



Wednesday, May 2
9:00 am - 10:30 am

You've Implemented the Compliance Program. Now What?

Scott Brown

General Counsel & Secretary
Stroz Friedberg, LLC

Christian Na

Deputy General Counsel
Circor International Inc.

Richard Schroeder

Partner
Jones Walker

Faculty Biographies

Scott Brown

Scott Brown is general counsel and secretary at Stroz Friedberg, LLC. Based in the Boston office, he is responsible for the worldwide legal affairs of Stroz Friedberg and its subsidiaries and the leader of our global legal team.

Before joining Stroz Friedberg, Mr. Brown led the intellectual property and technology group in the Boston office of Skadden, Arps, Slate, Meagher & Flom LLP and, prior to that, practiced law in Skadden's New York office. In addition, he has practiced extensively in Europe. While with Skadden, Mr. Brown's principal areas of focus were U.S. and cross-border mergers and acquisitions, securities offerings, commercial contracts, and counseling and litigation involving copyrights, trademarks, patents, trade secrets, the rights of publicity and privacy and data security. During his long tenure at Skadden, he worked with a broad spectrum of U.S. and international clients, from growth-stage companies to some of the world's largest corporations, as well as private equity firms and investment banks.

Mr. Brown is an author and frequent speaker and lecturer on such topics as intellectual property and technology protection, mergers and acquisitions and litigation.

Mr. Brown graduated cum laude from Trinity College and with honors from the University of Connecticut School of Law.

Christian Na

Christian Na is deputy general counsel of CIRCOR International, Inc. (NYSE: CIR), a diversified manufacturing company with more than 9,000 customers in over 115 countries, where he manages the day-to-day legal affairs of the company and its subsidiaries worldwide.

Prior to CIRCOR, Mr. Na was group vice president & general counsel at a \$1B division of Danaher Corporation (NYSE: DHR). Before that he was general counsel and corporate secretary for the U.S. subsidiary of Mitel Networks Corporation (NASDAQ: MITL). Prior to in-house practice, he worked at law firms in D.C. and started his career as assistant corporation counsel for the City of Boston.

Mr. Na was previously an Adjunct Professor at the George Washington University, Elliott Graduate School of International Affairs. In 2006 and 2009, he was named by InsideCounsel Magazine as leading one of "The Ten Most Innovative Legal Departments in Corporate America." Mr. Na is a past board member of the ACC's Chicago Chapter and currently represents CIRCOR as a member of the Manufacturers Alliance (MAPI) Ethics & Compliance Council. He also serves on the Advisory Boards of the InsideCounsel SuperConference as well as the Minority Corporate Counsel Association

CLE Expo. In 2010, he received the “Best Under 40” award from the National Asian Pacific American Bar Association.

Rick Schroeder

Rick Schroeder is a partner at Jones Walker. He is a New Orleans native who began his law practice after returning from service as an officer in the United States Navy. Mr. Schroeder's practice focuses primarily on corporate legal compliance matters and white-collar defense. He represents local, national, and international companies and their officers and employees in business and corporate compliance matters, internal investigations, and government enforcement proceedings.

Mr. Schroeder has particular experience in developing comprehensive corporate compliance programs that address the broad array of high-risk areas companies face today. He has extensive experience in matters dealing with the Foreign Corrupt Practices Act (FCPA), and has designed international anti-corruption compliance programs for numerous companies. In addition, he has acted as lead counsel in dozens of internal investigations into matters involving the FCPA, fraud, embezzlement, securities violations, antitrust violations, whistleblower claims, and public corruption.

Mr. Schroeder is a member of the International Bar Association, as well as the American Bar Association's Section of International Law and Practice. He has also served as the chairman of the ABA's White Collar Committee for the South Central Region of the United States, and as a past president of the Louisiana Association of Criminal Defense Lawyers. He is also chairman of the board of the Innocence Project of New Orleans, and is a certified capital trial defense attorney in the State of Louisiana.

SO YOU'VE IMPLEMENTED THE COMPLIANCE PROGRAM: *Now What?*

2012 Compliance & Ethics Training Program | May 1-2 • New Orleans, LA

Congratulations !!

- Congratulations on your new compliance program:



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Outline

- Managing Expectations, Delivering results
- Learn what to do with collected data
- Identifying signs that your program may not be working
- Storm clouds: How your program handles potential violations
- The deluge: How to respond to an actual violation

Managing expectations – Delivering Results

- Assumption:
 - Implemented program to include:
 - Completed risk assessment
 - Policies and procedures to cover all areas
 - Great education and training
 - Excellent reporting mechanisms internally
 - Well defined third party due diligence processes
 - Adequate compliance organization and resources

Managing expectations – Delivering Results

- How do you.....
 - know if your program is actually working?
 - communicate the value of the program to management to justify the expense?
- We don't make widgets
- We are not a profit center

Managing expectations – Delivering Results

- Don't hide: Regular reports to management and the board
- Compliance Calendars
- Ongoing risk management
 - Annual review of policies by owners
 - Review of incidents
- Data collection
- Auditing your program
- Look for warning signs

Managing Expectations, Delivering Results

- Compliance calendars
 - Advantages
 - Shows where you are going, manages expectations
 - Increases accountability
 - Helps with budgeting
 - Justifies resource needs
 - Annual
 - Recurring deadlinesExamples:
 - Internal reporting deadlines
 - » Compliance department to CCO
 - » CCO to GC or Board
 - Annual Certifications
 - Policy reminders to organization
 - Policy review by policy owners

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Managing Expectations, Delivering Results

- Project calendars
 - One, two or three year calendars
 - Internal Audit compliance related projects
 - Program implementation or improvement projectsExamples:
 - Foreign business unit legal Audit
 - On-line training review and update
 - Revise investigations process
 - Code of Ethics revision
 - Rollout of new live training program

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Storm clouds

- Roles:
 - Directors
 - Officers
 - Compliance
- Investigations
 - Internal
 - External
- Special issues
 - Privilege
 - Privacy
 - Insurance



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Director and Officer Responsibilities

- Directors
 - Understand their duties and obligations
 - Duty to stay informed
 - Keep them informed, early
 - Investigations: Ad Hoc Bad, Process Good
 - Investigations Procedure
 - Creates a team
 - Defines chain of command
 - Introduces clarity, demands patience
 - Defines information flow

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OFFICERS' RESPONSIBILITIES

- Chief Executive Officer
 - Keep BOD informed
 - Maintain operations
- Chief Financial Officer
 - Assess impact on financial statements
 - Disclosure decisions
 - Assess internal controls
- General Counsel
 - Stay informed
 - Keep CEO informed
 - Keep BOD informed
 - Defend interests of company
 - Support investigation
 - Advise CEO and BOD regarding legal implications

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OFFICERS' RESPONSIBILITIES

- Chief Compliance Officer (a.k.a. storm chaser)
 - Keep GC and/or BOD informed as appropriate
 - Conduct Investigation
 - Defend integrity of investigation
 - Remedial Actions
 - Persons
 - Policies

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The deluge

- Disclosure
- Remediation
- Damage control



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The Deluge

- Internal Communications
 - Executives
 - Board
 - Employees



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Handling Violations

- External Disclosure
 - Government
 - Self-disclosure determination
 - Statutory v. voluntary
 - Scope of disclosure
 - Be prepared for full review
 - Clear point of contact
 - Internally known
 - Auditors
 - Privilege issues
 - Markets
 - Whether and when
 - Avoid early conclusions
 - Talking points for PR and Executives
 - Business partners

The Deluge

- Special issues
 - Protecting the privilege
 - Whistleblower considerations
 - Collateral proceedings
 - Foreign interests



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- Remediation
 - Remediation plan
 - Options
 - Discipline
 - Internal controls
 - Education

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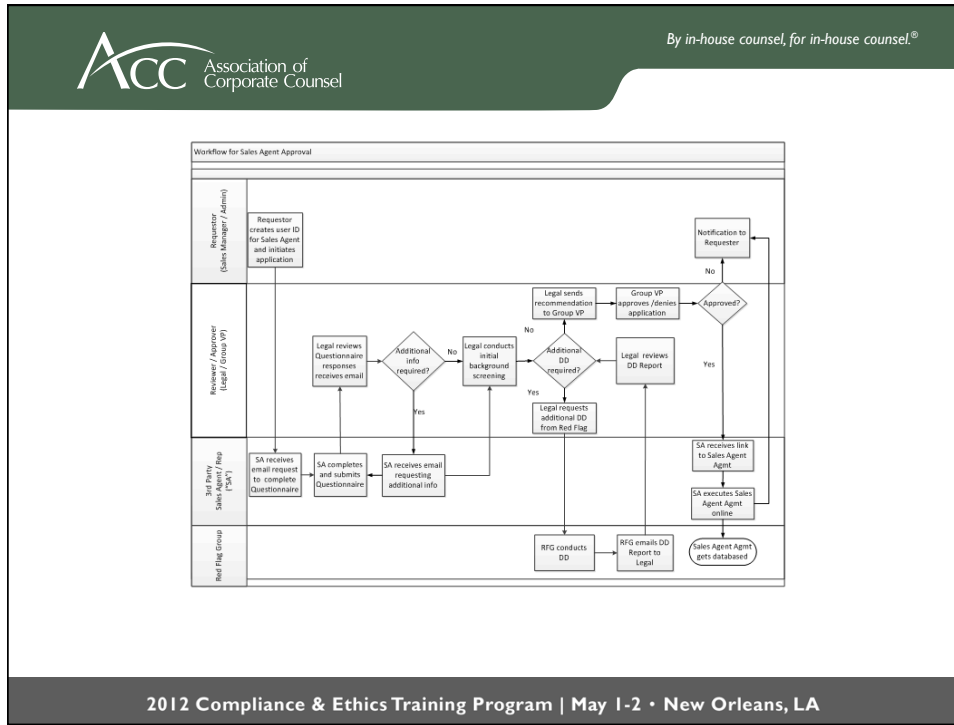


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Presenters:

- Scott Brown
 - General Counsel and Secretary
 - Stroz Friedberg
 - SBrown@StrozFriedberg.com
- Christian Na
 - Deputy General Counsel
 - Circor International Inc.
 - Christian.Na@circor.com
- M. Richard Schroeder
 - Corporate Compliance
 - Practice Group Leader
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ITEM #	ACTION	ACTION LEADER	SUPPORT	DATE OPEN	TARGET CLOSE DATE	ACTUAL CLOSE DATE	STATUS	COMMENTS
1	Launch new Global Online Compliance Training						Green	
2	Draft 3rd Party Agent Questionnaire						Green	
3	Draft Global Anti-Corruption Policy						Green	
4	Draft Policies for Anti-Corruption, Facilitation Payments - all languages						Green	
5	Evaluate 3rd Party Screening Vendors						Green	
6	Review comments on draft Policies for Anti-Corruption, Facilitation Payments						Green	
7	Draft standard Sales Agent Agent						Green	
8	Finalize the launch (except Brazil)						Green	
9	HelpLine for Brazil						Green	
10	Create new legal@choice.com inbox						Green	
11	Research local anti-bribery laws in China						Green	
12	Launch Global Anti-Corruption Policy						Green	
13	Select 3rd Party Screening Vendor and execute service contract						Green	
14	Develop and contract clause re FCPA						Green	
15	Develop Anti-Corruption Training Material for GM/Finance meeting						Green	
16	Dry-run Anti-Corruption Training						Green	
17	Compliance Manual for Sales						Green	
18	Translate Global Anti-Corruption Policy for Chinese, French, German, Brazilian Portuguese, Italian, Dutch						Green	
19	Translate and localize standard Sales Agent Agent for China						Green	
20	Translate and localize standard Sales Agent Agent for Korea						Green	
21	Translate and localize standard Sales Agent Agent for Brazil						Green	
22	Translate and localize standard Sales Agent Agent for Italy						Green	
23	Translate and localize standard Sales Agent Agent for France						Green	
24	Translate and localize standard Sales Agent Agent for Germany						Green	
25	Translate and localize standard Sales Agent Agent for Netherlands						Green	
26	Localize standard Sales Agent Agent for the U.K.						Green	
27	Localize standard Sales Agent Agent for India						Green	
28	Roll out Training Trainer for SA/Online Compliance Training						Green	
29	Brazil Online Training (anti-bribery)						Green	
30	Brazil Online Training (code of conduct)						Green	
31	China Online Training						Green	
32	UK Online Training						Green	
33	Italy Online Training						Green	
34	France Online Training						Green	
35	Germany Online Training						Green	
36	India Online Training						Green	

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Internal Investigations Guidelines

These guidelines are intended to provide clear guidance to all non-lawyer employees who conduct internal investigations on behalf of the Company, its affiliates, and subsidiaries ("_____" or the "Company") on how to develop an investigation plan, collect relevant documents, conduct witness interviews, and document an investigation. These guidelines are intended to assist investigators in [list departments], and other areas.

