

The Choice:

Respondeat Superior

vs.

Rogue Employee

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U.S. vs. Peterson

The Lesson:

Compliance to the Rescue - Declination

1) **The Program:** “MS constructed and maintained a system of internal controls, which provided reasonable assurances that its employees were not bribing government officials.”

- DOJ, 4/25/12

2) **The Crime:** Defendant, “did knowingly and willfully conspire to circumvent the system of internal accounting controls of Morgan Stanley . . .”

- U.S. v. Peterson, Information, P. 16

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Federal Sentencing Guidelines Compliance Program - Impact

“The prior diligence of an organization in seeking to prevent and detect criminal conduct has a direct bearing on the appropriate penalties and probation terms for the organization if it is convicted and sentenced for a criminal offense.”


- §8B2.1, Commentary

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Federal Sentencing Guidelines Compliance Program - Goals






§8B2.1

“(a) To have an effective compliance and ethics program . . . An organization shall-


- (1) **exercise due diligence** to prevent and detect criminal conduct; and*
- (2) otherwise promote an **organizational culture** that encourages ethical conduct and a commitment to compliance with the law.”*

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Federal Sentencing Guidelines Compliance Program – “Minimum Requirements”

I. Standards and Controls

A. General

“(b)(1) The organization shall establish standards and procedures to prevent and detect criminal conduct.”

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II. Management Support and Resources

A. General

*“High-level personnel and substantial authority personnel of the organization shall be knowledgeable about the content and operation of the compliance and ethics program, shall perform their assigned duties consistent with the exercise of due diligence, and shall promote an **organizational culture** that encourages ethical conduct and a commitment to compliance with the law.”*

- §8B2.1, Commentary

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II. Management Support and Resources


B. “Specific Individuals”

“(b)(2)

*(B) High-level personnel of the organization shall ensure that the organization has an effective compliance and ethics program, as described in this guideline. Specific individual(s) within high-level personnel shall be assigned **overall responsibility** for the compliance and ethics program.*

*(C) **Specific individual(s)** within the organization shall be delegated day-to-day operational responsibility for the compliance and ethics program.”*

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II. Management Support and Resources

C. Funded and Resourced

*“(b)(2)(C) To carry out such operational responsibility, such individual(s) shall be given adequate **resources**, appropriate **authority**, and direct **access** to the governing authority or an appropriate subgroup of the governing authority.”*

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II. Management Support and Resources

D. Board Knowledge and Oversight

*“(b)(2)(A) The organization’s governing authority shall be knowledgeable about the content and operation of the compliance and ethics program and shall exercise reasonable **oversight** with respect to the implementation and effectiveness of the compliance and ethics program.”*

*“(b)(2)(C) Individual(s) with operational responsibility shall **report** periodically to high-level personnel and, as appropriate, to the governing authority, or an appropriate subgroup of the governing authority, on the effectiveness of the compliance and ethics program.”*

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III. Training and Communications

A. Initial & Ongoing

*“(b)(4)(A) The organization shall take reasonable steps to communicate periodically and in a practical manner its standards and procedures, and other aspects of the compliance and ethics program, to the individuals referred to in subparagraph (B) by conducting effective **training** programs.”*

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III. Training and Communications

B. Senior Leadership, including Board

*“(B) The individuals referred to in subparagraph (A) are the members of the **governing authority**, high-level personnel, substantial authority personnel, the organization’s employees, and, as appropriate, the organization’s agents.”*

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III. Training and Communications

C. Regular Communications

*“and otherwise disseminating **information** appropriate to such individuals’ respective roles and responsibilities.”*

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IV. Monitoring, Evaluation & Reporting






A. Monitoring/Auditing

“(b)(5) The organization shall take reasonable steps –


*(A) to ensure that the organization’s compliance and ethics program is followed, including monitoring and **auditing** to detect criminal conduct.”*

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IV. Monitoring, Evaluation & Reporting






B. Evaluation

“(b) (5) The organization shall take reasonable steps –


*(B) to **evaluate** periodically the effectiveness of the organization’s compliance and ethics program.”*

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IV. Monitoring, Evaluation & Reporting






C. Reporting

“(b) (5) The organization shall take reasonable steps –


*(C) to have and publicize a system, which may include mechanisms that allow for anonymity or confidentiality, whereby the organization’s employees and agents may **report or seek guidance** regarding potential or actual criminal conduct without fear of retaliation.”*

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V. Enforcement

A. General


*“(b) (6) The organization’s compliance and ethics program shall be promoted and **enforced consistently** throughout the organization.”*

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V. Enforcement

B. Incentives

*“(b) (6)(A) appropriate **incentives** to perform in accordance with the compliance and ethics program.”*

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V. Enforcement

C. Discipline

*“(b) (6)(B) appropriate **disciplinary** measures for engaging in criminal conduct and for failing to take reasonable steps to prevent or detect criminal conduct.”*

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VI. Due Care in Delegating Authority

A. Screening


*“(b)(3) The organization shall use reasonable efforts not to include within the substantial authority personnel of the organization any individual whom the organization knew, or should have known through the exercise of **due diligence**, has engaged in illegal activities or other conduct inconsistent with an effective compliance and ethics program.”*

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VII. Responsiveness

A. Responding to Criminal Conduct


*“(b)(7) After criminal conduct has been detected, the organization shall take reasonable steps to **respond** appropriately to the criminal conduct and to **prevent** further similar criminal conduct, including making any necessary modifications to the organization’s compliance and ethics program.”*

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VII. Responsiveness



B. Risk Assessment


*“(c) In implementing subsection (b), the organization shall periodically **assess the risk** of criminal conduct . . .”*

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VII. Responsiveness



C. Continuous Improvement


“(c) In implementing subsection (b), the organization . . . shall take appropriate steps to design, implement, or modify each requirement set forth in subsection (b) to reduce the risk of criminal conduct identified through this process.”

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Conclusion: The Impact

Before Sentencing - U.S. v. Peterson

- Declination

During Sentencing - §8C2.5(f)


- Direct Reduction

After Sentencing - §8D1.4(b)(1)

- Condition of Probation

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Conclusion: The Impact

Additional Resources

- 1) Federal Sentencing Guidelines, §8B2.1**
- 2) Chris Myers, Corporate Compliance and Ethics Programs: A New Generation**
- 3) U.S. v. Peterson, Criminal Indictment**

