



**U.S. Department of Justice**

Criminal Division

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June 16, 2015

Iris Bennett, Esq.  
Joseph Covington, Esq.  
Smith Pachter McWhorter PLC  
8000 Towers Crescent Drive, Suite 900  
Tysons Corner, VA 22182

**Re: IAP Worldwide Services, Inc.**

Dear Counsel:

On the understandings specified below, the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Eastern District of Virginia (collectively, the "Offices"), will not criminally prosecute IAP Worldwide Services, Inc. (the "Company"), a corporation organized under the laws of Delaware and headquartered in Florida, for any crimes (except for criminal tax violations, as to which the Offices do not make any agreement) relating to any of the conduct described in the Statement of Facts attached hereto as Attachment A. The Offices enter into this Non-Prosecution Agreement based on the individual facts and circumstances presented by this case and the Company. Among the facts considered were the following: (a) the Company has cooperated with the Offices, including conducting an extensive internal investigation, voluntarily making U.S. and foreign employees available for interviews, and collecting, analyzing, and organizing voluminous evidence and information for the Offices; (b) the Company has engaged in remediation, including disciplining the officers and employees responsible for the corrupt payments or terminating their employment, enhancing its due diligence protocol for third-party agents and consultants, and instituting heightened review of proposals and other transactional documents for relevant Company contracts; (c) the Company has committed to continue to enhance its compliance program and internal controls, including ensuring that its compliance program satisfies the minimum elements set forth in Attachment C to this Agreement; and (d) the Company has agreed to continue to cooperate with the Offices in any ongoing investigation of the conduct of the Company and its officers, directors, employees, agents, and consultants relating to possible violations under investigation by the Offices.

The Company admits, accepts, and acknowledges that it is responsible under United States law for the acts of its officers, directors, employees, and agents as set forth in the Statement of Facts attached hereto as Attachment A and incorporated by reference into this Agreement, and that the facts described in Attachment A are true and accurate. The Company expressly agrees that it shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for the Company make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by the Company set forth above or the facts described in the Statement of Facts attached hereto as Attachment A. The Company agrees that if

it or any of its direct or indirect subsidiaries or affiliates issues a press release or holds any press conference in connection with this Agreement, the Company shall first consult the Offices to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Offices and the Company; and (b) whether the Offices have any objection to the release.

The Company's obligations under this Agreement shall have a term of three years and seven days from the date that this Agreement is executed. However, the Company shall cooperate fully with the Offices in any and all matters relating to the conduct described in this Agreement and Attachment A subject to applicable law and regulations, until the date upon which all investigations and prosecutions arising out of such conduct are concluded, whether or not those investigations and prosecutions are concluded within the term specified in this paragraph. At the request of the Offices, the Company shall also cooperate fully with other domestic or foreign law enforcement and regulatory authorities and agencies as well as the Multilateral Development Banks ("MDBs"), in any investigation of the Company, its parent company or its affiliates, or any of its present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement and Attachment A. The Company agrees that its cooperation shall include, but not be limited to, the following:

a. The Company shall truthfully disclose all factual information not protected by a valid claim of attorney-client privilege or work product doctrine with respect to its activities, those of its parent company and affiliates, and those of its present and former directors, officers, employees, agents, and consultants, including any evidence or allegations and internal or external investigations, about which the Company has any knowledge or about which the Offices may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation of the Company to provide to the Offices, upon request, any document, record or other tangible evidence about which the Offices may inquire of the Company.

b. Upon request of the Offices, the Company shall designate knowledgeable employees, agents or attorneys to provide to the Offices the information and materials described above on behalf of the Company. It is further understood that the Company must at all times provide complete, truthful, and accurate information.

c. The Company shall use its best efforts to make available for interviews or testimony, as requested by the Offices, present or former officers, directors, employees, agents and consultants of the Company. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation shall include identification of witnesses who, to the knowledge of the Company, may have material information regarding the matters under investigation.

d. With respect to any information, testimony, documents, records or other tangible evidence provided to the Offices pursuant to this Agreement, the Company consents to any and all disclosures, subject to applicable law and regulations, to other governmental authorities, including United States authorities and those of a foreign government, as well as MDBs, of such materials as the Offices, in their sole discretion, shall deem appropriate.

