

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA,	§	CRIMINAL NO. H-10- <i>665</i>
	§	
Plaintiff,	§	
v.	§	
	§	DEFERRED PROSECUTION
ABB LTD,	§	AGREEMENT
	§	
Defendant.	§	

DEFERRED PROSECUTION AGREEMENT

Defendant, ABB Ltd, a public corporation organized under the laws of the Swiss Confederation, by its undersigned attorneys, pursuant to authority granted by ABB Ltd’s Board of Directors, and the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”) enter into this Deferred Prosecution Agreement (the “Agreement”). The terms and conditions of this Agreement are as follows:

Criminal Informations and Acceptance of Responsibility

1. ABB Ltd acknowledges the two attached Criminal Informations: a two-count Criminal Information charging ABB Inc., an indirect wholly owned subsidiary of ABB Ltd, with conspiracy to commit an offense against the United States in violation of 18 U.S.C. § 371, that is, to violate the Foreign Corrupt

Practices Act (“FCPA”), as amended, 15 U.S.C. §§ 78dd-1, *et seq.* (Count One) and violating the anti-bribery provisions of the FCPA, 15 U.S.C. § 78dd-2(a) and 18 U.S.C. § 2 (Count Two); and a one-count Criminal Information charging ABB Ltd - Jordan, an indirect wholly owned subsidiary of ABB Ltd, with conspiracy to commit offenses against the United States in violation of 18 U.S.C. § 371, that is, to commit wire fraud, 18 U.S.C. § 1343, and books and record violations, in violation of 15 U.S.C. §§ 78m(b)(2)(A), 78m(b)(5), and 78ff(a). In so doing, ABB Ltd knowingly waives on behalf of its subsidiaries: (a) their right to indictment on these charges, as well as all rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) any objection with respect to venue, and consents to the filing of the Informations, as provided under the terms of this Agreement, in the United States District Court for the Southern District of Texas.

2. ABB Ltd accepts and acknowledges that it is responsible for the acts of its employees, subsidiaries, and agents as set forth in the Statements of Facts attached hereto as Attachments A-1 and A-2 and incorporated by reference into this Agreement, and that the facts described in Attachments A-1 and A-2 are true and accurate. Should the Fraud Section initiate the prosecution that is deferred by this

Agreement, ABB Ltd agrees that it will neither contest the admissibility of, nor contradict, in any such proceeding, the Statements of Facts.

Term of the Agreement

3. This Agreement is effective for a period beginning on the date ABB Inc. enters its plea of guilty and ending three (3) years from that date (the “Term”). However, ABB Ltd agrees that, in the event that the Fraud Section determines, in its sole discretion, that ABB Ltd has knowingly violated any provision of this Agreement, an extension or extensions of the term of the Agreement may be imposed by the Fraud Section, in its sole discretion, for up to a total additional time period of one year, without prejudice to the Fraud Section’s right to proceed as provided in paragraphs 13-18 below. Any extension of the Agreement extends all terms of this Agreement for an equivalent period. Conversely, in the event the Fraud Section finds, in its sole discretion, that there exists a change in circumstances sufficient to eliminate the need for the enhanced compliance obligations described in paragraph 12 and Attachment D, and that the other provisions of this Agreement have been satisfied, the Term of the Agreement may be terminated early.

Relevant Considerations

4. The Fraud Section enters into this Agreement based on the individual facts and circumstances presented by this case and ABB Ltd. Among the facts considered were that:

(a) following discovery of the bribery, ABB Ltd and ABB Inc. voluntarily and timely disclosed to the Fraud Section and the United States Securities and Exchange Commission (“SEC”) the misconduct described in the Informations and Statements of Facts, that is Attachments A-1 and A-2;

(b) ABB Ltd conducted a thorough internal investigation of that and other misconduct;

(c) ABB Ltd regularly reported all of its findings to the Fraud Section and SEC;

(d) ABB Ltd cooperated in the Fraud Section’s investigation of this matter, as well as the related SEC investigation;

(e) ABB Ltd undertook substantial remedial measures, including those recommended by the independent compliance consultant engaged after the ABB Vetco Gray Inc. and ABB Vetco Gray UK Ltd. settlement in 2004 with the Fraud Section and SEC and the implementation of an enhanced compliance program, and agreed to undertake further remedial measures as contemplated by this Agreement;

(f) ABB Ltd agreed to continue to cooperate with the Fraud Section subject to applicable law and regulation in any ongoing investigation of the conduct of ABB Ltd and its employees, agents, consultants, contractors, subcontractors, and subsidiaries relating to violations of the FCPA; and

(g) with respect to the enhanced corporate compliance and reporting obligations set forth in Attachment D, the Fraud Section based that element of this agreement on the following facts and representations by ABB Ltd:

- (i) ABB Ltd voluntarily and timely disclosed the misconduct;
- (ii) ABB Ltd has already engaged in significant remediation of the misconduct described in the Statement of Facts and reviewed and improved its compliance program and implementation thereof, including implementation of all of the independent compliance consultant's recommendations;
- (iii) ABB Ltd conducted and continues to conduct extensive, global review of its operations and has reported on areas of concerns to the Fraud Section and the SEC;
- (iv) ABB Ltd has and will undertake enhanced corporate compliance and reporting obligations described in Attachment D; and
- (v) ABB Ltd's cooperation during this investigation has been extraordinary.