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Part Two

Key Internal Partners for Structuring Your Compliance and Ethics Program

Darryl Uffelmann

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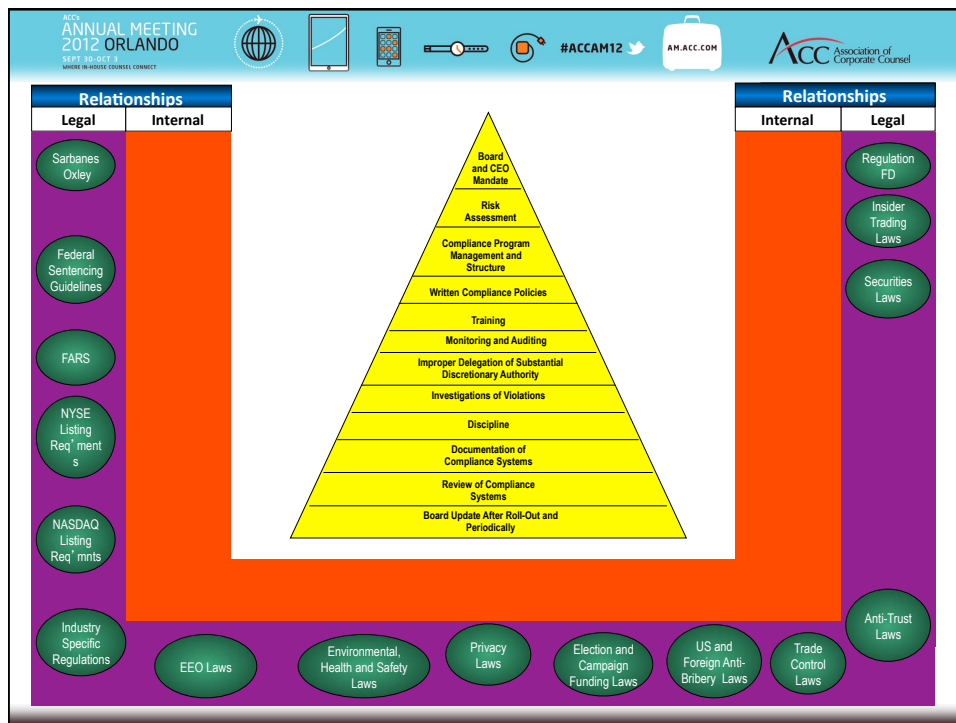
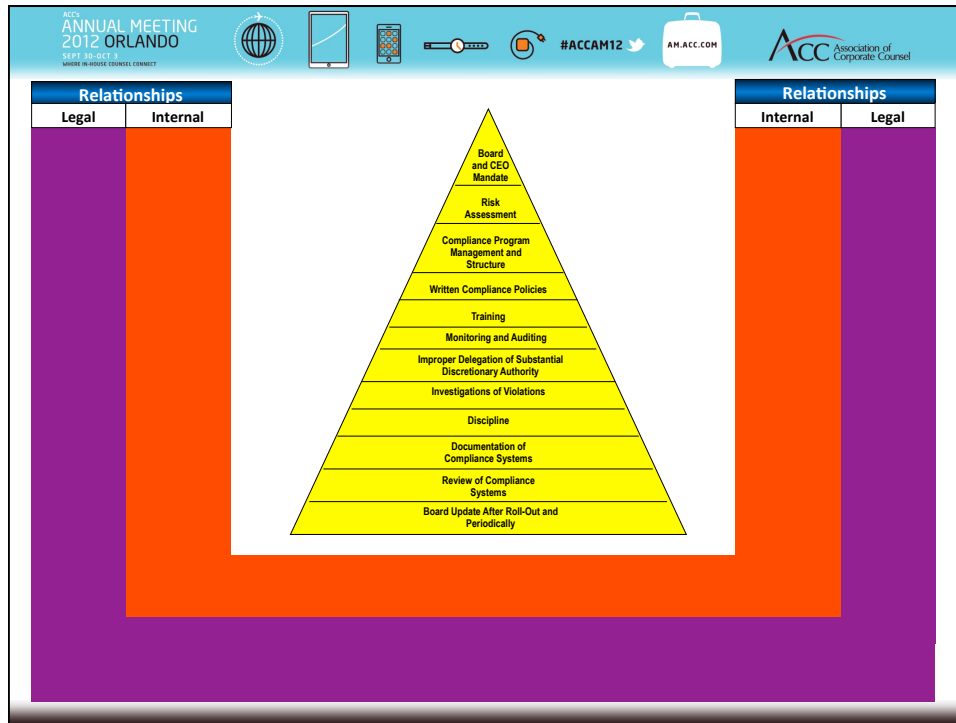
Who should be involved? When?

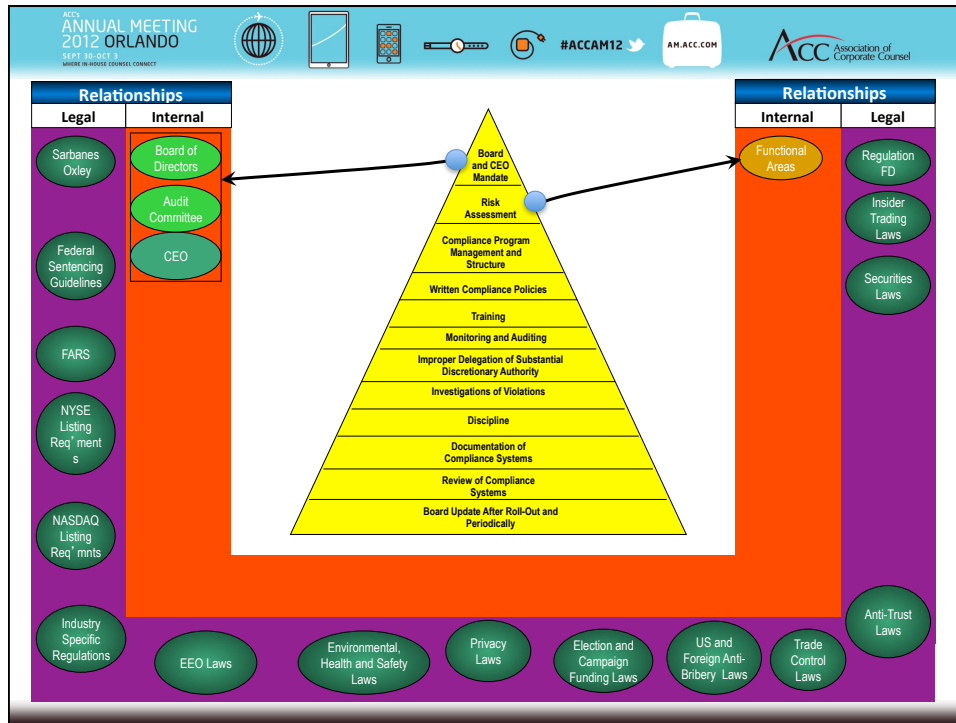
Compliance Function?
Internal Audit?
Human Resources?
Communications?
Records?
Organizational Development?
Functional Areas?
CEO?
Board of Directors?
Audit Committee?
Legal Department?
Security?