In addition, during the term of the Agreement, should the Company learn of credible evidence or allegations of a violation of U.S. federal law, the Company shall promptly report such evidence or allegations to the Offices. No later than 90 days prior to the expiration of the term of this Agreement, the Company, by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company, will certify to the Offices that the Company has met its disclosure obligations pursuant to this Agreement. Such certification will be deemed a material statement and representation by the Company to the executive branch of the United States for purposes of 18 U.S.C. § 1001.

The Company represents that it has implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the Foreign Corrupt Practices Act and other applicable anti-corruption laws throughout its operations, including those of its affiliates, agents, and joint ventures, and those of its contractors and subcontractors whose responsibilities include interacting with foreign officials or other activities carrying a high risk of corruption, including, but not limited to, the minimum elements set forth in Attachment B, which is incorporated by reference into this Agreement. In addition, the Company agrees that it will report to the Offices annually during the term of the Agreement regarding remediation and implementation of the compliance measures described in Attachment B. These reports will be prepared in accordance with Attachment C.

The Company agrees to pay a monetary penalty in the present value amount of \$7,100,000 to the United States Treasury over a period of three years: within ten (10) business days of the date of this Agreement, the company shall pay \$1,775,000; by no later than one (1) year from the date of this Agreement, the Company shall pay an additional \$1,775,000; by no later than two (2) years from the date of this Agreement, the Company shall pay an additional \$1,775,000; and by no later than three (3) years from the date of this Agreement, the Company shall pay an additional \$1,775,000. The Company acknowledges that no United States tax deduction may be sought in connection with the payment of any part of this \$7,100,000 penalty and the interest on such penalty.

The Offices agree, except as provided herein, that they will not bring any criminal or civil case against the Company relating to any of the conduct described in the Statement of Facts, attached hereto as Attachment A. The Offices, however, may use any information related to the conduct described in the attached Statement of Facts against the Company: (a) in a prosecution for perjury or obstruction of justice; (b) in a prosecution for making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code. This Agreement does not provide any protection against prosecution for any future conduct by the Company. In addition, this Agreement does not provide any protection against prosecution of any present or former officer, director, employee, shareholder, agent, consultant, contractor, or subcontractor of the Company for any violations committed by them.

If, during the Term of this Agreement, the Company (a) commits any felony under U.S. federal law; (b) provides in connection with this Agreement deliberately false, incomplete, or misleading information; (c) fails to cooperate as set forth in this Agreement; (d) fails to implement

a compliance program as set forth in this Agreement and Attachment C; or (e) otherwise fails specifically to perform or to fulfill completely each of the Company's obligations under the Agreement, the Company shall thereafter be subject to prosecution for any federal criminal violation of which the Offices have knowledge, including, but not limited to, the conduct described in the attached Statement of Facts, which may be pursued by the Offices in the U.S. District Court for the Eastern District of Virginia or any other appropriate venue. Determination of whether the Company has breached the Agreement and whether to pursue prosecution of the Company shall be in the Offices' sole discretion. Any such prosecution may be premised on information provided by the Company. Any such prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Company, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term plus one year. Thus, by signing this Agreement, the Company agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the term plus one year.

In the event the Offices determine that the Company has breached this Agreement, the Offices agree to provide the Company with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, the Company shall have the opportunity to respond to the Offices in writing to explain the nature and circumstances of such breach, as well as the actions the Company has taken to address and remediate the situation, which explanation the Offices shall consider in determining whether to pursue prosecution of the Company.