5. ABB Ltd shall continue to cooperate with the Fraud Section subject to applicable law and regulation. At the request of the Fraud Section, and consistent with applicable law and regulation, ABB Ltd shall also cooperate fully with such other domestic or foreign law enforcement authorities and agencies, as well as the Multilateral Development Banks (“MDBs”), in any investigation of ABB Ltd, or any of its present and former directors, employees, agents, consultants, contractors, subcontractors, and subsidiaries, or any other party, in any and all matters relating to corrupt payments and related false books and records and related internal controls, and in such manner as the parties may agree. ABB Ltd agrees that its cooperation, at the request of the Fraud Section, shall include, but is not limited to, the following:

a. ABB Ltd shall truthfully disclose all factual information that is not protected by a valid claim of attorney-client privilege or work product doctrine, with respect to its activities and those of its present and former directors, employees, agents, consultants, contractors, subcontractors, and subsidiaries concerning all matters relating to corrupt payments and related false books and records and inadequate internal controls, about which ABB Ltd has any knowledge. This obligation of truthful disclosure includes the obligation of ABB Ltd to provide to the Fraud Section, upon request, any document, record or other

tangible evidence relating to such corrupt payments, false books and records, or inadequate internal controls about which the Fraud Section may inquire of ABB Ltd.

b. With respect to any issue relevant to its investigation of corrupt payments in connection with the operations of ABB Ltd, related false books and records, and inadequate internal controls, ABB Ltd shall designate knowledgeable employees, agents, or attorneys to provide to the Fraud Section the information and materials described in Paragraph 5(a) above, on behalf of ABB Ltd. It is further understood that ABB Ltd must at all times provide complete, truthful, and accurate information.

c. With respect to any issue relevant to the Fraud Section's investigation of corrupt payments, related false books and records, and inadequate internal controls in connection with the operations of ABB Ltd, or any of its present or former subsidiaries or affiliates, ABB Ltd shall use its best efforts to make available for interviews or testimony, as requested by the Fraud Section, present or former directors, employees, agents, and consultants of ABB Ltd as well as the directors, employees, agents, and consultants of contractors and subcontractors. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with federal law enforcement

authorities. Cooperation under this paragraph will include identification of witnesses who, to the knowledge of ABB Ltd, 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 Fraud Section pursuant to this Agreement, ABB Ltd consents to any and all disclosures consistent with applicable law and regulation to other governmental authorities, including United States authorities and those of a foreign government, and the MDBs, of such materials as the Fraud Section, in its sole discretion, shall deem appropriate.

Payment of Monetary Penalty

6. The Fraud Section and ABB Ltd agree that an application of the United States Sentencing Guidelines (“USSG” or “Sentencing Guidelines”) to determine the applicable fine range for ABB Inc. yields the following analysis:

- a. Guideline Manual The 2009 USSG are applicable.
- b. Base Offense Based upon USSG § 2C1.1, the total offense level is 34, calculated as follows:
 - (a)(2) Base Offense Level 12
 - (b)(1) Specific Offense Characteristic (More than one bribe) +2
 - (b)(2) Specific Offense Characteristic (Value of Benefit Received > \$7,000,000)

based on profits received from ABB, Inc.'s CFE contracts, Sitracen and Evergreen, totaling \$7,814,673), USSG § 2C1.1, comment (n. 3) and incorporating § 2B1.1(b)(1)(K) +20

TOTAL 34

c. Base Fine Based upon USSG § 8C2.4(a)(1) and (d), the base fine is \$28,500,000 (fine corresponding to the Base Offense level of 34 as provided in Offense Level Table)

d. Culpability Score Based upon USSG § 8C2.5, the culpability score is 5, calculated as follows:

The anti-corruption compliance program encompassed by these changes may become a benchmark for the industry.