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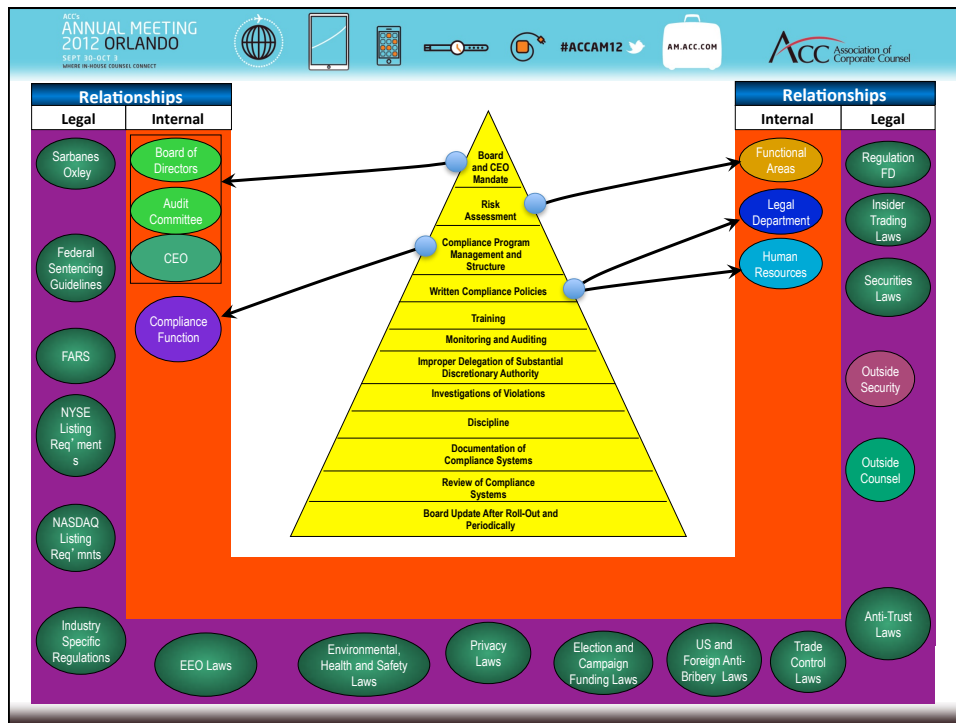
Board and CEO Mandate
Risk Assessment
Compliance Program Management and Structure
Written Compliance Policies
Training
Monitoring and Auditing
Improper Delegation of Substantial Discretionary Authority
Investigations of Violations
Discipline
Documentation of Compliance Systems
Review of Compliance Systems
Board Update After Roll-Out and Periodically





Key Internal Partners for Structuring Your Compliance and Ethics Program

- 1 Board and CEO Mandate**
Board of Directors, Audit Committee, and CEO
 Present Board with (1) reasons to implement compliance program and (2) likely structure of program. Obtain mandate from Board (resolution) to develop compliance program, including hiring a compliance officer and indicating reporting relationship. Obtain mandate from CEO to establish a compliance program working group that shall include representation from each major (i) operating subsidiary, (ii) department, and (iii) region. CEO to appoint of the compliance program working group who shall have the lead responsibility for the working group.
- 2 Risk Assessment**
Functional Areas
 Meet with company representatives to discuss past compliance history, existing and proposed policies and procedures, implementation issues, etc. Identify substantive areas where compliance policies, training, monitoring, auditing, and other procedures are needed (create a substantive area checklist).



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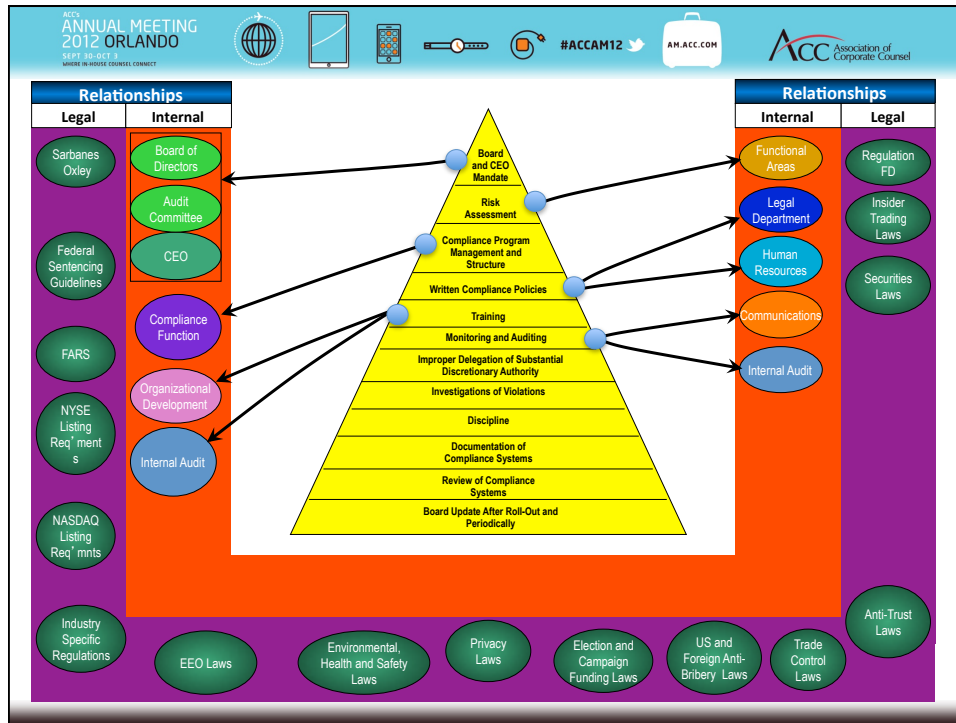
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- Compliance Program Management Structure**
Compliance Function

Define duties of compliance officer (Charter) and reporting structure. Hire compliance officer. Hire/delegate necessary compliance support staff. Define roles of other personnel who will be responsible for compliance program oversight. Consider need for and membership of compliance committee. Define role and responsibilities of committee and draft charter.
- Written Compliance Policies**
Legal Department, Human Resources

Review, revise, and update existing policies to determine effectiveness under applicable laws and regulations. Prepare and finalize Code of Business Conduct. Distribute and/or post policies and code.



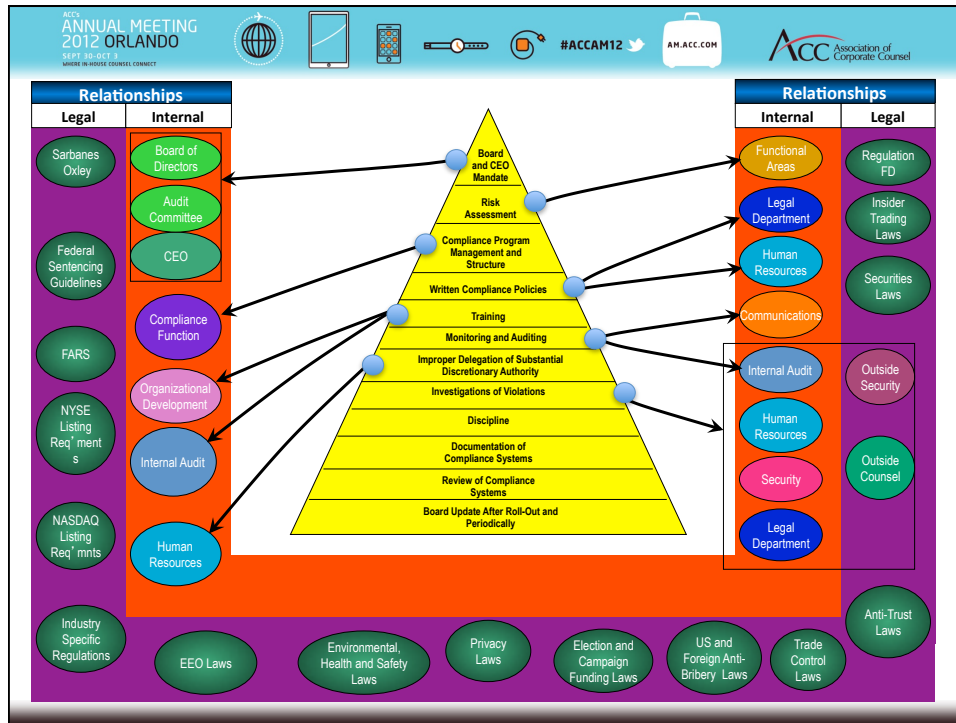
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5 Training
Internal Audit, Organizational Development
 Review and revise existing training. Utilize risk assessment in identifying (1) risk areas for additional training and (2) personnel to be trained in various substantive areas. Determine training and develop training tracking system. Conduct first round of training.