In the event that the Offices determine that the Company has breached this Agreement: (a) all statements made by or on behalf of the Company to the Offices or to the Court, including the attached Statement of Facts, and any testimony given by the Company before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Offices against the Company; and (b) the Company shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that any such statements or testimony made by or on behalf of the Company prior or subsequent to this Agreement, or any leads derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, the Company, will be imputed to the Company for the purpose of determining whether the Company has violated any provision of this Agreement shall be in the sole discretion of the Offices.

This Agreement is binding on the Company and the Offices but specifically does not bind any other federal agencies, or any state, local or foreign law enforcement or regulatory agencies, or any other authorities, although the Offices will bring the cooperation of the Company and its compliance with its other obligations under this Agreement to the attention of such agencies and authorities if requested to do so by the Company.

It is further understood that the Company and the Offices may disclose this Agreement to the public.

This Agreement sets forth all the terms of the agreement between the Company and the Offices. No amendments, modifications or additions to this Agreement shall be valid unless they are in writing and signed by the Offices, the attorneys for the Company, and a duly authorized representative of the Company.

Sincerely,

ANDREW WEISSMANN  
Chief, Fraud Section  
Criminal Division  
United States Department of Justice

Date: 6/11/2015

BY: Tarek Helou

Tarek Helou  
Assistant Chief

James P. McDonald  
James P. McDonald  
Trial Attorney

DANA J. BOENTE  
United States Attorney  
Eastern District of Virginia

Date: 5/22/2015

BY: Paul Nathanson

Paul Nathanson  
Assistant United States Attorney

AGREED AND CONSENTED TO:

IAP WORLDWIDE SERVICES, INC.:

Date: 5/22/15

By: Rochelle L. Cooper  
Rochelle L. Cooper, Senior Vice President  
General Counsel, and Corporate Secretary  
IAP Worldwide Services, Inc.

Date: 5/22/15

By: Joseph Covington, Esq.  
Iris Bennett, Esq.  
Smith Pachter McWhorter PLC

ATTACHMENT A

**STATEMENT OF FACTS**

The following Statement of Facts is incorporated by reference as part of the non-prosecution agreement (the “Agreement”) between the United States Department of Justice, Criminal Division, Fraud Section, the United States Attorney’s Office for the Eastern District of Virginia (collectively, the “Offices”), and IAP Worldwide Services, Inc. (“IAP”). IAP hereby agrees and stipulates that the following information is true and accurate. IAP admits, accepts, and acknowledges that it is responsible for the acts of its officers, directors, employees, and agents as set forth below:

***Kuwait Security Program***

1. The Kuwait Security Program (“KSP”) was a homeland security project in Kuwait that was started in or about 2004 by Kuwait’s Ministry of the Interior (“MOI”). The KSP was intended to provide nationwide surveillance for several Kuwaiti government agencies, primarily through the use of closed-circuit television cameras. Its implementation was divided into two parts. The first part, a planning and feasibility period, was referred to as “Phase I” of the KSP. The second part, when the equipment, methods, and programs recommended during Phase I would be installed, was referred to as “Phase II.” Revenues from the Phase II contract were expected to be substantially greater than revenues from the Phase I contract. The MOI was responsible for overseeing and implementing the KSP.

***IAP and Relevant Entities***

2. IAP Worldwide Services, Inc. (“IAP”) was a Delaware corporation headquartered in Cape Canaveral, Florida, that provided facilities management, contingency operations, and professional and technical services in contracting capacities to the U.S. military and civilian

agencies. IAP operated in the United States and in various foreign countries, including Kuwait and Iraq. IAP had approximately 4,500 employees. IAP maintained a large office in Arlington, Virginia, in the Eastern District of Virginia, and was a “domestic concern” as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(B). IAP was also a “United States person” as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-2(i)(2).

3. Ramaco International Consulting, LLC (“Ramaco”) was a Delaware corporation headquartered in Odenton, Maryland. Ramaco was formed by executives and senior employees of IAP, including James Rama, and others in February 2006 to bid on the Phase I contract for the KSP. Ramaco was created, among other reasons, to hide IAP’s involvement in the KSP bidding and contracting processes. Ramaco was a “domestic concern” as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(B). Ramaco was also a “United States person” as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-2(i)(2).