Each site or affiliate is responsible for developing any necessary modifications to the investigation procedures described in these guidelines so as to be consistent with local law and applicable collective bargaining or labor agreements. You should check your site's intranet or consult with your Unit Compliance Officer to ensure that you have all appropriate guidance on conducting investigations consistent with local law.

Your business unit or department may also have specific investigation protocols that supplement these guidelines. You should consult with the person assigning your responsibility for conducting an investigation to ensure that you have all appropriate department guidance.

1. Definitions

1.1 **Complainant.** The complainant is a person who reports alleged misconduct.

1.2 **Custodian.** A custodian is a person who has control of, or access to, a particular document.

1.3 **Internal investigation.** An internal investigation is conducted on the Company's behalf in order for the company to determine whether a report of possible misconduct or violation of Company policy or law can be verified and, if so, the appropriate remedial measures. An internal investigation is thus a factual inquiry – determining what happened, who was involved, and why.


1.4 **Investigator.** An investigator is an employee who has been assigned responsibility for conducting an internal investigation into allegations of misconduct or violations of Company policy or law by his or her supervisor, manager, department head, or the Compliance Department.

1.5 **Investigation Supervisor.** An investigation supervisor is an employee who is responsible for supervising the investigator with respect to his or her conduct of the investigative process and preparation of the investigative report. In many cases, the investigation supervisor also will be the person who assigns a case to an investigator for investigation. The investigation

(04/2011)

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GLOBAL COMPLIANCE PROGRAM

INSTRUCTIONS FOR BUSINESS UNIT QUARTERLY COMPLIANCE REPORTS

General Instructions:

Within 30 days of the end of each calendar quarter, the Business Unit Compliance Officer shall submit a quarterly compliance report ("OCR") to the CCO. The OCR should be marked "Attorney-Client Privileged Communication" and shall address, at a minimum, the following areas:

1. Policies and Procedures
2. Communication and Training
3. Incidents, Investigations, and Litigation
4. Monitoring and Risk Assessment
5. Other Compliance-Related Developments

1. Policies and Procedures:

Identify any substantive changes or additions to policies and procedures relating to the core Global Compliance Program ("GCP") subject areas:

- Code of Conduct
- Books and Records
- Intellectual property
- Protecting company assets
- No Retaliation
- Anti-corruption
- Fair competition / antitrust
- Insider trading
- Political activities, including
- Lobbying
- Political contributions
- Disclosures
- International trade, including
- Export / import and customs
- Illegal boycotts
- Money laundering
- Trade bans
- Fraud
- Conflicts of interest
- Vendors and Procurement
- Computer systems
- Data privacy
- Social media

Indicate by whom the policies and procedures were approved (management, board, etc.), and attach a copy of each policy or procedure identified.

2. Communications and Training


Describe any communications that were circulated during the quarter regarding GCP subjects. Examples include newsletter articles, emails, letters, and posters.

Describe all training provided during the quarter regarding GCP subjects. Please include subject matter, dates, and a description of the audience and training materials.

Describe all GCP-related certifications obtained during the quarter. Please attach a copy of each form of certification and include a brief description of the group of persons who signed the certification.

(04/19/11)

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Internal Investigations: Short Sheet Guidelines

There are certain principles that you should keep in mind every time you conduct an internal investigation. Following these principles will help ensure the appropriate resolution of important issues.

- **Act Pursuant to Clear Authorization.** In order to protect the integrity of the investigative process and minimize disruptions to normal business operations, it is important that investigations be handled in an organized manner from the beginning. At the outset of an investigation, you should document who is responsible for conducting the investigation, who is responsible for supervising the investigation, and the scope and purpose of the investigation. The integrity of the investigation can be compromised if individuals who are not authorized to conduct the investigation decide to play "Sherlock Holmes" and insert themselves inappropriately in the process. A clear written authorization and statement of scope can prevent such problems. In addition to documenting who will do the investigating (and therefore making it clear who will not), you should document who will have access to the investigation's findings.
- **Ensure Appropriate Confidentiality.** The fact that an internal investigation is being conducted does not mean that misconduct has, in fact, occurred. Respect the privacy of everyone involved. You should conduct your internal investigation in a way that minimizes the opportunity for employees to jump to conclusions or gossip about other employees. Limit your discussion of the investigation and information learned during the investigation to persons who have a legitimate "need to know" the status. Witnesses should be told not to discuss the investigation among themselves or with others, especially outside the Company.
- **Be Independent.** You should ensure that you are unbiased and do not have a conflict of interest that could influence your conduct of the investigation. Conflicts can occur in many circumstances, including when the investigator has a personal interest in the outcome of the investigation, or is assigned to investigate the actions of a supervisor or friend. Bias can occur with respect to the issues or persons involved, and exists when an investigator's personal beliefs or opinions cloud his or her judgment. It is up to you to determine honestly whether you can be fair and impartial. If you believe that you cannot complete an investigation objectively, for whatever reason, you should notify the person who assigned you the investigation as soon as possible.
- **Conduct a Thorough Investigation.** At the outset of your investigation, make a preliminary list of the people who may have information relevant to the investigation, which may include: witnesses to the incident, the person reporting possible misconduct, the person alleged to have committed misconduct, custodians who may have control of relevant documents, and people who can help you understand technical issues that may be relevant to the situation, such as how something works or who normally performs a task. You should also make a preliminary list of potentially relevant documents. Taking this first step will help you organize your investigation and keep track of relevant information.

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GLOBAL COMPLIANCE PROGRAM

ANNUAL REPORT¹

To: Audit Committee, Board of Directors
General Counsel

Submitted by: Chief Compliance Officer

Date of Report: _____

Year Ending: _____

I. Compliance Risks and Risk Assessments


Summary of the key compliance risks facing the company, including discussion of the following:

1. **Compliance Development & Trends.** Summary of any significant legal or regulatory developments, industry trends, and enforcement trends in jurisdictions relevant to the company.
2. **Risk Assessment Policies & Procedures.** Discussion of significant changes to the procedures and methodologies used to conduct compliance risk assessments, including any new SOPs, risk registers, etc.
3. **Overview of Key Compliance Risks.** An overview of the company's key compliance risks.²
4. **Compliance Risk Assessments.** A description of the compliance risk assessments conducted since the previous annual report (Company and subsidiaries), including discussion of the scope and nature of each risk assessment, the risk assessment process, results, and action plans developed to address identified risks.
5. **[Coming year] Plan.** Summary of any compliance risk assessments planned for the following reporting year.

¹ Throughout the report, it may be useful to compare progress against the prior year's action plan.
² By subject matter, business unit, region, or transaction (e.g., mergers, joint ventures).

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Attorney-Client Privileged Communication

GLOBAL COMPLIANCE PROGRAM
INTERIM REPORT FROM UNIT COMPLIANCE OFFICER

To: Chief Compliance Officer

Submitted by: _____

Business Unit: _____

Date of Report: _____

Issues Requiring Prompt Reporting

Instructions:
There are certain issues that you should report right away, without waiting until the next quarterly report. When you report these issues, please communicate the following information, if applicable:

1. Nature of allegation or issue
2. Amount involved
3. Date of alleged misconduct
4. How alleged misconduct was detected
5. Date alleged misconduct was reported to you, and by whom
6. Results of preliminary inquiry (is allegation credible? full investigation should proceed?)
7. Actions taken to date (e.g., suspension of employee, securing of relevant documentation, securing site, remedial measures, etc.)

Unit COs should inform the CCO promptly of the following:

- Alleged misconduct that involves high-level personnel of the company (including, but not limited to, senior level management of the Company or its business units or affiliates, board members of the Company or its affiliates, department heads, controllers, and members of the legal department)
- Any government investigation of the Company or its affiliates or inquiry from a governmental regulatory or enforcement authority (e.g., a government entity requests company legal or confidential documents, requests to interview employees, executes a search warrant, or initiates informal communications regarding the company's activities)

¹ Examples of such regulatory or enforcement authorities in the U.S. include the U.S. Environmental Protection Agency, Securities and Exchange Commission, Department of Justice, or a state Attorney General.

04/12/09.12

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GLOBAL COMPLIANCE PROGRAM
QUARTERLY REPORT

To: Audit Committee, Board of Directors
General Counsel

Submitted by: Chief Compliance Officer

Date of Report: _____

Quarter Ending: _____

I. Internal Investigations, Government Investigations, and Compliance-Related Litigation

1. Internal Investigations & Government Investigations Summary of current status of significant internal investigations or government investigations (Company and subsidiaries) that are ongoing or that have concluded since the previous quarterly or annual report.¹
2. Compliance-Related Litigation Summary of any ongoing, reasonably foreseen, or recently concluded compliance-related litigation or administrative proceedings (for example, shareholder litigation related to anti-corruption concerns, etc.)

II. Legislative and Enforcement Developments
Summary of any significant legislative, regulatory, and enforcement developments (Company and affiliates) that have occurred since the previous quarterly report.

III. Global Compliance Program Structure, Staffing, and Resources
Summary of any significant developments with respect to the Global Compliance Program (GCP) that have occurred since the previous quarterly report, such as material changes to the Global Compliance Program (GCP), its structure, personnel and reporting structures.

IV. Progress on Action Plans
Summary of progress on action plans since the previous quarterly report and key developments anticipated to occur in the next quarter with respect to those action plans, with reference to action plans in the following areas, if applicable:

¹ Include discussion of the nature of the matter being investigated, department or person responsible for conducting the investigation, manner in which the concern regarding the investigation was raised, and current status. For all investigations that have been concluded, please indicate the outcome, and nature of any disciplinary or remedial action taken, if applicable.

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Internal Investigations Guidelines

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Each site or affiliate is responsible for developing any necessary modifications to the investigation procedures described in these guidelines so as to be consistent with local law and applicable collective bargaining or labor agreements. You should check your site’s intranet or consult with your Unit Compliance Officer to ensure that you have all appropriate guidance on conducting investigations consistent with local law.

Your business unit or department may also have specific investigation protocols that supplement these guidelines. You should consult with the person assigning your responsibility for conducting an investigation to ensure that you have all appropriate department guidance.

1. Definitions

- 1.1 Complainant. The complainant is a person who reports alleged misconduct.
- 1.2 Custodian. A custodian is a person who has control of, or access to, a particular document.
- 1.3 Internal Investigation. An internal investigation is conducted on the Company’s behalf in order for the company to determine whether a report of possible misconduct or violation of Company policy or law can be verified and, if so, the appropriate remedial measures. An internal investigation is thus a factual inquiry – determining what happened, who was involved, and why.
- 1.4 Investigator. An investigator is an employee who has been assigned responsibility for conducting an internal investigation into allegations of misconduct or violations of Company policy or law by his or her supervisor, manager, department head, or the Compliance Department.
- 1.5 Investigation Supervisor. An investigation supervisor is an employee who is responsible for supervising the investigator with respect to his or her conduct of the investigative process and preparation of the investigative report. In many cases, the investigation supervisor also will be the person who assigns a case to an investigator for investigation. The investigation

supervisor is also referred to as the case manager for claims that are reported through the Ethics Hotline.

- 1.6 Subject. A subject is a person who is alleged to have committed misconduct. There may be multiple Subjects in an investigation. And, someone who is initially believed to be only a witness may become a Subject over the course of the investigation.
- 1.7 Witness. A witness is a person who is believed to have information about a report, but is not believed to be involved in any alleged misconduct.

2. General Principles

2.1 Purpose of an Internal Investigation.

The purpose of an internal investigation is to determine whether there is sufficient evidence to substantiate allegations of potential misconduct. It is a fact-gathering process. The results of an internal investigation allow the Company to take appropriate remedial measures to (1) discipline any employee who committed misconduct and (2) prevent future similar misconduct. Being able to assess how to prevent future similar misconduct requires an investigator to determine not simply *whether* misconduct occurred, but also *why* misconduct occurred, and whether it could have been detected earlier. These goals should inform every step of your investigative process, from developing an investigation plan and collecting relevant documents, to drafting your investigation report.

