



U.S. Department of Justice

National Security Division

Counterintelligence and Export Control Section

*950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530*

May 14, 2024

Andrey Spektor
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Re: Sigma-Aldrich, Inc., d/b/a MilliporeSigma

Dear Counsel:

Consistent with the National Security Division (NSD) Enforcement Policy for Business Organizations, the Department of Justice, National Security Division, Counterintelligence and Export Control Section and the United States Attorney's Office for the Middle District of Florida have declined prosecution of your client, Sigma-Aldrich, Inc., d/b/a MilliporeSigma, for violations of the Arms Export Control Act, 22 U.S.C. § 2778, the Export Control Reform Act, 50 U.S.C. § 4819, 13 U.S.C. § 305, and 18 U.S.C. § 554. We have reached this determination despite the criminal wrongdoing committed by a MilliporeSigma employee.

Our investigation found evidence that from approximately 2016 through 2023, a MilliporeSigma salesperson conspired with others to divert fraudulently purchased MilliporeSigma products to the salesperson's conspirators, who made false statements to agencies of the U.S. Government in connection with exporting the products to China. The MilliporeSigma salesperson processed orders for the conspirators, who had not been approved to purchase MilliporeSigma products, by falsely representing that the orders were being placed by individuals affiliated with a U.S. university stockroom, thereby obtaining significant discounts and free overnight shipping that MilliporeSigma provided to the university. These products included chemical compounds that MilliporeSigma had determined were subject to federal export controls, including the International Traffic in Arms Regulations, 22 C.F.R. Parts 120–130, and the Export Administration Regulations, 15 C.F.R. Parts 730–774. When the orders arrived at the university stockroom, a conspirator employed by the university diverted them to other conspirators, who repackaged them and shipped them to China. To avoid scrutiny, the conspirators made false statements about the value and contents of the shipments to China in export documents.

We have decided to decline prosecution of this matter based on an assessment of the factors set forth in the NSD Enforcement Policy for Business Organizations and the Principles of Federal Prosecution of Business Organizations, Justice Manual § 9-28.300, including:

(1) MilliporeSigma's timely and voluntary self-disclosure of the misconduct, just a week after

retaining outside counsel to conduct an internal investigation and before obtaining a complete understanding of the nature and full extent of the misconduct; (2) MilliporeSigma's exceptional and proactive cooperation, including by disclosing all known relevant facts about the misconduct and the individuals involved and identifying evidence establishing probable cause to search for evidence of the crimes in locations not under MilliporeSigma's control, along with its agreement to continue to cooperate with any ongoing government investigations and any resulting prosecutions; (3) the nature and seriousness of the offense, including that the chemical compounds exported to China through the scheme did not present a significant threat to national security in the quantities and concentrations sold and, in most instances, did not require a license for export; (4) MilliporeSigma's timely and appropriate remediation, including terminating the salesperson who engaged in the scheme and improving its internal controls and compliance program; and (5) the fact that, although MilliporeSigma obtained some revenue from sales to the conspirators, MilliporeSigma was victimized by the conspirators' scheme to fraudulently obtain significantly discounted products and free overnight shipping, which fraud was, under all of the circumstances, the most serious readily provable offense committed by the conspirators.

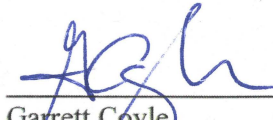
We have further determined that MilliporeSigma did not unlawfully obtain any gains from the offenses for which it is potentially liable, and thus MilliporeSigma is not required to pay any disgorgement, forfeiture, or restitution under the NSD Enforcement Policy for Business Organizations.

Under this letter agreement, MilliporeSigma agrees to continue to fully cooperate with our ongoing investigation, including by continuing to disclose relevant information and by making available for interviews and testimony those officers, employees, or agents who have relevant information, as determined in our sole discretion, and by consenting to our public disclosure of the facts and circumstances of this matter and MilliporeSigma's cooperation.

This letter agreement does not provide any protection against prosecution of any individuals regardless of their affiliation with MilliporeSigma. If we learn information that changes our assessment of any of the factors outlined above, we may reopen our investigation.

Sincerely,

JENNIFER KENNEDY GELLIE
Executive Deputy Chief,
performing the duties of Chief
Counterintelligence and Export Control Section
National Security Division

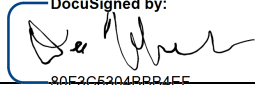

Garrett Coyle
Trial Attorney

ROGER B. HANDBERG
United States Attorney
Middle District of Florida


Daniel J. Marcet
Assistant United States Attorney
Chief, National Security Section

I have read this letter agreement and carefully reviewed every part of it with outside counsel for Sigma-Aldrich, Inc., d/b/a MilliporeSigma. The Board of Directors of Sigma-Aldrich, Inc. have been advised of the terms of this letter agreement. I understand the terms of this letter agreement and, on behalf of Sigma-Aldrich, Inc., voluntarily agree and consent to the facts and conditions set forth herein, including to continue to cooperate with the government.

Date: 5/14/2024

DocuSigned by:

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David P. Hutchinson
President
Sigma-Aldrich, Inc.