4. G3 Systems, Ltd. (“G3”) was a defense contracting company headquartered in the United Kingdom. G3 provided support services and security consulting to companies and foreign governments. In or about March 2006, IAP acquired G3. After that acquisition, G3’s personnel worked on planning and implementing Phase I of the KSP, and employees at G3 reported to senior IAP employees for the Phase I contract. G3 was an agent of a “domestic concern” as “domestic concern” is defined in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1)(B).

5. James Michael Rama (“Rama”) was a United States citizen and resident of Maryland. Between in or about August 2005 and in or about March 2007, Rama was IAP’s Vice

President of Special Projects and Programs. After March 2007, Rama worked as a consultant for IAP. While at IAP, Rama worked at IAP's offices in Cape Canaveral, Florida and Arlington, Virginia, and at offices in Kuwait operated by IAP, Ramaco, and G3. Rama was a "domestic concern" and an employee and agent of a "domestic concern," as that term is defined in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

### ***Kuwaiti Entities***

6. The State of Kuwait was a sovereign Middle Eastern nation. The national currency in Kuwait was the Kuwaiti Dinar ("KD").

7. Kuwait's Ministry of the Interior was a governmental body of the State of Kuwait and part of its cabinet. The MOI's responsibilities included public security, and it oversaw the KSP.

8. "Kuwaiti Consultant" was a citizen of Kuwait. Kuwaiti Consultant was a liaison with the Kuwaiti MOI for the KSP. Kuwaiti Consultant was an agent of IAP and Ramaco and the individual who paid bribes to Kuwaiti government officials on behalf of IAP and Ramaco.

9. "Kuwaiti Company" was a general trading company formed under the laws of Kuwait. IAP used Kuwaiti Company to, among other activities, funnel bribes to Kuwaiti government officials through Kuwaiti Consultant. Kuwaiti Company was an agent of IAP and Ramaco.

### ***The Bribery Conspiracy***

10. In or about August 2004, while employed in Kuwait by a large American defense contractor not affiliated with IAP, Rama was introduced to Kuwaiti Consultant. During a meeting with Kuwaiti Consultant, Rama learned that the Kuwaiti MOI was planning to build a large-scale homeland security system called the KSP.



11. In or about 2005, Rama joined IAP and began pursuing the KSP Phase I contract on behalf of IAP. IAP wanted to win both the Phase I contract and obtain the more lucrative Phase II contract. IAP determined that if it worked as the MOI's consultant in Phase I, it could tailor the requirements for the Phase II contract to IAP's strengths and thereby give the company an advantage in the Phase II bidding process.

12. In or about November 2005, IAP (through Rama) received non-public indications that the MOI would select it for the Phase I contract, although the formal bidding process had not yet begun. In February 2006, at the direction of the MOI and Kuwaiti Consultant, Rama and others agreed to and did set up Ramaco as a shell company to "bid" on the Phase I contract. One purpose of setting up Ramaco was to allow IAP to hide its involvement in Phase I and participate in the later Phase II without any apparent conflict of interest. Ramaco began acting as the agent for IAP on the KSP.

13. IAP agreed with the MOI that it would perform the KSP Phase I contract for approximately \$4 million. Of that amount, IAP agreed that half, or approximately \$2 million, would not be for actual work executing the KSP Phase I contract, but instead would be diverted to Kuwaiti Consultant.

