

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

FILED

FEB 10 1999

STEPHEN J. MORPHY, Clerk
DAYTON, OHIO

UNITED STATES OF AMERICA : CASE NO. CR-3-99-08
V. :
INTERNATIONAL MATERIALS :
SOLUTIONS CORPORATION. :

PLEA AGREEMENT

It is hereby agreed between **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, an Ohio Corporation, by and through its current President, Thomas K. Qualey, acting with full authority and power to bind the defendant corporation regarding all matters herein, and through its attorney, Roger Makely, and the United States Attorney for the Southern District of Ohio, and the Fraud Section of the Criminal Division, U.S. Department of Justice, by counsel, as follows:

1. **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION (IMS)**, will enter a plea of guilty to a two count Information filed in the above-captioned case. Count 1 charges a violation of 18 U.S.C. § 371, conspiracy to violate 15 U.S.C. § 78dd-2;, and Count 2 charges a violation of 15 U.S.C. § 78dd-2. Counts 1 and 2 are violations of the Foreign Corrupt Practices Act.

2. Once the guilty plea is entered and not withdrawn, the United States Attorney for the Southern District of Ohio agrees to not file any other charges against **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, or any charges against

any parent, subsidiary, affiliate or successor of **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, or against any of its officers , employees or agents, either past or present, arising out of this investigation except charges against co-defendant THOMAS K. QUALEY.

3. **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, understands that the maximum possible statutory penalty for violations of Counts 1 & 2 is a fine of up to \$500,000.00 for each count (or a maximum fine of \$1,000,000) and a total payment of \$800.00 as required in 18 U.S.C. § 3013 (\$400.00 for each count). **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, further understands that its sentence is subject to the provisions of the Sentencing Reform Act and the Sentencing Guidelines.

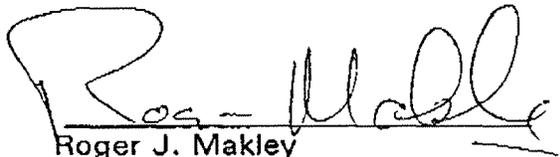
4. **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, agrees to make full restitution pursuant to 18 U.S.C. § 3663(a)(3). **INTERNATIONAL MATERIALS SOLUTIONS CORPORATION**, understands that the Court will determine the amount of restitution owed, if any, after receiving a recommendation from the U.S. Probation Department.

5. This written agreement embodies all of the agreements between the parties. There are no other agreements or promises.

DATE 1-28-99

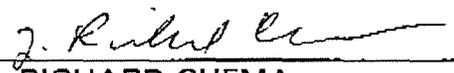

INTERNATIONAL MATERIALS SOLUTIONS CORPORATION, by and through its President,
Thomas K. Qualey

DATE 2/10/99


Roger J. Makley
Attorney for Defendant

SHARON J. ZEALEY
United States Attorney

DATE 2/10/99

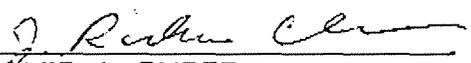

J. RICHARD CHEMA
Assistant U.S. Attorney

Joshua R. Hochberg, Acting Chief
Fraud Section, Criminal Division
U.S. Department of Justice

DATE 2/10/99


PETER B. CLARK, Deputy Chief

DATE 2/10/99


DAVID A. BYBEE
Trial Attorney