2.2 Confidentiality & Privacy Concerns.

The fact that an internal investigation is being conducted does not mean that misconduct has, in fact, occurred. It is important to keep in mind that an internal investigation is prompted by an *allegation*; it is the investigator's job to collect all of the relevant facts to determine whether the allegation can be substantiated. An internal investigation should be conducted in a way that minimizes the opportunity for employees to jump to conclusions or gossip about other employees. Widespread knowledge of an investigation – particularly an investigation that ultimately concludes that there was no wrong-doing – may be harmful to the employee who is the subject of the investigation. Thus, you should conduct your investigation with discretion.

For example, you may not want to interview the employee in the same area where he works. You should schedule the interview during a time when the employee's absence will not call attention to the fact that you are conducting an interview. You should be particularly sensitive when interviewing the Complainant to minimize the likelihood or perception (whether accurate or not) of retaliation.

Limit your discussion of the investigation and information learned during the investigation to persons who have a legitimate "need to know" the status of your investigation. This will include the person who assigned you the investigation and may also include the legal department. You should not discuss the investigation with your

co-workers. If you believe that another employee is inappropriately pressuring you to discuss the investigation, even if that person is your supervisor, you should notify the person who assigned you the investigation or contact the legal department.

2.3 Objectivity/Independence.

Your role as an investigator is to ascertain the facts and to determine whether the allegations that prompted the investigation can be substantiated. Avoid reaching conclusions until you have interviewed all of the witnesses and reviewed all of the relevant documents. When interviewing a witness, make every effort to avoid influencing the witness's answers; a witness should be encouraged to present "his side of the story."

Ask the people that you interview not to discuss the interview with anyone other than you or the person who assigned you responsibility for conducting the internal investigation. This will help ensure that subsequent people that you interview are able to tell you what they *know*, and not just what they may have *heard* from other people who have already been interviewed.

If you believe that you cannot complete an investigation objectively, you should notify the person who assigned you the investigation as soon as possible. You should not be assigned to investigate or oversee the investigation of allegations that may implicate you, your direct or indirect supervisor, or a friend. You also should not be assigned to investigate allegations that were made by you, your direct or indirect supervisor, or a friend. Such assignments would present a conflict of interest and may make it difficult for you to be truly objective. In some instances, you may not discover that you have a conflict of interest until the investigation is already in progress. Whenever you detect a conflict, notify the investigation supervisor.

2.4 Timeliness.

All investigations should be conducted promptly. Those supervising investigations should give a clear timeframe in which the investigation is to be completed. Best efforts also should be made to conclude investigations within established time frames. Investigations that stem from reports to the Ethics Hotline will be assigned a priority level and corresponding deadline for completion of the investigation.

2.5 Thoroughness.

Investigations should be thorough and complete. You should not feel pressured to come to one conclusion or another. If you believe that the scope of your investigation is being improperly curtailed, notify the investigation supervisor or your Unit Compliance Officer.

3. The Investigative Process

3.1 Documenting Your Investigation.

The documentation of your investigation will have two parts: your investigation log and your investigation report. You should record everything that you do as part of the investigation on your investigation log – what documents you collected, who you talked to, and when. You will draft your investigation report, which is discussed in section 4 below, once you have had the opportunity to review all relevant documents, interview all witnesses, and reach conclusions about the subject matter of the investigation.

3.2 Evaluate the Policies Implicated.

Evaluate the type of wrongdoing alleged and the Company policies that may be implicated. This will help you identify the relevant factual questions to address. Of course, your assessment of the policies that may be implicated may change as the investigation progresses.

3.3 Develop an Investigation Plan.

At the outset of your investigation, make a list of the people who may have information relevant to the investigation: witnesses, the person reporting possible misconduct, the person alleged to have committed misconduct, and custodians who may have control of relevant documents. For reports not made anonymously, it is generally best to interview the person who made the report first. The reporter may also be able to suggest other people to interview. The person alleged to have committed misconduct will also likely be able to suggest other witnesses to interview.

You should consult with person who assigned you the investigation if you would like to interview a witness who is not a Company employee.

You should also make a preliminary list of potentially relevant documents. For example, you may want to request certain email correspondence related to the allegations.

3.4 Consult With Legal if Appropriate.

If, during the course of your investigation, you discover facts that tend to indicate that the conduct under investigation is significantly more extensive or serious than the preliminary report, you should consult with the Legal Department. At that point, it may be appropriate for the Legal Department to supervise or handle the investigation.

There are some investigations that should *always* involve the Legal Department. If you are investigating an issue that may involve corruption or bribery, discussion of pricing or sales among competitors, insider trading, violations of import/export regulations, money laundering, or fraud, consult with the Legal Department. You should also always consult with the Legal Department if you come to believe that the Company

may face litigation regarding the matter you are investigating (for example, if the complainant tells you that he or she intends to file a lawsuit against the Company).

3.5 Gather Relevant Documents.

Often, the person assigning you the investigation will have a preliminary list of relevant documents identified. You should consider what other relevant documents would be helpful for your investigation. Contact the likely custodians of those documents to request copies. If a likely custodian is also a witness who you will be interviewing, it is good practice to request the documents in advance of any interview to allow you to review the documents and discuss them during the interview.

3.6 Conducting Witness Interviews.

Once you have reviewed the available relevant documents, you should outline your interviews for each witness. Make a list of the main points that you should cover with each witness and the questions that you have. If applicable, make a list of the documents that you would like to review with each witness.

Witness interviews are often the most important part of an internal investigation. At the outset, you should describe the purpose of the interview and a few “ground rules”:

- You are investigating a report of possible misconduct or violation of Company policy and you would like to talk to the witness about whatever he or she may know about the allegations. You should give an overview of the allegations. In order to avoid influencing the witness’s testimony, you should inform the witness of specific statements made by other witnesses or the complainant,.
- You have been assigned responsibility for the investigation by the Investigation Supervisor, and you will be drafting and submitting a report to the Investigation Supervisor.
- The witness should keep the interview confidential. He or she should not discuss the interview with anyone other than the Investigator, the Investigator Supervisor, or the Legal Department. The reasons for requesting confidentiality are to protect the privacy of everyone involved and to ensure that other witnesses are not influenced by what they may have “hear” about an incident rather than what they recall.
- If the witness does not understand a question that you ask, he or she should feel comfortable asking for clarification or re-phrasing.

The witness may ask you whether he or she has to talk to you. You should respond that the Code of Conduct provides that employees must respond openly and forthrightly to requests for information as part of an investigation. You should also review the Company’s non-retaliation policy with the witness and remind him or her that

the Company prohibits retaliation against those who participate in internal investigations. Inform the witness that if the witness ever feels like he or she is being retaliated against for having participated in the investigation, the witness should immediately report that concern.

You should start the interview with broad, open-ended questions, and then ask more focused follow-up questions. You should avoid phrasing your questions in a way that may influence the witness's response or may indicate that you have already reached a conclusion. Remember, the purpose of an interview is to collect facts; it is not an interrogation.

To be sure that you have all of a witness's relevant information, you should ask the following questions before concluding the interview:

- "Is there anything that you think I should know about that I haven't asked about?"
- "Are there any other people who you think I should interview?"
- Request copies of any documents that the witness referred to or described.

3.7 Interviewing the Subject of an Investigation.

There are additional considerations when you are interviewing the subject of an investigation. You should determine at the outset whether there are particular union requirements or local law requirements that affect how you are to conduct a subject interview. For example, a subject may be entitled to be accompanied by a union representative or an attorney during his or her interview.

The subject of the investigation should be treated with respect and given the opportunity – like all other witnesses – to give his or her side of the story. You should emphasize that you have not yet formed any conclusions and that the subject's interview is part of the fact-gathering process of the investigation.

The subject may ask you:

- Whether you have already concluded that he or she has done something wrong. You should respond that the investigation is ongoing and that his interview is part of the investigation process.
- What the consequences will be if you conclude that he or she has done something wrong. You should respond that you will be writing a report describing the facts and submitting it to the Investigation Supervisor. The Investigation Supervisor will determine any appropriate discipline or other remedial measures.

- Whether he or she should consult with an attorney. You should respond that you cannot advise him or her on whether or not to have an attorney present. If the subject would like to consult with an attorney, you can reschedule the interview for a later date.

You should also review the Company's non-retaliation policy with the subject and remind him that he is prohibited from retaliating against the complainant.

3.8 Take Good Notes.

You should take accurate and complete notes of every interview. You may want to enlist the help of another interviewer to serve as a note-taker during your interviews. Consult with the Investigation Supervisor if you would like to have an additional person to take notes.

4. **Investigation Report**

Investigative findings should be documented in a written report. If the allegations you are investigating were made via the Ethics Hotline, you will be provided with a form of report to use. This form of report includes, and all other investigation reports should contain, the following information:

4.1 Introductory Information.

- Case Number, if applicable.
- Name and contact information of the lead investigator.
- Name of Case Manager (if applicable).
- Manner in which allegation was received: (1) Ethics Hotline; (2) in-person, telephone, or e-mail report to a manager or supervisor (specify manager or supervisor's name, title, business unit, location); (3) in-person, telephone, or e-mail report to human resources professional (specify person's name, title, business unit, location); (4) in-person, telephone, or e-mail report to legal department or compliance officer (specify person's name, title, business unit, location); (5) other (specify).
- Date and time the allegation was received.

4.2 Description of the Allegations.

- Date and time of the alleged misconduct.
- Date(s) of the investigation.
- Date of investigation report.

- Description of the allegations. If there are multiple and distinct allegations, enumerate each distinct claim.
- The business unit or location involved.
- The subject of the investigation, including name, title, department, work location, employee ID number, and employment status (current employee, former employee, contractor, etc.).
- List of witnesses interviewed, including names, titles, departments, work locations, employee ID numbers, and employment status (current employee, former employee, contractor, etc.).

4.3 Findings.

Findings should be reported in narrative form. Make sure that you identify the *source* of each finding – whether the source is an interviewee, a document, or your own inference. If the source is a document, you should describe the document by name and by exhibit letter (see section 4.4, below). If witnesses present conflicting versions of the events, you should document the conflict and note which version you find more convincing and why.

4.4 Exhibits.

You should attach all relevant documents as exhibits to your investigation report. Each exhibit should be identified by letter (A, B, C, D, etc.).

4.5 Conclusions.

You should respond to each distinct allegation that was made, noting whether the allegation was substantiated or unsubstantiated due to insufficient evidence. Be sure to highlight the portion of your findings that are relevant to your conclusion on each allegation.

GLOBAL COMPLIANCE PROGRAM

INSTRUCTIONS FOR BUSINESS UNIT QUARTERLY COMPLIANCE REPORTS

General Instructions:

Within 30 days of the end of each calendar quarter, the Business Unit Compliance Officer shall submit a quarterly compliance report ("QCR") to the CCO. The QCR should be marked "Attorney-Client Privileged Communication" and shall address, at a minimum, the following areas:

1. Policies and Procedures
2. Communication and Training
3. Incidents, Investigations, and Litigation
4. Monitoring and Risk Assessment
5. Other Compliance-Related Developments

1. Policies and Procedures:

Identify any substantive changes or additions to policies and procedures relating to the core Global Compliance Program ("GCP") subject areas:

- Code of Conduct
 - Books and Records
 - Intellectual property
 - Protecting company assets
 - No Retaliation
- Anti-corruption
- Fair competition / antitrust
- Insider trading
- Political activities, including
 - Lobbying
 - Political contributions
 - Disclosures
- International trade, including
 - Export / import and customs
 - Illegal boycotts
 - Money laundering
 - Trade bans
- Fraud
- Conflicts of interest
- Vendors and Procurement
- Computer systems
 - Data privacy
 - Social media

Indicate by whom the policies and procedures were approved (management, board, etc.), and attach a copy of each policy or procedure identified.

2. Communications and Training

Describe any communications that were circulated during the quarter regarding GCP subjects. Examples include newsletter articles, emails, letters, and posters.

Describe all training provided during the quarter regarding GCP subjects. Please include subject matter, dates, and a description of the audience and training materials.

Describe all GCP-related certifications obtained during the quarter. Please attach a copy of each form of certification and include a brief description of the group of persons who signed the certification.

3. Incidents, Investigations, and Litigation

Summarize any significant compliance incidents that have occurred during the quarter, whether or not they required an investigation.