14. In or about 2006, IAP, Ramaco, Rama, and others structured an illicit payment scheme to funnel approximately 50% of the payments received on the Phase I contract to Kuwaiti Consultant so that he could pay bribes to Kuwaiti government officials and took numerous steps to hide these payments and prevent the detection of their scheme. IAP, Ramaco, and Rama understood that to pay Kuwaiti Consultant, Kuwaiti Company would first inflate its invoices to IAP by charging IAP for the total amount of both the legitimate services that Kuwaiti Company was providing and the payments that Kuwaiti Company was funneling to Kuwaiti

Consultant without listing or otherwise disclosing the payments that were funneled to Kuwaiti Consultant. After the MOI paid Ramaco for work on the KSP Phase I contract, Ramaco would transfer funds to a bank account of IAP, and IAP would then transfer funds to Kuwaiti Company. IAP, Ramaco, and Rama knew that Kuwaiti Company was then paying Kuwaiti Consultant approximately 50% of the KSP Phase I contract amount. IAP, Ramaco, and Rama knew that these payments to Kuwaiti Consultant were often further disguised.

15. In or about April 2006, Ramaco opened a bank account in Kuwait for Ramaco that would be used, in part, to pay Kuwaiti Consultant a portion of the money that IAP and Ramaco received from the KSP Phase I contract.

16. On or about May 10, 2006, Rama signed the KSP Phase I contract between Ramaco and the Government of Kuwait, which included a markup of approximately \$2 million that would be kicked back, in whole or in part, to Kuwaiti government officials through Kuwaiti Consultant.

17. On or about September 19, 2006, IAP wired KD 120,000 (approximately \$420,000) from its bank account to Kuwaiti Company's bank account, and, on or about that same day, Kuwaiti Company paid that amount to Kuwaiti Consultant.

18. In or about October 2006, employees of IAP and G3 met with Rama and others at IAP's office in Arlington, Virginia, which is in the Eastern District of Virginia, in an effort to persuade IAP to continue making payments to Kuwaiti Consultant.

19. On or about October 18, 2006, IAP wired KD 63,000 (approximately \$220,500) from its bank account to Kuwaiti Company's bank account, and, on or about that same day, Kuwaiti Company paid that amount to Kuwaiti Consultant.

20. On or about June 5, 2007, IAP wired KD 29,962.27 (approximately \$105,000) from its bank account in the United States to Kuwaiti Company's bank account in Kuwait so that Kuwaiti Company could pay Kuwaiti Consultant, and, on or about June 13, 2007, IAP wired that amount from its bank account in the United States to Kuwaiti Company's bank account.

21. On or about December 6, 2007, Ramaco paid Kuwaiti Consultant KD 52,250 (approximately \$183,000).

22. On or about March 10, 2008, Ramaco paid Kuwaiti Consultant KD 44,250 (approximately \$155,000).

23. Between September 2006 and March 2008, IAP and its co-conspirators paid Kuwaiti Consultant at least KD 509,625 (approximately \$1,783,688) on the understanding that some or all of that money would be provided as bribes to Kuwaiti government officials to assist IAP in obtaining and retaining the KSP Phase I contract and to obtain the KSP Phase II contract.

ATTACHMENT B

**CORPORATE COMPLIANCE PROGRAM**

In order to address any deficiencies in its internal controls, compliance code, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act (“FCPA”), 15 U.S.C. §§ 78dd-1, *et seq.*, and other applicable anti-corruption laws, IAP Worldwide Services, Inc. (“IAP”) and its subsidiaries (collectively, the “Company”) agree to continue to conduct, in a manner consistent with all of their obligations under this Agreement, appropriate reviews of their existing internal controls, policies, and procedures.

Where necessary and appropriate, the Company agrees to adopt new or to modify existing internal controls, compliance code, policies, and procedures in order to ensure that it maintains: (a) a system of internal accounting controls designed to ensure that the Company makes and keeps fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance program that includes policies and procedures designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Company’s existing internal controls, compliance code, policies, and procedures:

***High-Level Commitment***

1. The Company will ensure that its directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of the anti-corruption laws and its compliance code.

***Policies and Procedures***

2. The Company will develop and promulgate a clearly articulated and visible corporate policy against violations of the FCPA and other applicable foreign law counterparts

(collectively, the “anti-corruption laws,”), which policy shall be memorialized in a written compliance code.