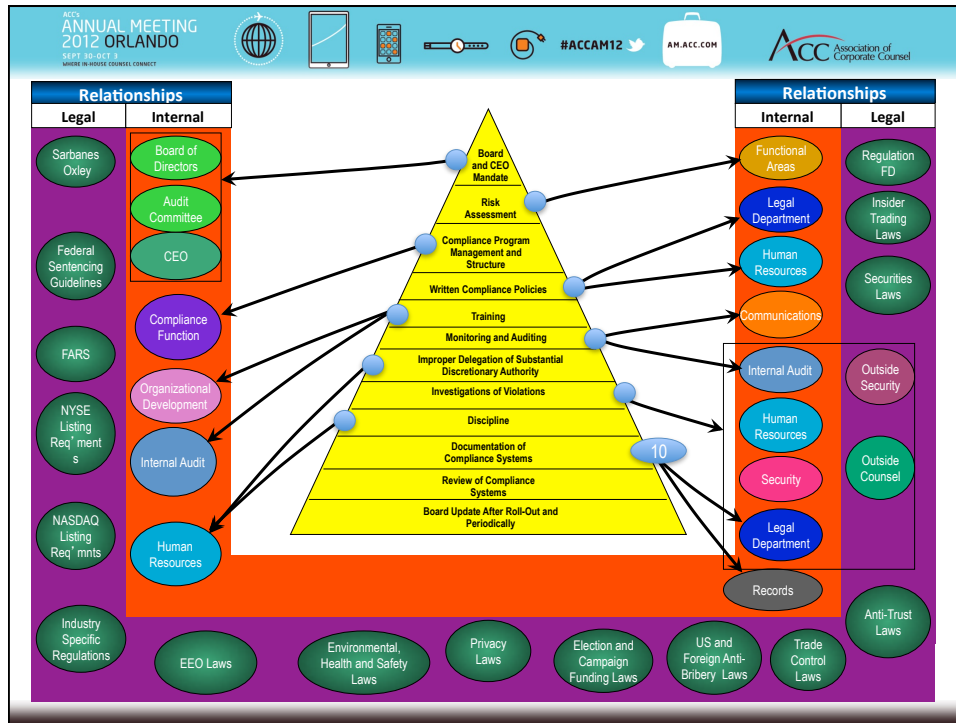
6 Monitoring and Auditing
Communications
 Interview Internal Audit and gather information about auditing of compliance policies and systems. Recommend changes/develop systems. Develop, publicize, and rollout Helpline. Consider e-mail Helpline.



Key Internal Partners for Structuring Your Compliance and Ethics Program

7 Improper Delegation of Substantial Discretionary Authority
Human Resources
 Determine hiring/background processes for employees hired/transferred to sensitive positions. Review, amend or develop processes to ensure against improper delegation of substantial discretionary authority.

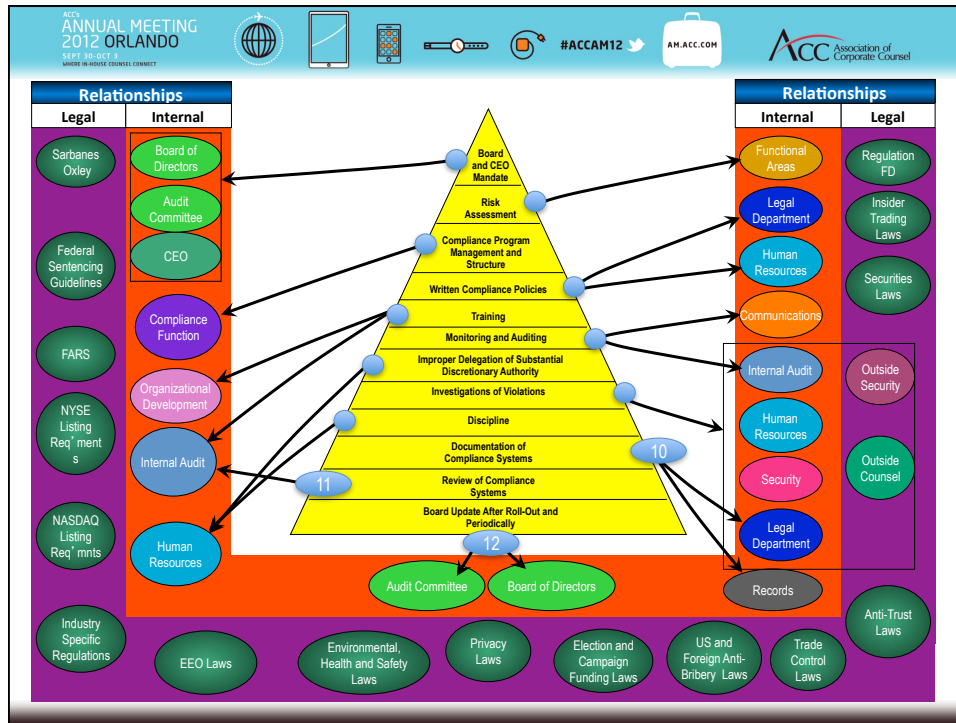
8 Investigations of Violations
Human Resources, Internal Audit, Internal/External Security, Legal Department, Outside Counsel
 Determine existing investigative response systems and recommend changes or develop systems as needed.



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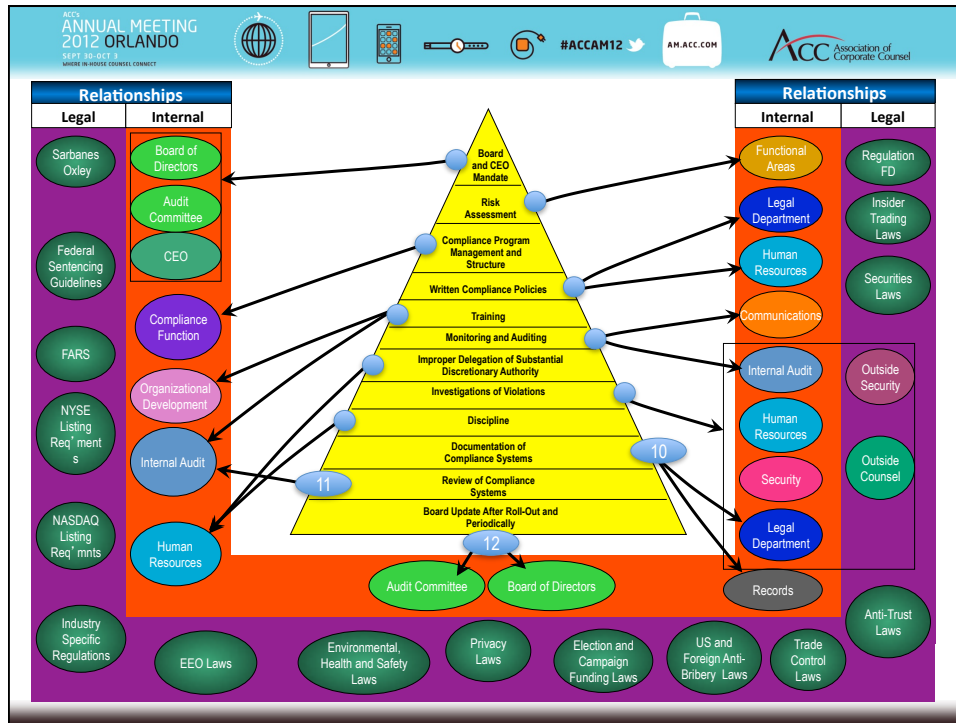
9 **Discipline**
Human Resources
 Determine existing discipline systems and recommend changes or develop systems as needed.