Identify and describe and/or update descriptions of any internal or governmental investigations. Ensure the following information is included:

- The nature of the matter being investigated;
- The department or persons responsible for conducting the investigation;
- The manner in which the concern prompting the investigation was raised (e-mail, telephone, in-person report (to whom?), ethics hotline, etc.);
- Current status;
- Disciplinary or remedial actions taken, or penalties imposed, if applicable.

Describe any new developments since your previous quarterly report with respect to ongoing, anticipated, or recently concluded compliance-related litigation or administrative proceedings related to your business unit.

In lieu of including summaries of the above within your quarterly report, where appropriate, you may report on sensitive or privileged investigations, incidents, litigation or administrative proceedings under separate cover directly to the CCO. Such separate reports should be marked "Attorney-Client Privileged Communication" or "Sensitive and Confidential", as appropriate.

4. Monitoring and Risk Assessment

Describe any monitoring, auditing, risk assessment, or program assessment activities conducted during the quarter.

5. Other Compliance Related Developments:

a. Legislative and Enforcement Developments

Summarize any significant legal, regulatory, and enforcement developments in your jurisdiction that have occurred since your previous quarterly report that may be relevant to your business unit's compliance program.

b. Global Compliance Program Structure, Staffing, and Resources

Summarize any significant developments with respect to the compliance program at your business unit that have occurred since the previous quarterly report, such as material changes to the compliance program, its structure, personnel, and reporting structures.

c. Compliance Projects Status

Summarize progress made on compliance action plans for your business unit since the previous quarterly report and indicate what developments you anticipate will occur in the next quarter with respect to those action plans.

d. Departmental Compliance Matters

Summarize any significant non-GCP departmental compliance matters, such as those dealing with compliance in the areas of health and safety, human resources, global supply chain, records management, human rights, environmental, accounting and financial reporting, taxation, and communications.

Internal Investigations: Short Sheet Guidelines

There are certain principles that you should keep in mind every time you conduct an internal investigation. Following these principles will help ensure the appropriate resolution of important issues.

- **Act Pursuant to Clear Authorization.** In order to protect the integrity of the investigative process and minimize disruptions to normal business operations, it is important that investigations be handled in an organized manner from the beginning. At the outset of an investigation, you should document who is responsible for conducting the investigation, who is responsible for supervising the investigation, and the scope and purpose of the investigation. The integrity of the investigation can be compromised if individuals who are not authorized to conduct the investigation decide to play “Sherlock Holmes” and insert themselves inappropriately in the process. A clear written authorization and statement of scope can prevent such problems. In addition to documenting who will do the investigating (and therefore making it clear who will not), you should document who will have access to the investigation’s findings.
- **Ensure Appropriate Confidentiality.** The fact that an internal investigation is being conducted does not mean that misconduct has, in fact, occurred. Respect the privacy of everyone involved. You should conduct your internal investigation in a way that minimizes the opportunity for employees to jump to conclusions or gossip about other employees. Limit your discussion of the investigation and information learned during the investigation to persons who have a legitimate “need to know” the status. Witnesses should be told not to discuss the investigation among themselves or with others, especially outside the Company.
- **Be Independent.** You should ensure that you are unbiased and do not have a conflict of interest that could influence your conduct of the investigation. Conflicts can occur in many circumstances, including when the investigator has a personal interest in the outcome of the investigation, or is assigned to investigate the actions of a supervisor or friend. Bias can occur with respect to the issues or persons involved, and exists when an investigator’s personal beliefs or opinions cloud his or her judgment. It is up to you to determine honestly whether you can be fair and impartial. If you believe that you cannot complete an investigation objectively, for whatever reason, you should notify the person who assigned you the investigation as soon as possible.
- **Conduct a Thorough Investigation.** At the outset of your investigation, make a preliminary list of the people who may have information relevant to the investigation, which may include: witnesses to the incident, the person reporting possible misconduct, the person alleged to have committed misconduct, custodians who may have control of relevant documents, and people who can help you understand technical issues that may be relevant to the situation, such as how something works or who normally performs a task. You should also make a preliminary list of potentially relevant documents. Taking this first step will help you organize your investigation and keep track of relevant information.

- **Be Objective and Open-minded.** You should avoid reaching conclusions until you have interviewed all of the witnesses and reviewed all of the relevant documents. When interviewing a witness, make every effort to avoid influencing the witness's answers. A witness should be encouraged to present "his side of the story." Avoid asking questions in a way that indicates that you expect a certain answer, which may improperly – even if unintentionally – limit the witness's willingness to present "his side of the story."
- **Conduct a Timely Investigation.** The best investigations are completed without unnecessary delay. This is true because as time passes, relevant facts and documents are harder to find and memories are less reliable. Timely resolution also enables the Company to promptly take any needed remedial or corrective measures. You should do your best to complete the investigation within the assigned time frame. If circumstances dictate that more time will be required to complete the investigation, notify the person who assigned you the investigation as soon as possible. Ensure that you have reviewed all relevant documents and have interviewed all witnesses who may have relevant information.
- **Document Your Investigation.** You should record everything that you do as part of the investigation on an investigation log or in another format provided by the person or department that assigned you the investigation. You should keep track of what documents you collected and reviewed, who you talked to and what was learned from each person, and when each interview occurred. In most cases, you will prepare a written report, usually in a narrative form, outlining the issues, your investigation process, your factual findings, and your conclusions. Whenever possible, try to identify the source of each factual finding. Attach all relevant documents as exhibits to your investigation report. Investigation reports are usually retained for at least five years. Consult the person or department that assigned you the investigation to confirm the appropriate document retention period for your report.
- **Finally, Know When to Seek Help.** From time to time investigations lead to unexpected findings or involve issues with which you may be unfamiliar or uncomfortable. When this occurs, it is best to suspend your investigation and seek advice from the person or department that assigned you the investigation, or from the legal department. For example, in the course of investigating a fairly routine safety violation, you may begin to suspect that an employee is engaged in a serious environmental violation that you are not qualified to investigate. Or perhaps during a Human Resources investigation you come to believe that an employee may have been involved in a criminal activity such as fraud or theft. In each of those cases there may be certain additional steps that will need to be taken to protect the rights of employees involved as well as the Company. Never hesitate to take the time to ask for advice or help whenever you encounter something unusual.

GLOBAL COMPLIANCE PROGRAM
ANNUAL REPORT¹

To: Audit Committee, Board of Directors
General Counsel

Submitted by: Chief Compliance Officer

Date of Report: _____

Year Ending: _____

I. Compliance Risks and Risk Assessments

Summary of the key compliance risks facing the company, including discussion of the following:

1. Compliance Development & Trends. Summary of any significant legal or regulatory developments, industry trends, and enforcement trends in jurisdictions relevant to the company.
2. Risk Assessment Policies & Procedures. Discussion of significant changes to the procedures and methodologies used to conduct compliance risk assessments, including any new SOPs, risk registers, etc.
3. Overview of Key Compliance Risks. An overview of the company's key compliance risks.²
4. Compliance Risk Assessments. A description of the compliance risk assessments conducted since the previous annual report (Company and subsidiaries), including discussion of the scope and nature of each risk assessment, the risk assessment process, results, and action plans developed to address identified risks.
5. [Coming year] Plan. Summary of any compliance risk assessments planned for the following reporting year.

¹ Throughout the report, it may be useful to compare progress against the prior year's action plan.

² By subject matter, business unit, region, or transaction (e.g., mergers, joint ventures).

II. Information and Reporting Systems

Summary of the information and reporting systems available across the company and at each business unit(s), including discussion of the following:

1. The overall design and effectiveness of the information and reporting systems;³
2. Significant developments with respect to those systems that have occurred since the last annual report;
3. Any significant trends with regard to the information and reporting systems;⁴
4. Changes to the information and reporting systems planned for the next reporting year;
5. Other relevant information with respect to the information and reporting systems.

III. Procedures for the Investigation and Resolution of Compliance Reports

Summary of procedures for the investigation and resolution of compliance reports, including discussion of the following:

1. Processes for assigning matters for investigation, supervision and resolution of investigations, and any material changes to those processes.⁵
2. Summary of any material changes to norms and procedures for conducting investigations.⁶
3. Initiatives related to investigation procedures planned for the upcoming year.

³ Address issues such as whether records of complaints and their resolutions are maintained, and for what sorts of reporting mechanism (e.g., Ethics Hotline reports only; reports made in-person, by e-mail or telephone, etc.); factors affecting employee willingness to use the information and reporting systems (such as business unit culture, awareness of information and reporting systems, fear of retaliation, etc.) and efforts made or planned to address those issues; differences between business units or geographic regions, etc.

⁴ Use statistics as relevant to illustrate trends such as increases or decreases in use of specific reporting mechanisms over time or by region; categories of reports made over time or by region (e.g., human resources, fraud, etc.), claims of retaliation or fear of retaliation, etc. Statistics can also be used to demonstrate gaps, concerns, process improvements, and progress, and are most useful when used in combination with illustrative anecdotal data. Statistics can be derived from report data, surveys, etc.

⁵ Specify differences by business unit, subject matter, etc.

⁶ Specify differences by business unit, subject matter, etc.

IV. Internal Investigations, Government Investigations, and Compliance-Related Litigation

1. Internal Investigations & Government Investigations. Summary of any significant internal investigations or government investigations (Company or subsidiaries) that are ongoing or concluded since the previous quarterly report.⁷
2. Compliance-Related Litigation. Summary of any ongoing, reasonably foreseen, or recently concluded compliance-related litigation or administrative proceedings (for example, shareholder litigation related to anti-corruption concerns, etc.).

V. Policies and Procedures

1. New Initiatives. Summary of new initiatives and developments with respect to administration of policies and procedures.⁸ Discussion of any initiatives in this area planned for the upcoming year.
2. Policy & Procedure Reviews. Status of policy reviews / revisions (Company and subsidiaries) that took place during the reporting year. Provide Audit Committee with copies of any revised policies, procedures, Standard Operating Procedures, etc. Discussion of policy and procedure reviews scheduled for upcoming year.
3. Requests for Audit Committee or Board Approval. Requests for Audit Committee or Board Approval of any policies requiring approval.
4. Third Party Due Diligence and Monitoring. Significant developments with respect to the company's third party due diligence and monitoring initiatives, including any new policies and procedures in that area. Initiatives in this area planned for the upcoming year.

VI. Training & Communications

1. Training. Summary of training conducted since previous annual report, including description of subject matter of the training, description of group receiving training, nature of training (in person, on-line, etc.), attendance statistics, and how the training addressed key compliance risk areas.

⁷ Include discussion of the nature of the matter being investigated, department or persons responsible for conducting the investigation, manner in which the concern prompting the investigation was raised, and current status. For all investigations that have been concluded, please indicate the outcome, and nature of any disciplinary or remedial actions taken, if applicable.

⁸ E.g., institution of standard template, review schedule, etc., as well as any changes regarding who is responsible for oversight of a particular policy.

2. Compliance Certifications. Discussion of any compliance certifications obtained since the previous annual report, including description of subject matter, group completing certifications, and relevant statistics.
3. Other Compliance Communications. Summary of other significant compliance communications effected since the previous annual report (newsletters, presentations, etc.), if applicable.
4. [Year] Training Plan. Training/certification/communications plan for the upcoming year.

VII. Tone at the Top / Culture of Compliance

1. Tone at the Top. Summary of efforts taken by senior executives (Company and affiliates) since the previous annual report to convey message regarding importance of compliance, leadership training initiatives, etc., and efforts anticipated to be taken during the coming year.
2. Culture of Compliance. Summary of steps taken since prior annual report to promote a culture of compliance (e.g., manager training, communications, action plans) and employee perception of culture (gained through tools such as surveys, exit interviews, reports, etc.), and steps anticipated to be taken during the coming year.
3. Background Checks. Status of company's efforts to conduct background checks prior to hiring or promoting individuals into positions of substantial authority, and steps in this area planned for the coming year.⁹

VIII. Auditing, Monitoring, & Program Assessment

1. Auditing. Summary of compliance audits (Company & affiliates) conducted since the prior annual report, including a description of the subject matter and scope, audit process, results, and any action plans developed in response to compliance audits.¹⁰

⁹ The U.S. Sentencing Guidelines require that an organization "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." USSG, §8B2.1(b)(3). "Substantial authority personnel" means individuals who within the scope of their authority exercise a substantial measure of discretion in acting on behalf of an organization. The term includes high-level personnel of the organization, individuals who exercise substantial supervisory authority (e.g., a plant manager, a sales manager), and any other individuals who, although not a part of an organization's management, nevertheless exercise substantial discretion when acting within the scope of their authority (e.g., an individual with authority in an organization to negotiate or set price levels or an individual authorized to negotiate or approve significant contracts). USSG, Comment (C) to §8A1.2. "High-level personnel of the organization" means individuals who have substantial control over the organization or who have a substantial role in the making of policy within the organization. The term includes: a director; an executive officer; an individual in charge of a major business or functional unit of the organization, such as sales, administration, or finance; and an individual with a substantial ownership interest. USSG, Comment (B) to §8A1.2.