3. The Company will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of the anti-corruption laws and the Company’s compliance code, and the Company will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against violation of the anti-corruption laws by personnel at all levels of the Company. These anti-corruption policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of the Company in a foreign jurisdiction, including but not limited to, agents and intermediaries, consultants, representatives, distributors, teaming partners, contractors and suppliers, consortia, and joint venture partners (collectively, “agents and business partners”). The Company shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company. Such policies and procedures shall address:

- a. gifts;
- b. hospitality, entertainment, and expenses;
- c. customer travel;
- d. political contributions;
- e. charitable donations and sponsorships;
- f. facilitation payments; and
- g. solicitation and extortion.

4. The Company will ensure that it has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the

maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that:

- a. transactions are executed in accordance with management's general or specific authorization;
- b. transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;
- c. access to assets is permitted only in accordance with management's general or specific authorization; and
- d. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

***Periodic Risk-Based Review***

5. The Company will develop these compliance policies and procedures on the basis of a periodic risk assessment addressing the individual circumstances of the Company, in particular the foreign bribery risks facing the Company, including, but not limited to, its geographical organization, interactions with various types and levels of government officials, industrial sectors of operation, involvement in joint venture arrangements, importance of licenses and permits in the Company's operations, degree of governmental oversight and inspection, and volume and importance of goods and personnel clearing through customs and immigration.

6. The Company shall review its anti-corruption compliance policies and procedures no less than annually and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving international and industry standards.

### ***Proper Oversight and Independence***

7. The Company will assign responsibility to one or more senior corporate executives of the Company for the implementation and oversight of the Company's anti-corruption compliance code, policies, and procedures. Such corporate official(s) shall have the authority to report directly to independent monitoring bodies, including internal audit, the Company's Board of Directors, or any appropriate committee of the Board of Directors, and shall have an adequate level of autonomy from management as well as sufficient resources and authority to maintain such autonomy.

### ***Training and Guidance***

8. The Company will implement mechanisms designed to ensure that its anti-corruption compliance code, policies, and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in positions of leadership or trust, positions that require such training (e.g., internal audit, sales, legal, compliance, finance), or positions that otherwise pose a corruption risk to the Company, and, where necessary and appropriate, agents and business partners; and (b) corresponding certifications by all such directors, officers, employees, agents, and business partners, certifying compliance with the training requirements.

9. The Company will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with the Company's anti-corruption compliance code, policies, and procedures, including when they need advice on an urgent basis or in any foreign jurisdiction in which the Company operates.

### ***Internal Reporting and Investigation***

10. The Company will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of the anti-corruption laws or the Company's anti-corruption compliance code, policies, and procedures.

11. The Company will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting allegations of violations of the anti-corruption laws or the Company's anti-corruption compliance code, policies, and procedures.

### ***Enforcement and Discipline***

12. The Company will implement mechanisms designed to effectively enforce its compliance code, policies, and procedures, including appropriately incentivizing compliance and disciplining violations.

13. The Company will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and the Company's anti-corruption compliance code, policies, and procedures by the Company's directors, officers, and employees. Such procedures should be applied consistently and fairly, regardless of the position held by, or perceived importance of, the director, officer, or employee. The Company shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, compliance code,



policies, and procedures and making modifications necessary to ensure the overall anti-corruption compliance program is effective.

### ***Third-Party Relationships***

14. The Company will institute appropriate risk-based due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

- a. properly documented due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;
- b. informing agents and business partners of the Company's commitment to abiding by anti-corruption laws, and of the Company's anti-corruption compliance code, policies, and procedures; and
- c. seeking a reciprocal commitment from agents and business partners.

15. Where necessary and appropriate, the Company will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are reasonably calculated to prevent violations of the anti-corruption laws, which may, depending upon the circumstances, include: (a) anti-corruption representations and undertakings relating to compliance with the anti-corruption laws; (b) rights to conduct audits of the books and records of the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach of the anti-corruption laws, the Company's compliance code, policies, or procedures, or the representations and undertakings related to such matters.