10 **Documentation of Compliance Systems**
Legal Department, Records
 Review record retention policy, discuss retention of compliance documentation with legal department, and gather information regarding compliance documentation. Review and recommend changes.



Key Internal Partners for Structuring Your Compliance and Ethics Program

- 11 Review of Compliance Systems Internal Audit**
 Recommend procedures and timetables for periodic internal and/or external review and update of compliance systems.
- 12 Board Update After Roll-Out and Periodically Board of Directors and Audit Committee**
 Update Board of Directors regarding implementation of revised compliance systems. Recommend timetable for periodic reports to Board of Directors regarding compliance program.



Key Internal Partners for Structuring Your Compliance and Ethics Program

Compliance Resources

- Business Roundtable Institute for Corporate Ethics***
- Compliance and Ethics Leadership Council (CELC)***
- Ethics and Compliance Officers Association (ECO)***
- Ethics Resource Center (ERC)***
- Open Compliance Ethics Group (OCEG)***
- Society for Corporate Compliance and Ethics (SCCE)***

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Part Three

Federal Acquisition Regulation (FAR)

Rochelle Cooper

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Key Sources – Federal Acquisition Regulation (FAR)

FAR 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010)

- DCAA Audit Guidance
- Suspension and Debarment



GRANTLAND®

OKAY. SIGN OFF ON THIS REPORT.

BUT I'M SUPPOSED TO CHECK EVERYTHING!

DON'T WORRY ABOUT IT! THIS HAS TO GET DONE TODAY!

WHAT ABOUT OUR ETHICS POLICY?

WHAT ABOUT IT?

IT'S STILL UP ON THE WALL, ISN'T IT?

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Background - DOJ Criminal Division Letter 2007

- Background - "This case is in response to a request to the Office of Federal Procurement Policy from the Department of Justice..."
- DOJ Letter - "...the 1980s witnessed significant innovations in the federal procurement system. Many of those reforms, including corporate compliance programs and corporate self-governance, were adopted with industry cooperation, and were later incorporated into evolving regulatory schemes in other business sectors and industries.

In fact, the U.S. Sentencing Guidelines' treatment of corporations, adopted in 1991, borrowed heavily from the reforms that were first instituted for government contractors in 1986. However, since that time, our government's expectations of its contractors have not kept pace with reforms in self-governance in industries such as banking, securities, and healthcare."

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The Final Rule

- Final Rule and FAR 52.203-13 Contractor Code of Business Ethics and Conduct
 - Go to <http://edocket.access.gpo.gov/2008/E8-26953.htm>
- Final Rule contains 142 page "Discussion and Analysis" summarizing numerous public comments and the Civilian Agency Acquisition Council and Defense Acquisition Regulations Council responses
 - Discussion and Analysis provides insight into need for new rule and guidance to contractors
- Effective date: December 12, 2008

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FAR 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010)

- Institute Code of Business Ethics and Conduct within 30 days after contract award (or longer if contracting officer agrees)
- Covered contract ``any contract in an amount greater than \$5,000,000 and more than 120 days in duration.’’
- Includes small business and commercial item contractors
- Promote and maintain a company **culture** encouraging ethical conduct and a commitment to follow the law
 - “exercise of **due diligence** to prevent and detect criminal conduct”
- Subcontractors

*KEY SOURCES – EVEN IF NOT “COVERED CONTRACT”
 GOOD ROADMAP and BUSINESS PRACTICE*

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Major Requirements

- **New Grounds for Suspension & Debarment**
- Retroactive Disclosure
- Broad Mandatory Disclosures
- Mandatory “Full Cooperation”
- **Expands Requirements for Codes of Business Ethics and Conduct**
- **Business Ethics and Awareness & Compliance; Internal Controls, Periodic Review Procedures and Internal Reporting Mechanisms**
 (exception for small business and commercial item contractors, but . . .)


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Ethics Compliance and Internal Controls

- “The Contractor shall establish the following within 90 days after contract award,
...
 - (1) An ongoing business ethics awareness and compliance program.
 - (i) This program shall include reasonable steps to communicate periodically and in a practical manner the Contractor's standards and procedures and other aspects of the Contractor's business ethics awareness and compliance program and internal control system, by conducting effective training programs and otherwise disseminating information appropriate to an individual's respective roles and responsibilities.
 - (ii) The training conducted under this program shall be provided to the Contractor's principals and employees, and as appropriate, the Contractor's agents and subcontractors.
 - (2) An internal control system.”
- Small Business and Commercial Item contractors are exempt from ethics awareness and compliance program requirement and establishment of internal control system


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Internal Controls

- (i) The Contractor's internal control system shall:
 - (A) Establish standards and procedures to facilitate timely discovery of improper conduct
 - (B) Ensure corrective measures are promptly instituted and carried out
- (ii) At a minimum, the Contractor's internal control system shall provide for:
 - (A) Assignment of responsibility at a sufficiently high level and adequate resources to ensure effectiveness of the business ethics awareness and compliance program and internal control system.
 - (B) *Reasonable efforts not to include an individual as a principal, whom due diligence would have exposed as having engaged in conduct that is in conflict with the Contractor's code of business ethics and conduct.*
 - (C) Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Contractor's code of business ethics and conduct and the special requirements of Government contracting, including:
 - (1) Monitoring and auditing to detect criminal conduct;
 - (2) Periodic evaluation of the effectiveness of the business ethics awareness and compliance program and internal control system, especially if criminal conduct has been detected; and
 - (3) Periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement, or modify the business ethics awareness and compliance program and the internal control system as necessary to reduce the risk of criminal conduct identified through this process.
 - (D) An internal reporting mechanism, such as a hotline, which allows for anonymity or confidentiality, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

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Industry and Analyst Recommendations for Implementation

- Upper management commitment and active participation
- Perform a compliance assessment
- Confirm the code and program contain all of the basic mandatory elements contained in the FAR
- Update policies and procedures
- Make the code and program consistent with company's size and operations
- Tailor to meet needs and values of the company
- Involve employees in the creation of the code
- If applies to foreign operations, translate and tailor
- Training and management reinforcement in day-to-day interactions