¹⁰ Coordinate with Internal Audit regarding any compliance audits conducted by Internal Audit to avoid duplicate reporting.

2. Monitoring. Summary of monitoring efforts with regard to GCP subjects.
3. Program Assessments. Summary of any compliance program assessments conducted since prior annual report (GCP generally, subject matter specific, or business unit/country specific), including a description of the subject matter and scope of the assessment, assessment process, results, and any resulting action plans.
4. [Coming year] Plan. Summary of compliance audits, changes to compliance monitoring efforts, and compliance program assessments planned for the upcoming year.

IX. Compliance Program Structure, Staffing, and Resources

Summary of (a) material changes to the Global Compliance Program since the last annual report;¹¹ (b) material changes to Global Compliance Program personnel and/or reporting structures since the last annual report; (c) adequacy of compliance officer authority / independence; (d) adequacy of resources (in terms of time, personnel, and budget) available to compliance officers; (e) changes to Global Compliance Program personnel, reporting structures, or available resources planned for the next reporting year; (f) other issues related to Global Compliance Program Structure, Staffing, and Resources:

[overview, if applicable]

[summary for each business unit]

X. Budget Proposal.

Attachments:

- Action plan for [coming year].
- Budget proposal for [coming year].

¹¹ Including any changes to the scope of the GCP.

GLOBAL COMPLIANCE PROGRAM**INTERIM REPORT FROM UNIT COMPLIANCE OFFICER**

To: Chief Compliance Officer

Submitted by:

Business Unit:

Date of Report:

Issues Requiring Prompt Reporting

Instructions:

There are certain issues that you should report right away, without waiting until the next quarterly report. When you report these issues, please communicate the following information, if applicable:

1. Nature of allegation or issue
2. Amount involved
3. Date of alleged misconduct
4. How alleged misconduct was detected
5. Date alleged misconduct was reported to you, and by whom
6. Results of preliminary inquiry (is allegation credible? full investigation should proceed?)
7. Actions taken to date (e.g., suspension of employee, securing of relevant documentation, securing site, remedial measures, etc.)

Unit COs should inform the CCO promptly of the following:

- Alleged misconduct that involves high-level personnel of the company (including, but not limited to, senior level management of the Company or its business units or affiliates, board members of the Company or its affiliates, department heads, controllers, and members of the legal department)
- Any government investigation of the Company or its affiliates or inquiry from a governmental regulatory or enforcement authority¹ (e.g., a government entity requests company legal or confidential documents, requests to interview employees, executes a search warrant, or initiates informal communications regarding the company's activities)

¹ Examples of such regulatory or enforcement authorities in the U.S. include the U.S. Environmental Protection Agency, Securities and Exchange Commission, Department of Justice, or a state Attorney General.

Attorney-Client Privileged Communication

- An alleged misstatement in the Company's publicly released financial statements or other public disclosures or any other issue that may reasonably be expected to result in a restatement of the Company's publicly released financial statements
- Alleged wrongdoing that is resulting in or appears likely to result in significant adverse publicity

The following categories of allegations also should be reported promptly to the CCO as soon as the business unit conducts a swift and discreet preliminary inquiry to determine whether the allegations are credible and a full investigation should proceed:

- Alleged bribery / violation of anti-corruption laws
- Alleged violation of fair competition laws
- Alleged violation of insider trading laws
- Alleged violation of international trade laws (e.g., concerning import / export or customs, anti-boycott, money laundering, trade sanctions)
- Alleged fraud on behalf of or against the company where the amount involved is expected to exceed US \$500,000 or that involves an employee who is a manager or has a significant role in the company's internal controls
- Other alleged misconduct that could expose the company to potential criminal liability
- Alleged violation of political activities laws (lobbying, political contributions, etc.)
- Alleged misconduct that could cause a financial loss in excess of US\$ 1 million
- Alleged misconduct that could result in a significant delay or reduction in production (due to an inability to do business or obtain required authorizations or permits, etc.)
- Allegations that could have serious reputational consequences for the company
- Alleged misconduct that appears to be widespread or that is indicating a trend (e.g., three complaints about sexual harassment involving different people at one mine site)
- Allegations of a serious breakdown or systemic weakness in internal controls
- Allegations of potential violations of law or Company policy that could result in disclosure obligations to a governmental agency
- Alleged retaliation
- Any other matter that you believe we should be aware of

GLOBAL COMPLIANCE PROGRAM**QUARTERLY REPORT**

To: Audit Committee, Board of Directors
General Counsel

Submitted by: Chief Compliance Officer

Date of Report: _____

Quarter Ending: _____

I. Internal Investigations, Government Investigations, and Compliance-Related Litigation

1. Internal Investigations & Government Investigations. Summary of current status of significant internal investigations or government investigations (Company and subsidiaries) that are ongoing or that have concluded since the previous quarterly or annual report.¹
2. Compliance-Related Litigation. Summary of any ongoing, reasonably foreseen, or recently concluded compliance-related litigation or administrative proceedings (for example, shareholder litigation related to anti-corruption concerns, etc.).

II. Legislative and Enforcement Developments

Summary of any significant legislative, regulatory, and enforcement developments (Company and affiliates) that have occurred since the previous quarterly report.

III. Global Compliance Program Structure, Staffing, and Resources

Summary of any significant developments with respect to the Global Compliance Program (GCP) that have occurred since the previous quarterly report, such as material changes to the Global Compliance Program (GCP), its structure, personnel and reporting structures.

IV. Progress on Action Plans

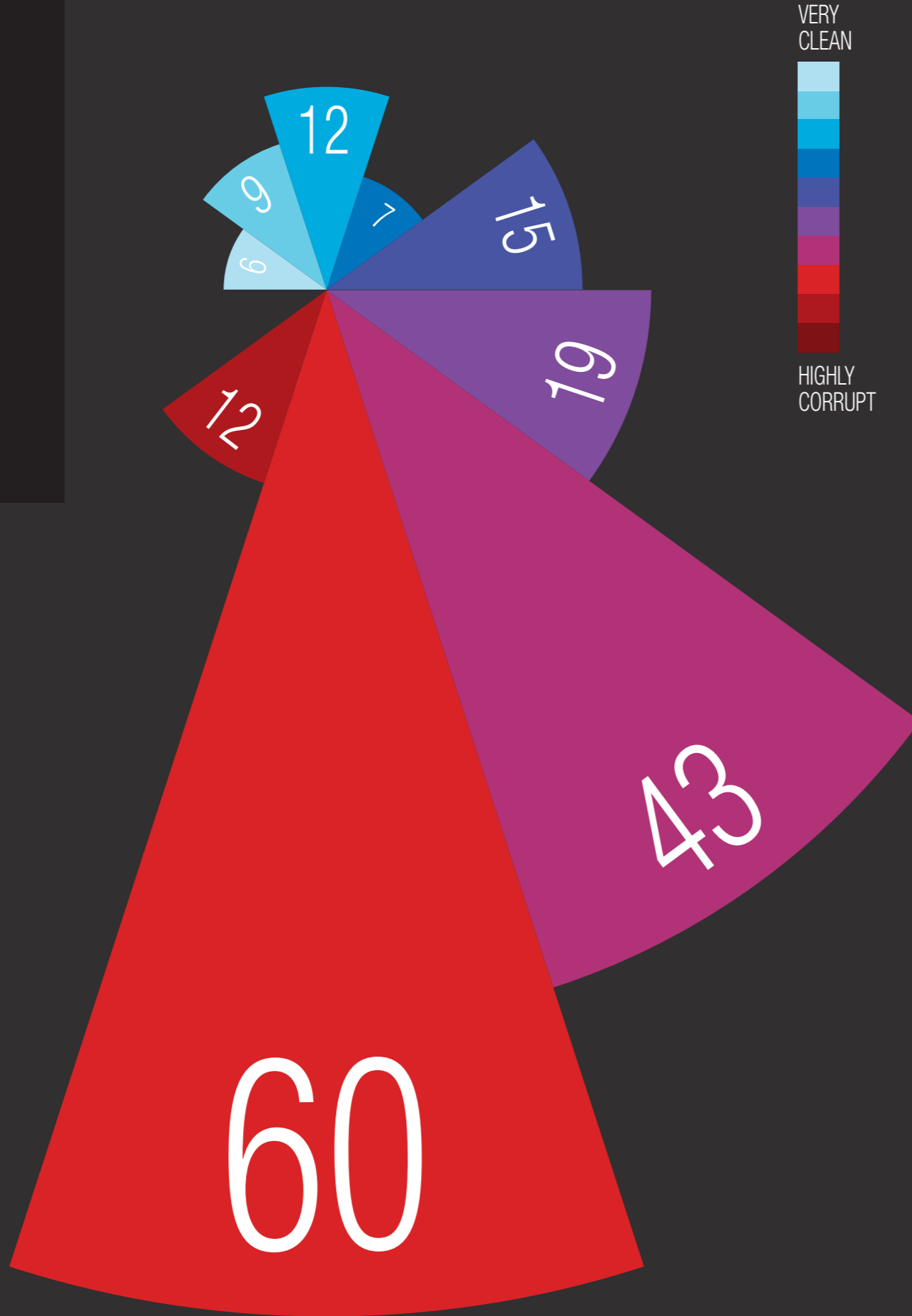
Summary of progress on action plans since the previous quarterly report and key developments anticipated to occur in the next quarter with respect to those action plans, with reference to action plans in the following areas, if applicable:

¹ Include discussion of the nature of the matter being investigated, department or persons responsible for conducting the investigation, manner in which the concern prompting the investigation was raised, and current status. For all investigations that have been concluded, please indicate the outcome, and nature of any disciplinary or remedial actions taken, if applicable.

1. Risk assessments, including the results of risk assessments concluded during the quarter.
2. Information and reporting systems
3. Internal investigations and resolution of compliance reports
4. Compliance policies and procedures
 - Attach copies of any new or revised policies
 - Request any required approvals, if applicable
5. Third party due diligence and monitoring
6. Training, certification, and communication plans
7. Compliance audits, monitoring, and program assessments, including the results of any audits or program assessments concluded during the quarter.
8. Other miscellaneous compliance program initiatives (background checks, surveys, etc.)
9. Action plans with respect to specific GCP subject matter areas
10. Compliance initiatives conducted in conjunction with other departments (*i.e.*, concerning department compliance subjects).