### ***Mergers and Acquisitions***

16. The Company will develop and implement policies and procedures for mergers and acquisitions requiring that the Company conduct appropriate risk-based due diligence on potential new business entities, including appropriate FCPA and anti-corruption due diligence by legal, accounting, and compliance personnel.

17. The Company will ensure that the Company's compliance code, policies, and procedures regarding the anti-corruption laws apply as quickly as is practicable to newly acquired businesses or entities merged with the Company and will promptly:

a. train the directors, officers, employees, agents, and business partners consistent with Paragraph 8 above on the anti-corruption laws and the Company's compliance code, policies, and procedures regarding anti-corruption laws; and

b. where warranted, conduct an FCPA-specific audit of all newly acquired or merged businesses as quickly as practicable.

### ***Monitoring and Testing***

18. The Company will conduct periodic reviews and testing of its anti-corruption compliance code, policies, and procedures designed to evaluate and improve their effectiveness in preventing and detecting violations of anti-corruption laws and the Company's anti-corruption code, policies, and procedures, taking into account relevant developments in the field and evolving international and industry standards.

## ATTACHMENT C

### **REPORTING REQUIREMENTS**

IAP Worldwide Services, Inc. (“IAP”) and its subsidiaries (collectively, the “Company”) agree that they will report to the Offices periodically, at no less than twelve-month intervals during a three-year term, regarding remediation and implementation of the compliance program and internal controls, policies, and procedures described in Attachment B. Should the Company discover credible evidence, not already reported to the Offices, that questionable or corrupt payments or questionable or corrupt transfers of property or interests may have been offered, promised, paid, or authorized by any Company entity or person, or any entity or person working directly for the Company (including its affiliates and any agent), that related false books and records may have been maintained, that an adequate system of internal accounting controls may not have been devised and maintained or may have been knowingly circumvented, or that an effective compliance program may not have been put in place or may have been knowingly circumvented, the Company shall promptly report such conduct to the Offices. During this three-year period, the Company shall: (1) conduct an initial review and submit an initial report, and (2) conduct and prepare at least two (2) follow-up reviews and reports, as described below:

a. By no later than one (1) year from the date this Agreement is executed, the Company shall submit to the Offices a written report setting forth a complete description of its remediation efforts to date, its proposals reasonably designed to improve the Company’s internal controls, policies, and procedures for ensuring compliance with the FCPA and other applicable anti-corruption laws, and the proposed scope of the subsequent reviews. The report shall be transmitted to Deputy Chief – FCPA Unit, Fraud Section, Criminal Division, U.S. Department of

Justice, 1400 New York Avenue, NW, Bond Building, Eleventh Floor, Washington, DC 20530 and to Chief – Financial Crimes & Public Corruption Unit, United States Attorney’s Office, Eastern District of Virginia, 2100 Jamieson Avenue, Alexandria, VA 22314. The Company may extend the time period for issuance of the report with prior written approval of the Offices.

b. The Company shall undertake at least two (2) follow-up reviews, incorporating the Offices’ views on the Company’s prior reviews and reports, to further monitor and assess whether the Company’s policies and procedures are reasonably designed to detect and prevent violations of the FCPA and other applicable anti-corruption laws.

c. The first follow-up review and report shall be completed by no later than one (1) year after the initial review. The second follow-up review and report shall be completed by no later than one (1) year after the completion of the preceding follow-up review. The final follow-up review and report shall be completed and delivered to the Offices no later than thirty (30) days before the end of the Term.

d. The reports will likely include proprietary, financial, confidential, and competitive business information. Moreover, public disclosure of the reports could discourage cooperation, impede pending or potential government investigations and thus undermine the objectives of the reporting requirement. For these reasons, among others, the reports and the contents thereof are intended to remain and shall remain non-public, except as otherwise agreed to by the parties in writing, or except to the extent that the Offices determines in their sole discretion that disclosure would be in furtherance of the Offices’ discharge of their duties and responsibilities or is otherwise required by law.

e. The Company may extend the time period for submission of any of the follow-up reports with prior written approval of the Offices.