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(b) Code of business ethics and conduct.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(1) Within 30 days after contract award, unless the Contracting Officer establishes a longer time period, the Contractor shall—	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(i) Have a written code of business ethics and conduct;	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(ii) Make a copy of the code available to each employee engaged in performance of the contract.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(2) The Contractor shall—	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(i) Exercise due diligence to prevent and detect criminal conduct; and	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(ii) Otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(3) (i) The Contractor shall timely disclose, in writing, to the agency Office of the Inspector General (OIG), with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder, the Contractor has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed—	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(A) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(B) A violation of the civil False Claims Act (31 U.S.C. 3729-3733).	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(ii) The Government, to the extent permitted by law and regulation, will safeguard and treat information obtained pursuant to the Contractor's disclosure as confidential where the information has been marked "confidential" or "proprietary" by the company. To the extent permitted by law and regulation, such information will not be released by the Government to the public pursuant to a Freedom of Information Act request, 5 U.S.C. Section 552, without prior notification to the Contractor. The Government may transfer documents provided by the Contractor to any department or agency within the Executive Branch if the information relates to matters within the organization's jurisdiction.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(iii) If the violation relates to an order against a Government wide acquisition contract, a multi-agency contract, a multiple-award schedule contract such as the Federal Supply Schedule, or any other procurement instrument intended for use by multiple agencies, the Contractor shall notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>

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FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(c) Business ethics awareness and compliance program and internal control system. This paragraph (c) does not apply if the Contractor has represented itself as a small business concern pursuant to the award of this contract or if this contract is for the acquisition of a commercial item as defined at FAR 2.101. The Contractor shall establish the following within 90 days after contract award, unless the Contracting Officer establishes a longer time period:	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(1) An ongoing business ethics awareness and compliance program.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(i) This program shall include reasonable steps to communicate periodically and in a practical manner the Contractor's standards and procedures and other aspects of the Contractor's business ethics awareness and compliance program and internal control system, by conducting effective training programs and otherwise disseminating information appropriate to an individual's respective roles and responsibilities.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(ii) The training conducted under this program shall be provided to the Contractor's principals and employees, and as appropriate, the Contractor's agents and subcontractors.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(2) An internal control system.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(i) The Contractor's internal control system shall—	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(A) Establish standards and procedures to facilitate timely discovery of improper conduct in connection with Government contracts; and	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(B) Ensure corrective measures are promptly instituted and carried out.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(ii) At a minimum, the Contractor's internal control system shall provide for the following:	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(A) Assignment of responsibility at a sufficiently high level and adequate resources to ensure effectiveness of the business ethics awareness and compliance program and internal control system.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(B) Reasonable efforts not to include an individual as a principal, whom due diligence would have exposed as having engaged in conduct that is in conflict with the Contractor's code of business ethics and conduct.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(C) Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Contractor's code of business ethics and conduct and the special requirements of Government contracting, including—	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(1) Monitoring and auditing to detect criminal conduct;	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(2) Periodic evaluation of the effectiveness of the business ethics awareness and compliance program and internal control system, especially if criminal conduct has been detected; and	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(3) Periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement, or modify the business ethics awareness and compliance program and the internal control system as necessary to reduce the risk of criminal conduct identified through this process.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(D) An internal reporting mechanism, such as a hotline, which allows for anonymity or confidentiality, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(E) Disciplinary action for improper conduct or for failing to take reasonable steps to prevent or detect improper conduct.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(F) Timely disclosure, in writing, to the agency OIG, with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of any Government contract performed by the Contractor or a subcontractor thereunder, the Contractor has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 U.S.C. or a violation of the civil False Claims Act (31 U.S.C. 3729-3733).	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(1) If a violation relates to more than one Government contract, the Contractor may make the disclosure to the agency OIG and Contracting Officer responsible for the largest dollar value contract impacted by the violation.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:

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FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(2) If the violation relates to an order against a Government wide acquisition contract, a multi-agency contract, a multiple-award schedule contract such as the Federal Supply Schedule, or any other procurement instrument intended for use by multiple agencies, the contractor shall notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract, and the respective agencies' contracting officers.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(3) The disclosure requirement for an individual contract continues until at least 3 years after final payment on the contract.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(4) The Government will safeguard such disclosures in accordance with paragraph (b)(3)(ii) of this clause.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:
(G) Full cooperation with any Government agencies responsible for audits, investigations, or corrective actions.	In place: Actions:	In place: Actions:	In place: Actions:	In place: Actions:

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FAR 52.203-13 - Contractor Code of Business Ethics and Conduct (APR 2010)

FAR	Ethics Program	Internal Audit	Other (Legal, External Investigations, Contracts, Subcontracts, Finance, etc.)	Actions
(d) Subcontracts. (1) The Contractor shall include the substance of this clause, including this paragraph (d), in subcontracts that have a value in excess of \$5,000,000 and a performance period of more than 120 days.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>
(2) In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>	<u>In place:</u> <u>Actions:</u>

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DCAA Audit Guidance

- July 23, 2009 – DCAA Issued Revised Audit Guidance
 - Procedures for reviewing contractor compliance with FAR 52.203-13, Contractor Code of Business Ethics
 - Memorandum for Regional Directors [Audit Guidance on Federal Acquisition Regulation (FAR) Revisions Related to Contractor Code of Business Ethics and Conduct]

See <http://www.dcaa.mil/mmr/09-PAS-014.pdf>

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What Do Auditors Verify/Review?

1. Verify the existence of a written code of conduct containing content to ensure it addresses ethical business practices, conflicts of interest, and expected standards of ethical behavior, including dealings with customers, employees and other parties.
2. Obtain evidence that the code was made available to each employee.
3. Verify that the code is periodically communicated to all employees, formally acknowledged, and that it cites consequences for violations.
4. Verify that the contractor has policies and procedures for a business ethics awareness and compliance program.

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What Do Auditors Verify/Review?

5. Verify that the program includes training of all principals and employees and as appropriate agents and subcontractors. Test by evaluating training materials and training records.
6. Verify that the Program Manager reports to a high level Official (e.g. VP/CFO).
7. Review and test implementation of policies and procedures for exercising due diligence (background checks) to identify whether individuals appointed as a principal have previously engaged in conduct that conflicts with the code of conduct.
8. Verify that reviews of company business practices, procedures, internal controls for compliance with the contractors Code and special requirements of Government contracting are conducted at least annually.

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What Do Auditors Verify/Review?

9. Verify that there is an internal confidential reporting mechanism (such as a hotline) allowing for anonymous or confidential reports of suspected improper conduct; and verify that employees are encouraged to make such reports.

10. Verify that policies and procedures provide for appropriate discipline for improper conduct or failure to detect improper conduct. Review assessments of whether disciplinary action was needed, what action was taken and ascertain if it was reasonable.

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What Do Auditors Verify/Review?

11. Verify that policies and procedures provide for timely disclosure to the OIG, with a copy to the contracting office when there is credible evidence of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity, or a violation of the Civil False Claims Act in connection with Government contracts.

12. Review any disclosures and determine if necessary corrective actions have been taken to protect the Government's interest. If appropriate actions have not been taken it should be reported as an internal control deficiency.

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What Do Auditors Verify/Review?

13. Verify that policies and procedures provide for cooperation with Government agencies responsible for audits, investigation or corrective actions. Confirm that there are no outstanding access to record issues or subpoenas that may indicate a lack of cooperation.
14. Verify that when required the contractor has included the substance of FAR 52.203-13 and -14 in its subcontracts.