CORRUPTION PERCEPTIONS INDEX 2011

NUMBER OF COUNTRIES ACCORDING TO PERCEIVED LEVELS OF PUBLIC-SECTOR CORRUPTION



BEST
 NEW ZEALAND
 DENMARK
 FINLAND

WORST
 AFGHANISTAN
 MYANMAR
 NORTH KOREA
 SOMALIA

AMERICAS



ASIA PACIFIC



EASTERN EUROPE & CENTRAL ASIA



EU & WESTERN EUROPE



MIDDLE EAST & NORTH AFRICA

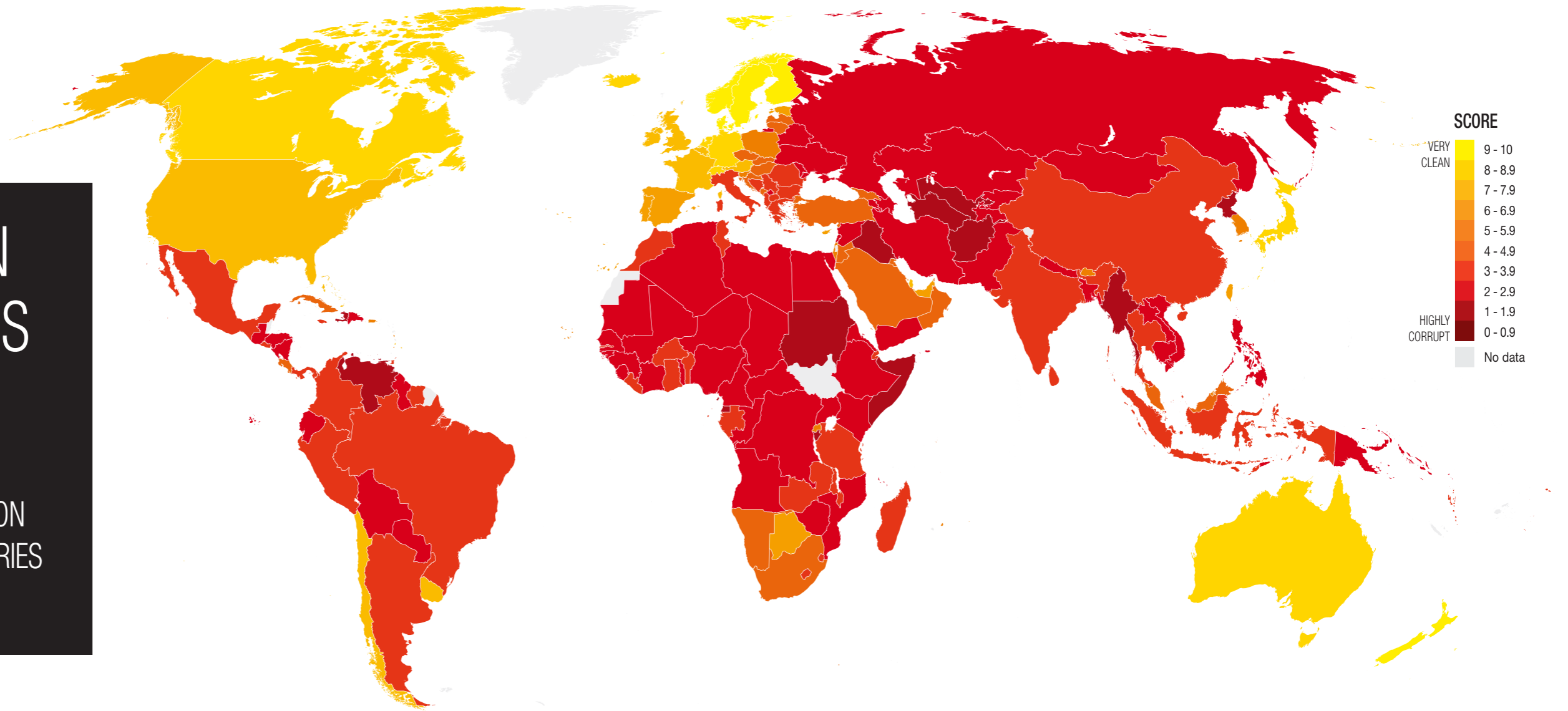


SUB-SAHARAN AFRICA



CORRUPTION PERCEPTIONS INDEX 2011

THE PERCEIVED LEVELS OF PUBLIC-SECTOR CORRUPTION IN 183 COUNTRIES/TERRITORIES AROUND THE WORLD



RANK	COUNTRY/TERRITORY	SCORE
1	New Zealand	9.5
2	Denmark	9.4
2	Finland	9.4
4	Sweden	9.3
5	Singapore	9.2
6	Norway	9.0
7	Netherlands	8.9
8	Australia	8.8
8	Switzerland	8.8
10	Canada	8.7
11	Luxembourg	8.5
12	Hong Kong	8.4
13	Iceland	8.3
14	Germany	8.0
14	Japan	8.0
16	Austria	7.8
16	Barbados	7.8
16	United Kingdom	7.8
19	Belgium	7.5
19	Ireland	7.5
21	Bahamas	7.3
22	Chile	7.2
22	Qatar	7.2
24	United States	7.1

25	France	7.0
25	Saint Lucia	7.0
25	Uruguay	7.0
28	United Arab Emirates	6.8
29	Estonia	6.4
30	Cyprus	6.3
31	Spain	6.2
32	Botswana	6.1
32	Portugal	6.1
32	Taiwan	6.1
35	Slovenia	5.9
36	Israel	5.8
36	Saint Vincent and the Grenadines	5.8
38	Bhutan	5.7
39	Malta	5.6
39	Puerto Rico	5.6
41	Cape Verde	5.5
41	Poland	5.5
43	Korea (South)	5.4
44	Brunei	5.2
44	Dominica	5.2
46	Bahrain	5.1
46	Macau	5.1

46	Mauritius	5.1
49	Rwanda	5.0
50	Costa Rica	4.8
50	Lithuania	4.8
50	Oman	4.8
50	Seychelles	4.8
54	Hungary	4.6
54	Kuwait	4.6
56	Jordan	4.5
57	Czech Republic	4.4
57	Namibia	4.4
57	Saudi Arabia	4.4
60	Malaysia	4.3
61	Cuba	4.2
61	Latvia	4.2
61	Turkey	4.2
64	Georgia	4.1
64	South Africa	4.1
66	Croatia	4.0
66	Montenegro	4.0
66	Slovakia	4.0
69	Ghana	3.9
69	Italy	3.9
69	FYR Macedonia	3.9

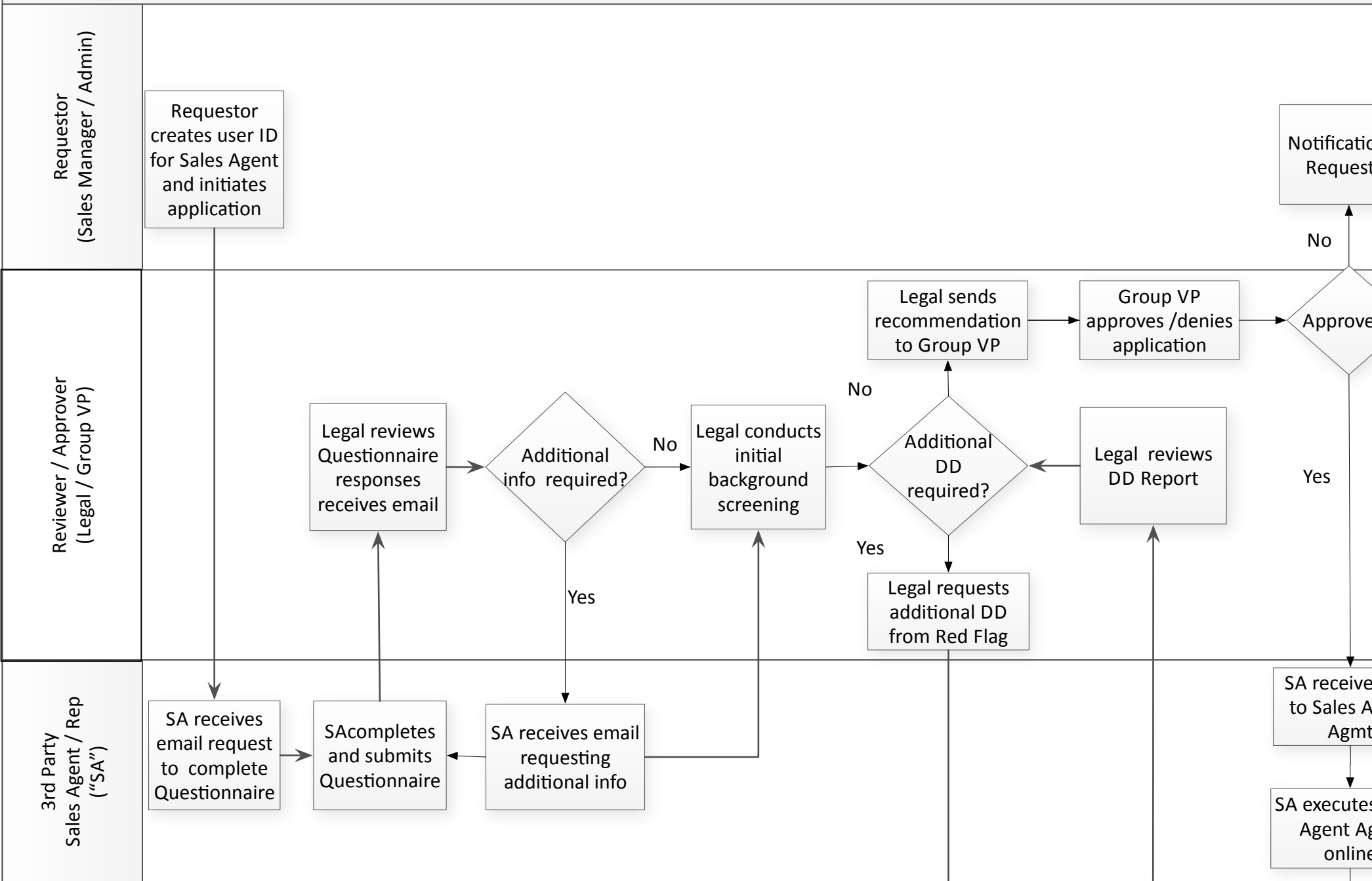
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77	Vanuatu	3.5
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80	El Salvador	3.4
80	Greece	3.4
80	Morocco	3.4
80	Peru	3.4
80	Thailand	3.4
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86	Panama	3.3
86	Serbia	3.3
86	Sri Lanka	3.3
91	Bosnia and Herzegovina	3.2
91	Liberia	3.2
91	Trinidad and Tobago	3.2
91	Zambia	3.2
95	Albania	3.1

95	India	3.1
95	Kiribati	3.1
95	Swaziland	3.1
95	Tonga	3.1
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100	Gabon	3.0
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100	Madagascar	3.0
100	Malawi	3.0
100	Mexico	3.0
100	Sao Tome and Principe	3.0
100	Suriname	3.0
100	Tanzania	3.0
112	Algeria	2.9
112	Egypt	2.9
112	Kosovo	2.9
112	Moldova	2.9
112	Nicaragua	2.9
112	Nigeria	2.9
112	Vietnam	2.9
118	Bolivia	2.8
118	Mali	2.8

120	Bangladesh	2.7
120	Ecuador	2.7
120	Ethiopia	2.7
120	Guatemala	2.7
120	Iran	2.7
120	Kazakhstan	2.7
120	Mongolia	2.7
120	Mozambique	2.7
120	Solomon Islands	2.7
129	Armenia	2.6
129	Dominican Republic	2.6
129	Honduras	2.6
129	Philippines	2.6
129	Syria	2.6
134	Cameroon	2.5
134	Eritrea	2.5
134	Guyana	2.5
134	Lebanon	2.5
134	Maldives	2.5
134	Nicaragua	2.5
134	Niger	2.5
134	Pakistan	2.5
134	Sierra Leone	2.5
143	Azerbaijan	2.4

143	Belarus	2.4
143	Comoros	2.4
143	Mauritania	2.4
143	Nigeria	2.4
143	Russia	2.4
143	Timor-Leste	2.4
143	Togo	2.4
143	Uganda	2.4
152	Tajikistan	2.3
152	Ukraine	2.3
154	Central African Republic	2.2
154	Congo Republic	2.2
154	Côte d'Ivoire	2.2
154	Guinea-Bissau	2.2
154	Kenya	2.2
154	Laos	2.2
154	Nepal	2.2
154	Papua New Guinea	2.2
154	Paraguay	2.2
154	Zimbabwe	2.2
164	Cambodia	2.1
164	Guinea	2.1
164	Kyrgyzstan	2.1
164	Yemen	2.1

168	Angola	2.0
168	Chad	2.0
168	Democratic Republic of the Congo	2.0
168	Libya	2.0
172	Burundi	1.9
172	Equatorial Guinea	1.9
172	Venezuela	1.9
175	Haiti	1.8
175	Iraq	1.8
177	Sudan	1.6
177	Turkmenistan	1.6
177	Uzbekistan	1.6
180	Afghanistan	1.5
180	Myanmar	1.5
182	Korea (North)	1.0
182	Somalia	1.0



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SALES AGENT AGREEMENT

This Sales Agent Agreement ("Agreement") made this day of _____ by and between _____, with its principle place of business at _____ ("Company") and _____ with its principle place of business at _____ ("Agent").

In consideration of the promises and mutual covenants contained herein, and for good and other valuable consideration, it is hereby agreed as follows:

1. **Appointment.** Subject to the terms and conditions of this Agreement, Company hereby grants to Agent, and Agent hereby accepts, the non-exclusive / exclusive right to solicit orders for the sale of Company's products specified on Schedule A and such other products as Company may, from time to time, designate in writing (hereinafter collectively referred to as "Products"). Agent's appointment also shall be subject to Section 4 of this Agreement entitled "Reservations" as well as the Company's review and approval of the Third-Party Disclosure Statement (Schedule H).

