



U.S. Department of Justice

Criminal Division

*Fraud Section
Bond Building
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Washington, D.C. 20530*

March 8, 2023

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Re: Corsa Coal Corporation

Dear Counsel:

Consistent with the Criminal Division Corporate Enforcement and Voluntary Self-Disclosure Policy, the Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Western District of Pennsylvania (collectively, the "Government") have declined prosecution of your client, Corsa Coal Corporation ("Corsa" or the "Company"), for violations of the Foreign Corrupt Practices Act (the "FCPA"), 15 U.S.C. §§ 78dd-1, *et seq.* We have reached this conclusion despite the bribery committed by employees and agents of the Company.

The Government's investigation found evidence that from approximately late 2016 until early 2020, certain of Corsa's employees and agents engaged in a scheme to bribe Egyptian government officials in order to obtain and retain lucrative contracts to supply coal to Al Nasr Company for Coke and Chemicals ("Al Nasr"), an Egyptian state-owned and -controlled coke company. To effectuate the scheme, Corsa paid approximately \$4.8 million to an Egypt-based third-party intermediary that Corsa's employees knew would be used, at least in part, to pay bribes to Egyptian government officials, including the Chairman of Al Nasr. In exchange for the bribe payments, Corsa secured approximately \$143 million in coal contracts from Al Nasr and earned approximately \$32.7 million in profits.

The Government has decided to decline prosecution of this matter based on an assessment of the factors set forth in the Corporate Enforcement and Voluntary Self-Disclosure Policy, Justice Manual (“JM”) 9-47.120, and the Principles of Federal Prosecution of Business Organizations, JM 9-28.300, including but not limited to: (1) Corsa’s timely and voluntary self-disclosure of the misconduct; (2) Corsa’s full and proactive cooperation in this matter (including its provision of all known relevant facts about the misconduct, including information about the individuals involved in the conduct) and its agreement to continue to cooperate with any ongoing government investigations and any prosecutions that have resulted or might result in the future; (3) the nature and seriousness of the offense; (4) Corsa’s timely and appropriate remediation, including terminating a sales representative who engaged in the bribe scheme and substantially improving its compliance program and internal controls; and (5) the fact that Corsa agrees to and will disgorge the amount of its ill-gotten gains that it is able to pay (as described below).

Pursuant to this letter agreement, Corsa agrees to continue to fully cooperate with the Government’s ongoing investigation, including but not limited to the continued provision of any information and making available for interviews and/or testimony those officers, employees, or agents who possess relevant information, as determined in the sole discretion of the Government.

The Government calculated that Corsa earned profits totaling approximately \$32.7 million from the criminal scheme. Corsa, however, met its burden of establishing an inability to pay the full disgorgement of ill-gotten gains sought by the Government, despite agreeing that the amount was otherwise appropriate based on the law and the facts. Corsa fully cooperated by providing to the Government relevant information and documents, as well as access to appropriate Company personnel to respond to Government’s inquiries. The Government, with the assistance of a forensic accounting expert, conducted an independent ability to pay analysis, considering a range of factors outlined in the Justice Department’s Inability to Pay Guidance (*see* October 8, 2019 Memorandum from Assistant Attorney General Brian Benczkowski to All Criminal Division Personnel re: Evaluating a Business Organization’s Inability to Pay a Criminal Fine or Criminal Monetary Penalty). Based on that independent analysis, the Government determined that paying disgorgement in excess of \$1,200,000 would substantially threaten the continued viability of the Company. Accordingly, Corsa agrees to disgorge \$1,200,000 USD (the “Disgorgement Amount”).


This letter agreement does not provide any protection against prosecution of any individuals, regardless of their affiliation with Corsa. If the Government learns information that changes its assessment of any of the factors outlined above, it may reopen its inquiry.

Sincerely,

GLENN S. LEON
Chief, Fraud Section
Criminal Division
Department of Justice

TROY RIVETTI
Acting United States Attorney
Western District of Pennsylvania

BY:



NATALIE R. KANERVA
SHY JACKSON
Trial Attorneys, Fraud Section

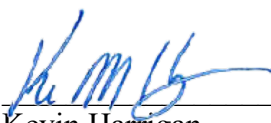


ERIC G. OLSHAN
Assistant United States Attorney

I have read this letter agreement and carefully reviewed every part of it with outside counsel for Corsa Coal Corporation. The Board of Directors of Corsa Coal Corporation has been advised of the terms of this letter agreement. I understand the terms of this letter agreement and, on behalf of Corsa Coal Corporation, voluntarily agree and consent to the facts and conditions set forth herein, including to pay the Disgorgement Amount and to continue to cooperate with the Government.

Date: March 9, 2023

BY:



Kevin Harrigan
Interim President and Chief Executive Officer
Corsa Coal Corporation