Additional detailed guidance is provided in CAM 5-306, Integrity and Ethical Values which is available at <http://www.dcaa.mil/cam.htm>

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Suspension and Debarment Officials (SDO)

- Suspension and Debarment - FAR 9.4
- Suspension and Debarment Defined - FAR 2.101
- Before making any debarment decision, the debarring official should consider mitigating factors that are set out in FAR 9.406-1.
 - The first focuses on whether the contractor had effective standards of conduct and internal control systems in place at the time of the allegedly improper activity, or whether the contractor had adopted such standards and systems before any government investigation of the activity cited as a cause for debarment.
- Contractor has burden to demonstrate its present responsibility

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Effects of Suspension or Debarment

- Company/Individual name published in the Excluded Parties List System (EPLS), (<http://www.epls.gov>)
- Offers not solicited from, contracts not be awarded to, existing contracts not renewed, and subcontracts not approved for Company/Individual
- Company/Individual may not conduct business with the Federal government as an agent or representative of other contractors
- No Government contractor may award to Company/Individual in excess of \$30,000 but for compelling reason
- No agency in the Executive Branch shall enter into, renew, or extend primary or lower-tier covered transaction in which Company/Individual is either a participant or principal
- Company/Individual affiliation with, or relationship to, any organization doing business with the Government carefully examined

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Collateral Consequences of Suspension and Debarment

- Loss of security clearances
- Inability to obtain export licenses
- Possible restrictions on ability to win State and local government contracts
- Reputational damage
 - Affect sales and stock value

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Mitigating Factors – FAR 9.406-1

- Voluntary Disclosure
- Internal Investigation
- Full Cooperation
- Paid Costs/Restitution
- Implementation of Remedial Action
- Management Recognition of Problem
- **Ethics Training – Compliance with FAR Ethics Rule**
- Time to Eliminate Causes
- **Effective Standards of Conduct and Internal Controls**
- Implement Remedial Measures
- **Ethics Training Programs**
- Programs to Prevent Further Problems

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Evaluation by Suspension and Debarment Official

GRANTLAND®

SINCE EACH OF US IS RESPONSIBLE FOR MAINTAINING OUR INTEGRITY AND ETHICS,


EACH OF US MUST BE A ROLE MODEL FOR THOSE AROUND US,

AND TOGETHER, WE ALL ARE GUARDIANS OF OUR CULTURE.

WOW! I THOUGHT I WAS JUST AN EMPLOYEE.

- Extends beyond basic requirement to have an ethics and compliance program
- Ethical culture that inculcates core values
- Increased attention to method by which employees receive ethics training
 - Preference for having employees trained by immediate superiors


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Recent Agreements between Companies Considered for Exclusion and SDOs

- Agree to implement certain ethics and compliance measures, among other actions, in exchange for the agency not excluding the company.
- Examples of agreements available:
<http://www.safgc.hq.af.mil/organizations/qcr/adminagreements/index.asp>
- Examples provide a roadmap for what is expected of a responsible government contractor.

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Recent Agreements between Companies Considered for Exclusion and SDOs (cont'd)

Requirements typically include:

- (1) Creating or maintaining the position of Chief Compliance Officer, who will report directly to the board;
- (2) Having a code of conduct that is regularly monitored and revised;
- (3) Distributing the code of conduct to each employee;
- (4) Implementing a robust ethics and compliance training program;
- (5) Conducting an annual internal audit of business practices and internal controls; and
- (6) Putting in place policies prohibiting employing or doing business with excluded entities.

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Suspension & Debarment Prevention Tool – Compliance

- Values Based Ethics
- Formal Written Ethics and Compliance Program
- Code of Conduct
- Employee Obligation to Comply with all Laws, Regulations, and Ethics Rules
- Defining and Avoiding Conflicts of Interest (individual and corporate)
- Protection of Confidential Information
- Specific Rules on Prohibition of Gifts and Bribery

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Suspension & Debarment Prevention Tool – Compliance

- Establishment of complaint/whistleblower procedures
- Standard process for addressing complaints
- Comprehensive training program – new employees and continuing
- Independent compliance/ethics officer
- Regular review process by independent group

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Resources for Design, Implementation and Enhancement

- FAR 52.203-13, Final Rule - <http://edocket.access.gpo.gov/2008/E8-26953.htm>
- FAR 52.203 -13 (APR 2010), Contractor Code of Business Ethics and Conduct - <http://farsite.hill.af.mil/vffara.htm>
- FAR 52.203-14, Display of Hotline Posters - <http://farsite.hill.af.mil/vffara.htm>
- Sample Compliance Assessment Matrix
- FAR 9.4, Suspension and Debarment - <http://farsite.hill.af.mil/vffara.htm>
- FAR 2.101, Definitions - <http://farsite.hill.af.mil/vffara.htm>
- Memorandum for Regional Directors, DCAA, Audit Guidance on Federal Acquisition (FAR) Revisions Related to Contractor Code of Business Ethics and Conduct - <http://www.dcaa.mil/mmr/09-PAS-014.pdf>
- CAM 5-306, Integrity and Ethical Values - <http://www.dcaa.mil/cam.htm>
- Examples of Agreements between Companies Considered for Exclusion and Suspension and Debarment Officials - <http://www.safgc.hq.af.mil/organizations/gcr/adminagreements/index.asp>

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"203 – Key Sources for Structuring Your Compliance and Ethics Program"

Part Four

UK Bribery Act and Adequate Procedures

Gina Beredo


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Contents

- Why the Bribery Act of 2010 is important
- Explanation of the Act and Adequate Procedures
- Design of compliance program consistent with the Act
- Key Issues

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Impact of bribery and corruption


- **Raises project costs for companies by at least 10%**
[source: Global Corruption Report 2009]
- **In a survey of more than 1,000 executives, almost 1 in 5 claimed to have lost business due to a competitor paying bribes**
[source: Ernst & Young, "Corruption or Compliance—weighing the costs, 10th Global Fraud Survey" (2008)]
- **The amount of money laundered through the UK each year is estimated to be £48 billion (2% of UK GDP)**
[source: Money Laundering Bulletin, June 2011]
- **In a survey of more than 2,300 staff in European companies, nearly 1 in 5 consider it acceptable to pay bribes to win or retain business**
[source: Ernst & Young, "European Fraud Survey 2011: Recovery, Regulation and Integrity" (2011)]

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Penalties


- Commercial organizations—unlimited fine
- Individual-unlimited fine and/or 10 years in prison
- Director Disqualification Orders
- Public procurement prohibitions
- POCA-confiscation order

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Explanation of the Act

- Came into force on **July 1, 2010**
- Repeals the common law offense of bribery and 3 historic Acts
- **Consolidates and extends mechanism** for investigating and enforcing breaches of UK anti-bribery and corruption laws
- Applies to **all actions in England, Wales, Scotland and Northern Ireland**
- **Applicable to all UK nationals/UK residents, and UK commercial organizations actions outside** of those areas (e.g., violation of act can occur outside the UK even if the activity has no other nexus or connection with the UK)

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The Main Offenses

1. **Commercial bribery** (sections 1 & 2):
 - **ACTIVE** bribery-the offering, promising or giving of an advantage (financial or otherwise)
 - **PASSIVE** bribery-requesting, agreeing to receive or accepting an advantage (financial or otherwise)
2. **Bribing a foreign official** (section 6)
3. **Failing to prevent bribery** (section 7)

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Failure to Prevent Bribery


- Under section 7, a commercial organization may be held liable if a person associated with it violates the Act (does not need to be successful, only if intended to commit bribery)
 - “Associated Person” means a person who performs services for or on behalf of that organization. Can be director, employee, agent or subsidiary
 - Presumption that an employee performs services for or on behalf of the organization

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Senior Officers Liability


- Under section 14, if bribery committed by a commercial organization with the **consent or connivance of a senior officer or a person purporting to act in such a capacity**, then the senior officer is also guilty of the offense.
- “Consent or connivance” –implies both **knowledge** and a **decision made on such knowledge**.