2. **Term.** The appointment in Section 1 above shall be in effect from _____ to _____ "(Term)" unless extended by Company in writing.

3. **Territory / Customers.** Agent shall solicit orders for the sale of Company's Products (i) only within the geographical area set forth in Schedule B (such geographical and market limitations hereinafter referred to as "Territory" or "Territories"); and (ii) only to those customers in the end-use markets within the Territory. Company reserves the right to modify the Territory in its sole discretion upon written notice to Agent.

4. **Resale / Distribution.** Agent is / is not authorized to directly or indirectly resell or otherwise distribute any of the Products. If Agent is authorized, any resale or distribution by Agent shall be subject to the Terms of Resale / Distribution in Schedule G.

5. **Company Reservations.**

a. Company reserves the right to change the design, discontinue or limit the manufacture of any or all Products without notice to Agent.

b. Company reserves the right to add to or subtract from the Products or Product categories set forth on Schedule A in its sole discretion upon thirty (30) days written notice to Agent.

c. Company reserves the right to sell directly to the customers or class of customers (without payment of any commission to the Agent) that are listed on Schedule C (Excluded Customers). Agent shall not be entitled to any commission or other compensation for any such sales. Company reserves the right in its sole discretion to amend Schedule C upon thirty (30) days prior written notice to Agent.

6. **Agent Duties and Responsibilities.** Agent agrees, represents and warrants to the following checked duties and responsibilities:

a. actively and diligently promote and solicit orders for the sale of the Products in the Territory;

b. represent Company upon the terms and conditions which may from time to time be established by Company and solicit orders for Products according to the guidelines which Company may establish from time to time;

c. transmit to Company all customer orders and out-of-stock shipping papers by electronic means for invoicing by Company to customer and/or restocking by Company, as the case may be, being sure that they are properly filled out with all necessary information;

- d. upon request by Company, transmit all of Agent's correspondence concerning Product solicitations;
- e. pay all of its own expenses (such as operation and sales expenses) and incur no obligations on behalf of Company without the prior written authorization from Company;
- f. not act in any way that would give the impression that it has the power or authority to bind Company in any respect whatsoever;
- g. not make any oral or written representations which vary from the specifications, operating instructions, warranty, or representations given or made by Company with respect to the Products;
- h. maintain place(s) of business in the Territory and employ personnel, as Company shall require, sufficient to carry out the representations and obligations of Agent set forth herein;
- i. maintain a current Accounts Receivables balance, paid according to the payment terms agreed upon;
- j. furnish Company with an annual business plan and sales forecast utilizing the format furnished by the Company;
- k. not appoint or authorize any third party to act as a dealer, agent or reseller for the distribution of Products and make no addition, termination, or modification of the Company's distributor network or status without written authorization of the Company;
- l. comply with all applicable federal, state and local laws, rules, regulations and orders in the ordering and in the soliciting of orders for Products;
- m. provide an accurate inventory of all Products on the appropriate inventory forms immediately following the end of each month (said forms must show a summary of Products received and shipped during the month, and closing inventory which shall be checked by Agent for accuracy);
- n. inform Company of any information on the Third-Party Disclosure Statement (Schedule H) changes;
- o. cooperate with Company with respect to any training, instructions or seminars sponsored by Company;
- p. support Company and other Company agents in the sale, promotion, approval and specification of Products, particularly with respect to inter-territorial prospects and sales.
- q. additional duty/responsibility: _____

7. **Consignment.** If requested by Company, Agent shall establish and maintain a consigned stock of Company's Products in such quantities and items as Company may designate in its discretion, subject to the following:

- a. Agent shall execute any documents required to secure Company's legal rights and title to the consigned inventory.
- b. Agent agrees to segregate the consigned inventory on its premises and to place whatever notices are required by Company to evidence its interests in that property.

c. Agent agrees not to encumber the consigned inventory.

d. Agent agrees to promptly surrender possession of any, or all, of the consigned inventory to Company upon request from Company at any time during the Term hereof or following the expiration or termination of this Agreement. In this regard, Agent hereby consents to allow Company access to Agent's premises at any time in order to regain possession of the consigned inventory and take a physical inventory of the same.

8. Sales / Commissions.

a. Agent shall use its best efforts to meet sales quotas or goals established by Company for Product sales made in and shipped to the Territory. If such quotas and goals are not met, Agent shall provide a full report on the reasons for such failure within fifteen (15) days after request from Company.

b. All sales by Agent must be made subject to Company's Standard Commercial Terms and Conditions in Schedule F, unless exceptions are made and agreed to in writing by Company.

c. The commissions ("Commissions") set forth in Schedule D (Commission Schedule) shall be paid to Agent on orders accepted by Company, as full and sole compensation for those orders which were solicited and obtained by Agent and were sold and shipped at prices not less than those currently quoted by Company at the time of the sales. Company may change or amend the Commission Schedule from time to time in its sole discretion, which shall become effective upon notice to Agent and apply to all orders accepted by Company on or after the notice.

d. Unless expressly agreed to in writing by Company, no commissions except as described above, or as expressly agreed to in writing by Company, shall be paid to Agent for any orders accepted by Company, even if Agent solicited and obtained the order. For example, no Commissions shall be paid to Agent: (i) for orders accepted by Company from customers listed on Schedule C hereto; or (ii) for orders accepted by Company from customers located outside of the Territory, or (iii) for orders accepted by Company, which are purchases for Agent's own account.

e. Commission shall be computed on the net amount of each Company invoice and/or credit memorandum to the customer, less amounts for applicable taxes, insurance, packing, freight and other applicable deductions. All Commissions accrued shall be paid to Agent by the twentieth (20th) day of each fiscal month for all eligible sales shipped during the second preceding fiscal month (see Schedule E). A proportionate adjustment for Commissions paid shall be made when, in the reasonable opinion of Company, payment by the customer is partially or totally uncollectable.

f. No commission shall be paid to Agent for orders accepted by Company from any affiliate of the Company.

9. Quotes / Acceptance of Orders.

a. Company has the sole right and discretion to establish the prices for the Products and modify the prices at any time.

b. Agent shall not quote any price other than current prices established by Company without prior authorization from Company.

c. Agent agrees to obtain credit information as designated by the Company pertaining to credit approval and/or security interests, and to assist in the collection of overdue accounts.

d. Agent shall solicit all orders from customers for acceptance by Company. All orders are subject to acceptance by Company and Company has the sole and exclusive right and discretion to

accept or reject any orders. Except as may be set forth to the contrary in this Agreement, all orders are accepted pursuant to Company's Standard Commercial Terms and Conditions in Schedule F.

10. Trade Names and Trademarks. Agent shall use any trade name, trademark or other designation of Company or simulations thereof (together "Marks") only on and with respect to the Products in accordance with the requirements of Company. Agent shall not remove, alter, replace, or in any way tamper with any labels or Marks on the Products and agrees it will not register or attempt to register or assert any right of ownership in any of the Marks. Upon demand by Company or in the event this Agreement terminates or expires, Agent shall cease all use of any of the Marks.

11. Independent Contractor. Agent is an independent contractor and shall have no authority to incur obligations or make representations of any kind in the name of or for the account of Company, except as expressly provided in this Agreement. Agent agrees to pay all applicable personal or business taxes when due as an independent contractor. Company shall not be liable for any unauthorized or negligent acts or omissions of Agent.

12. Termination. Either party may terminate this Agreement with or without cause at any time by giving the other party ten (10) days prior written notice. In the event that the Agent elects to terminate this Agreement without cause, then Company reserves the right to waive the ten (10)-day notice period and effect an immediate termination of this Agreement.

b. Company may terminate this Agreement for cause immediately without notice for reasons including, but not limited to, the following:

(i) if Agent makes a general assignment for the benefit of creditors, is insolvent, shall have been adjudicated bankrupt, shall have filed a voluntary petition for bankruptcy or for reorganization or effectuated a plan or other similar arrangement with creditors, or shall have applied for or permitted the appointment of a receiver or trustee or custodian for any of its property or assets;

(ii) there is a change in the operation, personnel, ownership, equity, principals, shareholders, directors, officers, location or credit standing of the Agent which Company, in its sole discretion, deems to be materially adverse to Company's interests;

(iii) there is a default, breach or failure of Agent to perform any of the duties, responsibilities, obligations, warranties or representations set forth in this Agreement;

(iv) Agent's conduct in accordance with the entering into or performance of this Agreement is in bad faith, which shall include but not be limited to any misrepresentation by Agent in obtaining the appointment as an agent;

(v) Agent does not pay any sums when due and owing to Company;

(vi) Agent or any of its employees shall have been convicted of a crime or an act of moral turpitude; or

(vii) Agent does not comply, in whole or in part, with the sales goals or objectives of Company.

(c) Upon any termination or expiration of this Agreement, Agent agrees to: (i) assign to Company all unfilled orders for the Products obtained by Agent without demand for any Commission therefor; (ii) promptly return to the Company all proprietary or confidential materials and inventory of Products in Agent's possession or control; (iii) cease to solicit orders for the sale of the Products; and (iv) immediately surrender possession or control of and return to the Company any consigned inventory.

(d) Upon termination or expiration of this Agreement, Company shall pay Agent any Commissions previously earned (but unpaid) prior to the effective date of the termination or expiration in accordance with the Commission Schedule. Agent shall also be entitled to Commission with respect to all firm orders (not for blanket orders subject to further release) accepted by Company prior to the termination; in such event, however, Agent shall be entitled to such Commission only after the order has shipped and Company has received payment in full from the customer. In the event that Company terminates this Agreement for cause, Company shall have the right to offset any damages or liabilities to Company arising from Agent's breach against any Commissions owed to Agent.

13. Confidential Information. Agent agrees that during the term of this Agreement and for a period of three (3) years after termination or expiration of this Agreement, it will not disclose to any third party or use for the benefit of itself or any third-party, any confidential or proprietary information of Company received or learned in the performance of this Agreement including, but not limited to, customer lists, Product information, marketing plans, and manufacturing processes.

14. Competition. Agent agrees that during the term of this Agreement and for a period of twelve (12) months after termination or expiration of this Agreement, neither it nor any of its principals, owners, representatives or employees will engage in any capacity, whether as owner, director, officers, employee, consultant, agent, trustee or otherwise, either directly or indirectly, in the solicitation of orders for products similar to or competitive with the Products. Agent agrees to be liable for any breach of this provision by its principals, owners, representatives or employees. Agent acknowledges that any breach of this provision will result in irreparable damage to Company and that Company shall be entitled to seek specific performance thereof through a temporary, preliminary or permanent injunction without the necessity of proving actual damages, in addition to any other legal or equitable remedy or relief.

15. Delays in Performance, Shortages, Damages. The fulfillment of orders accepted by Company is contingent upon and subject to the non-occurrence of accidents, strikes, breakdowns, boycotts, labor disputes, riots, sabotage, insurrection, wars, delays and interruptions in and failure of sources of material, supplies, equipment and transportation, and to acts of God or of the public enemy and to other causes and conditions whether of a like or different nature, affecting Company; and to orders, contracts, priorities, directives, requisitions or requests of federal or state governments whether or not voluntarily assumed.

16. Assignability. This Agreement may not be assigned or transferred, or the performance hereunder delegated by Agent, without the prior written consent of Company. This Agreement shall be binding upon, and inure to the benefit of, the successor and permitted assigns of each party hereto. Company retains the right to assign this Agreement or any order hereunder to its affiliates.

17. Notices. Any written notices to be furnished hereunder shall be in writing and shall be deemed given when deposited in the mail or when sent by facsimile, addressed to the other party at the addresses stated above.

18. Entire Agreement; Modifications. This Agreement terminates and supersedes all other agreements between the parties and constitutes the entire understanding between them. This Agreement cannot be changed, modified or varied except by written instrument duly executed by both parties. Notwithstanding anything in this Agreement to the contrary, Company shall have the right to amend, modify or change this Agreement in the event legislation, governmental regulations or changes in circumstances beyond Company's control materially affect the relationship between the parties in the Company's discretion.

19. Waiver; Severability. Failure or waiver of either party to require a strict performance by the other of any Agreement provision shall not in any way affect the rights of such party to thereafter enforce the same. In the event that this Agreement or any provision herein is found to be unenforceable, Company may elect to terminate this Agreement in its entirety or elect to have the parties excused from performance of such portion or portions of this Agreement as shall be found to be unenforceable, without affecting the validity of the remaining portions of this Agreement.