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Adequate Procedures Defense

- As a defense to section 7 allegation (failing to prevent bribery), a commercial organization can show that it had **adequate procedures** in place to prevent associated persons from undertaking such conduct.
- **Burden is on Company** to prove on the balance of probabilities.

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Guidance on Adequate Procedures

Six principles to bribery prevention

1. Proportionate procedures
2. Top level commitment
3. Risk assessment
4. Due diligence
5. Communication/Training
6. Monitoring and review

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Guidance on Adequate Procedures

Guidance: <http://www.justice.gov.uk/guidance/docs/bribery-act-2010-guidance.pdf>
 Quick Start Guide: <http://www.justice.gov.uk/guidance/docs/bribery-act-2010-quick-start-guide.pdf>

Six Principles for Bribery Prevention

1. Proportionate Procedures
 - What is allowed and what is prohibited
 - Specific policies for hospitality, gifts, facilitation payments, charitable donations
 - Take account of roles of whole workforce
 - Ensure worker buy-in—use them to help develop policies
 - Code of conduct as part of employment contract
 - Use support and operation procedures-e.g., financial, disciplinary, appraisals, selection criteria
 - How to deal with or reports of bribery
2. Top Level Commitment
 - A statement of commitment
 - Establish a culture that bribery is never acceptable
 - Ensure policies are communicated to all employees
 - Oversee implementation of anti-bribery program

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Guidance on Adequate Procedures (cont.)

3. Risk Assessment
 - Regularly and comprehensively assess the nature and extent of risks relating to bribery to which it is exposed
 - Identify key risks
 - Mitigate
 - Ongoing review and monitoring
4. Due Diligence
 - All parties to a business relationship—supply chain, intermediaries, agents, joint ventures
 - All markets in which the organization operates
 - Consider: location, business opportunity, partners
5. Communication (including training)
 - Internal communication—policies and procedures
 - Means for employees to raise concerns
 - Training for all employees and associated persons—how bribery is being addressed
6. Monitoring and Review
 - To ensure compliance and identify any issues
 - Consider—financial controls, bribery reporting, incident management, audit, external verification, compliance officer/team

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Key Issues

- Commercial Bribery prohibited
 - Greatly expands prohibited conduct
 - Commercial bribery not prohibited by FCPA
- Jurisdictional Reach
 - **Sections 1, 2 and 6 applies to:**
 - All UK nationals/residents/commercial organizations
 - Non-UK persons if offense occurs in UK
 - **Section 7 applies to:**
 - Non-UK business carrying on a business or part of a business in the UK
 - For corporate offense, “associated person” means a person who performs services for or on behalf of that organization. Capacity in which services performed does not matter—can be director, employee, agent, subsidiary, joint venture or supply chain
 - US parent liable for action of UK subsidiary as an “associated person” who performs services on behalf of the parent

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Key Issues

- Facilitation Payments
 - Zero tolerance towards facilitation payments
 - Bribery Act does not allow, unless in the *written* law of the relevant jurisdiction
 - SFO said will only prosecute where payments large, systemic or it is in the public interest
 - SFO acknowledges that there will be certain life and death scenarios, but will not make carve outs to a facilitations ban

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Key Issues

- Corporate Hospitality
 - Corporate hospitality would only trigger the bribery offense where a **reasonable person would regard it as improper.**
 - Richard Alderman, Director of SFO, said “sensible [and proportionate] promotional entertaining expenditure will not be an offense under the act.”
 - The Guidance says “reasonable and proportionate hospitality or promotional expenditure which seeks to improve the image of a commercial organization, better to present products and services, or establish cordial relations, is recognized as an established part of doing business.”
 - Tickets to sporting events, client dinners, offering gifts as reflection of good relations and paying clients’ expenses to demonstrate goods not bribery as long as proportionate.

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Enforcement

- Oxford Publishing Ltd. to pay almost **£1.9 million as settlement** after admitting unlawful conduct in its East African operations (03 July 2012)
- Former **Director** of Invaro Ltd **sentenced to 6 months jail** for failing to keep accounting records which were sufficient to show and explain the transactions of Invaro Ltd and disqualified from acting as a director for 7 years (02 Mach 2012)
- **4 sentenced to jail for corruptly providing confidential information to bidders.** Two defendants were engaged as **agency workers** by **procurement companies** and abused their access to information. They indicated to suppliers who were bidding for the contracts that information could be made available if they agreed to pay for it. Disguised as "consultancy services", the illicit payments were shared out amongst the co-conspirators. The contracts related to these projects were: Styrene Monomer Project, Iran; QASR Gas Gathering Project, Egypt; Sakhalin Island Project, Russian Federation; Singapore Parallel Train Project; Hydrogen Power Project, Abu Dhabi. (31 Jan 2012)

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UK Bribery Act Resources

UK Bribery Act Serious Fraud Office: <http://www.sfo.gov.uk/>

UK Bribery Act Serious Fraud Office Guidance:
<http://www.justice.gov.uk/guidance/docs/bribery-act-2010-guidance.pdf>

UK Bribery Act Serious Fraud Office Quick Start Guide:
<http://www.justice.gov.uk/guidance/docs/bribery-act-2010-quick-start-guide.pdf>

Transparency International website: <http://www.transparency.org/>

Transparency International Assurance Framework for Corporate Anti-Bribery Programmes:
http://www.transparency.org/whatwedo/pub/assurance_framework_for_corporate_anti_bribery_programmes

Transparency International Corruption Perception Index Rating (2011):
http://www.transparency.org/whatwedo/pub/corruption_perceptions_index_2011

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Additional Sources for Structuring Your Compliance and Ethics Program

- **Sarbanes-Oxley Act of 2002, Section 406**
 - 15 USC Section 7264, Code of ethics for senior financial officers
- **Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 922**
 - Section 922. Whistleblower Protection
- **Securities and Exchange Commission**
 - 17 CFR 229.406 (Item 406) Code of ethics (*Registrant*)
 - 17 CFR 228.406 (Item 406) Code of ethics (*Small business issuer*)

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Additional Sources for Structuring Your Compliance and Ethics Program

- **New York Stock Exchange**
 - Listed Company Manual Section 303A.10
 - 303A.00 Corporate Governance Standards
 - 303A.10 Code of Business Conduct and Ethics
- **NASDAQ**
 - Market Rule 4350(n) Code of Conduct
 - Cross Reference – IM-4350-7 Code of Conduct

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