20. Indemnification. Agent agrees to indemnify and hold Company harmless from and against any and all claims, demands, judgments, expenses and liabilities (including attorneys' fees) arising out of or resulting from Agent's breach of this Agreement, third-party claims based on Agent's acts or omissions, or Company's enforcement of any term or condition of this Agreement as against Agent. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES ARISING FROM THIS AGREEMENT.

21. Survival of Terms. Sections 10 (Trade Names and Trademarks), 13 (Confidential Information), 14 (Competition), and 21 (Indemnification) shall survive termination or expiration of this Agreement.

22. Prohibited Payments; Exports and Boycotts.

a. **AGENT AGREES THAT IT WILL NOT OFFER, PAY, PROMISE TO PAY, GIVE, OR AUTHORIZE THE PAYMENT OR THE GIVING OF ANYTHING OF VALUE ON BEHALF OF COMPANY, TO ANY OFFICER OR EMPLOYEE OF ANY END-USER COMPANY, OR ANY GOVERNMENT OR DEPARTMENT, AGENCY OR INSTRUMENTALLY THEREOF, OR ANY PERSON ACTING IN AN OFFICIAL CAPACITY FOR OR ON BEHALF OF ANY GOVERNMENT OR DEPARTMENT, AGENCY OR INSTRUMENTALLY THEREOF OR TO ANY POLITICAL PARTY OR OFFICIAL THEREOF OR ANY CANDIDATE FOR POLITICAL OFFICE.**

b. Agent agrees that it will report to Company any requests for payments or gifts prohibited under the above paragraph.

c. Agent agrees that it will comply with all export laws and regulations of the United States and that it will keep records of and shall report to the Company prior to accepting any export order, the specific each product ordered, customer's name and intended use of the product.

d. Agent agrees that it will immediately report to Company any inquiries from potential customers that condition any order on the Company's agreement to not sell product to or otherwise participate in any boycotts including, but not limited to, the Arab boycott of Israel.

23. Application of Law: This Agreement is to be governed by and construed according to the laws of the jurisdiction of Company's principle place of business ("Jurisdiction"), excluding its conflict of laws. The parties agree that the Convention Contracts for the International Sale of Goods shall not apply to this Agreement.

ALL PARTIES HERETO HAVE READ THIS AGREEMENT, FULLY UNDERSTAND THE TERMS CONTAINED HEREIN, AND AGREE THAT ALL THE TERMS AND CONDITIONS IN THIS AGREEMENT ARE BOTH REASONABLE AND ESSENTIAL REQUIREMENTS OF THEIR RELATIONSHIP.

IN WITNESS WHEREOF, Company and Agent have executed this Agreement on the day first above written.

COMPANY

AGENT

By: _____

By: _____

Name:

Name:

Title:

Title:

SCHEDULE A
LIST OF PRODUCTS

SCHEDULE B

TERRITORY

SCHEDULE C
EXCLUDED CUSTOMERS

SCHEDULE D
COMMISSION SCHEDULE

SCHEDULE E
FISCAL CALENDAR

SCHEDULE F

STANDARD COMMERCIAL CONDITIONS AND TERMS

SCHEDULE G**TERMS OF RESALE / DISTRIBUTION**

1. Agent shall resell or distribute Products only (i) only within the geographical area set forth in Schedule B (such geographical and market limitations hereinafter referred to as "Territory" or "Territories"); and (ii) only to those customers in the end-use markets within the Territory. Company reserves the right to modify the Territory in its sole discretion upon written notice to Agent.
2. For all Products sold to Agent hereunder, Company shall charge Agent and Agent shall pay to Company the wholesale prices indicated and stated in Company's quotation, unless and until such prices are changed in accordance with the terms of this Agreement.
3. Company may change the prices charged to Agent for Products with thirty (30) days written notice to Agent.
4. Agent shall pay Company for all Products ordered hereunder not later than thirty (30) days from the date of invoice for such Products. Any amount due to Company that is not paid within thirty (30) days from the date of invoice shall bear and accrue interest at the rate of two percent (2%) per month.
5. If any invoice is not paid when due, Company shall have the right to withhold all orders and not ship any Products to Agent until such invoices have been paid, and Company shall have the right to demand and require that all subsequent orders be paid cash on delivery or on any other payment terms as Company may demand and require.
6. Company has the right to repossess and resell any Products that have not been paid for by Agent. Agent hereby grants to Company a purchase money security interest in all Products sold hereunder to Agent and Company shall have all of the rights of a secured creditor under applicable laws.
7. Company reserves the right at any time during the term of this Agreement to require a deposit from Agent to secure Agent's payment obligations hereunder.
8. No set-offs or deductions of any kind shall be made by Agent on payments due Company, unless Agent has received prior written authorization from Company to make such set-off or deduction.
9. All orders are subject to acceptance by Company, and Company has the sole and exclusive right and discretion to accept or reject any orders. Except as may be set forth to the contrary in this Agreement, all orders are subject to Company's standard commercial terms and conditions.

SCHEDULE H

THIRD-PARTY DISCLOSURE STATEMENT

As part of the Company's anti-corruption compliance program, all third-party agents, representatives, and consultants ("Agents") involved in the sale of any goods or services on behalf of the Company or any of its affiliated companies (the "Company") are required to complete this Disclosure Statement for review and approval.

1. General Information

a. Full name of Agent:

[Empty text box for full name of Agent]

b. Complete business address:

[Empty text boxes for complete business address, telephone number, facsimile number, and business website]

c. Indicate type of business organization of Agent:

- Checkboxes for Sole Proprietor, Corporation, Limited Liability Company, Partnership, and Other

d. Name(s) of the Company's business unit(s) for which Agent seeks to represent:

[Empty text box for name(s) of business unit(s)]

e. Country or countries where Agent seeks to represent the Company:

[Empty text boxes for country or countries]

f. Has Agent ever conducted business under an alias, assumed name, trade name or used any other business name other than the full business name listed above?

- Yes/No checkboxes

If "yes", please list the other names below:

[Empty text box for other names]

2. Government Registration

a. Is registry with a government authority a requirement for Agent to conduct business in the Country?

- Yes No

b. If yes, please provide a list of registrations below:

3. Experience

a. Has Agent ever provided services for the Company?

- Yes No

If yes", please describe the services provided:

b. Has Agent represented other clients in the same industry as the Company?

- Yes No

If yes", please list the names of the former or current clients:

c. Has Agent sold any goods or services to any government agency or any entity controlled or partly owned by a government agency?

- Yes No

If yes", please list the names of the government agencies and/or entities:

4. Representations

a. Is the Agent (if an individual) or each of its sales personnel, director, officer and owner familiar with the prohibitions of the United States Foreign Corrupt Practices Act and the anti-corruption laws of country in which Agent operates?

Yes No

b. Has Agent, any employee of the Agent or any director, officer or owner of the Agent ever been the subject of an investigation or criminal law violations, or been convicted of a crime?

Yes No

If "yes", please give details below:

c. Has the Agent (if an individual) or any of its employees, directors, officers or owners ever been accused of violating the United States Foreign Corrupt Practices Act or the anti-corruption laws of country in which Agent operates?

Yes No

If "yes", please explain:

5. Affiliations

a. Has Agent (if an individual) or any of its employees, directors, officers or owners, or any of their family members, ever served in any capacity for a governmental entity, including any ventures which was part-owned or controlled by any governmental entity? Yes No

If yes", please list the names of the governmental entity or private venture:

b. Please list all current and former directors and officers of Agent:

c. If Agent has fewer than 5 employees, please list all current and former employees of Agent:

d. Please list every current and former (past 3 yrs) owner of Agent (and indicate their period of ownership if a former owner):

e. Please list every company or other business entity which is affiliated with Agent (an affiliate is a company of which Agent owns 10% or more):

f. If Agent is an individual, please list every other business for which Agent is now, or ever has been employed in the past 5 years.

g. Please list names of any publicly-traded companies in which Agent owns more than a 5% ownership interest:

h. Please list names of any non-public companies or business entities in which Agent holds an ownership interest:

6. References

Please list **THREE** unaffiliated business contacts and at least one banking institution contact, which the Company may contact for reference:

a. Business Contacts

Name:
Business Relationship:
Address:
Telephone number:
Mobile number:

Name:
Business Relationship:
Address:
Telephone number:
Mobile number:

Name:
Business Relationship:
Address:
Telephone number:
Mobile number:

b. Banking Contact

Name:
Banking Relationship:
Address:
Telephone number:
Mobile number:

Agent or Agent's Authorized Representative Submitting this Disclosure Statement

Print Name:
Title/Role:
Signature:
Date:

Sponsored by: [Company Sales Manager or Director Recommending the Agent]

Print Name:
Title/Role:
Signature:
Date:

Approved by: [Company GM or VP Approving the Agent]

Print Name:
Title/Role:
Signature:
Date:

Global Compliance™

ALERTLINE CONFIDENTIAL MEMORANDUM

THE INFORMATION CONTAINED IN THIS REPORT SHOULD BE HANDLED AS CONFIDENTIAL

Report Number: CIRC-11-02-0001 [3E73] Received By: LEEN
 Call Report Type: WPA Initial Report Source: Hotline
 Awareness Resource: Wallet Card Duration: 00:12:12
 Language Used: English Reviewed By: LEEN
 Date/Time Call Received: 16-Feb-2011 08:20 am Eastern Time Zone
 Call Back Date:
 Report Priority: C

WORKPLACE ALERT INITIAL REPORT

Allegation	Class	Priority
Unfair Employment Practices	Employee Relations	C

Location Details

[REDACTED]

[REDACTED]

Party Type	Party Name	Party Job Title
Caller	[REDACTED]	[REDACTED]
Mobile Phone: 1	[REDACTED]	
Other Involved Party	[REDACTED]	team leader
Other Involved Party	[REDACTED]	supervisor
Other Involved Party	[REDACTED]	human resources employee
Subject	[REDACTED]	plant manager

Call Report Summary

[REDACTED] requires employees to work overtime.

Call Report Details

Report Number: CIRC-11-02-0001

Page 1 of 2

Client agrees and understands that Global Compliance neither warrants, vouches for, nor authenticates the reliability of the allegations provided in this report. Client agrees that it shall have the sole responsibility for investigating or otherwise evaluating these allegations and other information provided and to comply with all local, state and federal laws pertaining to the investigation and protection of such information, as well as the protection of all rights of any person or persons accused of any wrongdoing.

Global Compliance

ALERTLINE CONFIDENTIAL MEMORANDUM

THE INFORMATION CONTAINED IN THIS REPORT SHOULD BE HANDLED AS CONFIDENTIAL

Since 2010 (exact month unknown), [REDACTED] has required employees to work 9-10 hours per day for six or seven days per week. [REDACTED] that employees are frustrated and angry because they have no personal time. In January (exact day unknown), [REDACTED] began to experience personal concerns, including a [REDACTED]. In February (exact day unknown), [REDACTED] told [REDACTED] about his personal request to work fewer hours of overtime. [REDACTED] his personal request was resolved. [REDACTED] told [REDACTED] that he would forward the request to [REDACTED]. [REDACTED] told [REDACTED] that [REDACTED] did not intend to require any employees to work fewer hours. [REDACTED] reported his concerns to the human resources department. On February 16, [REDACTED] reported his concerns to [REDACTED]. [REDACTED] told [REDACTED] that the human resources department would not "get involved" in the situation or assist [REDACTED] in reducing his hours on a temporary basis. [REDACTED] said the chain of command has not assisted [REDACTED] in resolving his concerns. [REDACTED] did not respond directly to [REDACTED]'s actions because he wished to avoid conflict.

[REDACTED] was uncertain if [REDACTED]'s actions violated any company policies, but he said it is unreasonable to require employees to work so much overtime for such an extended period.

[REDACTED] was uncertain of the reasons for [REDACTED]'s behavior.

[REDACTED] has not reported his concerns elsewhere.

[REDACTED] was thanked for calling and was issued a report identification number.

Communications Specialist's Comments

[REDACTED] spelled all proper names in this report.

Special Information Requested Of Caller

Responses

Survey Questions

Responses

Client agrees and understands that Global Compliance neither warrants, vouches for, nor authenticates the reliability of the allegations provided in this report. Client agrees that it shall have the sole responsibility for investigating or otherwise evaluating these allegations and other information provided and to comply with all local, state and federal laws pertaining to the investigation and protection of such information, as well as the protection of all rights of any person or persons accused of any wrongdoing.