(a) Base Culpability Score 5

(b)(3)(B)(i) The unit of the organization had more than 200 employees and an individual within high-level personnel of the unit participated in the offense. +3

(c)(2)(A) The organization or separately managed line of business committed a part of the instant offense less than five years after a criminal adjudication based on similar misconduct. +2

(g)(1) The organization prior to an imminent threat of disclosure or government investigation and within a reasonably prompt time after becoming aware of the offense, reported the offense to appropriate governmental authorities, fully cooperated in the investigation and clearly demonstrated recognition and affirmative acceptance of

responsibility for its criminal conduct.	- 5
TOTAL	<u>5</u>

e. Calculation of Fine Range

Base Fine	\$28,500,000
Multipliers	1.0 (min) / 2.0 (max)
Fine Range	\$28,500,000 / \$57,000,000

7. The Fraud Section and ABB Ltd agree that an application of the Sentencing Guidelines to determine the applicable fine range for ABB Ltd - Jordan yields the following analysis:

- a. Guideline Manual The 2009 USSG are applicable.
- b. Base Offense Based upon USSG § 2B1.1, the total offense level is 23, calculated as follows:

(a)(1)	Base Offense Level	7
(b)(1)	Specific Offense Characteristic (> \$400,000 in profits, § 2B1.1 comment. (n. 3(B))).	+14
(b)(9)(B)	Specific Offense Characteristic A substantial part of a fraudulent scheme was committed from outside the U.S.	+2
TOTAL		<u>23</u>

- c. Base Fine Based upon USSG § 8C2.4(a)(1) and (d), the base fine is \$1,600,000 (fine corresponding to the Base Offense level of 23 as provided in Offense Level Table).

d. Culpability Score Based upon USSG § 8C2.5, the culpability score is 6, calculated as follows:

(a)	Base Culpability Score	5
(b)(5)	The organization had 10 or more employees and an individual with substantial authority personnel participated in, condoned, or was willfully ignorant of the offense.	+1
(c)(2)(A)	The organization or separately managed line of business committed a part of the instant offense less than five years after a criminal adjudication based on similar misconduct.	+2
(g)(2)	The organization fully cooperated in the investigation and clearly demonstrated recognition and affirmative acceptance of responsibility for its criminal conduct.	-2
	TOTAL	6

e. Calculation of Fine Range

Base Fine	\$1,600,000
Multipliers	1.2 (min) / 2.4 (max)
Fine Range	\$1,920,000 / \$3,200,000

8. ABB Ltd agrees to pay a total monetary penalty in the amount of \$30,420,000, or the bottom of the applicable combined Sentencing Guidelines fine range for ABB Inc. and ABB Ltd - Jordan. ABB Ltd will pay \$28,500,000 on

behalf of ABB Inc. in connection with ABB Inc.'s guilty plea and \$1,920,000 on behalf of ABB Ltd - Jordan in connection with this Deferred Prosecution Agreement on behalf of ABB Ltd - Jordan. The Fraud Section and ABB Ltd further agree that a fine at the bottom of the applicable combined Sentencing Guidelines fine range is appropriate given the nature and extent of ABB Ltd's extraordinary cooperation in this matter, including sharing information with the Fraud Section regarding evidence obtained as a result of ABB Ltd's extensive investigation of corrupt payments made by ABB subsidiaries in various countries around the world. ABB Ltd agrees to pay this monetary penalty within ten (10) business days of the execution of this Agreement. The \$30,420,000 penalty is final and shall not be refunded. Furthermore, nothing in this Agreement shall be deemed an agreement by the Fraud Section that the \$30,420,000 amount is the maximum penalty that may be imposed in any future prosecution, and the Fraud Section is not precluded from arguing in any future prosecution that the Court should impose a higher fine, although the Fraud Section agrees that under those circumstances, it will recommend to the Court that the amount paid under this Agreement should be offset against any fine the Court imposes as part of a future judgment. Finally, the parties agree that any criminal penalty that might be imposed by the Court on, or otherwise paid by ABB Inc. in connection with its guilty plea and plea agreement entered into

simultaneously herewith or ABB Ltd - Jordan if prosecuted under the terms of this Agreement will be deducted from the \$30,420,000 penalty contemplated by this Agreement. ABB Ltd acknowledges that no tax deduction may be sought in connection with the payment of any part of this \$30,420,000 penalty.

Conditional Release from Criminal Liability

9. In return for the full and truthful cooperation of ABB Ltd and its compliance with the terms and conditions of this Agreement, the Fraud Section agrees not to use any information related to the conduct described in the attached Statements of Facts against ABB Ltd or any of its wholly owned or controlled subsidiaries in any criminal or civil case, except: (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. In addition, the Fraud Section agrees, except as provided herein, that it will not bring any criminal or civil case against ABB Ltd or any of its wholly owned or controlled subsidiaries related to the conduct of present and former directors, employees, agents, consultants, contractors and subcontractors, as described in the attached Statements of Facts, or relating to information ABB Ltd disclosed to the Fraud Section prior to the date on which this Agreement was

signed, or relating to undisclosed, unknown conduct of a similar scale and nature that took place prior to the signing of this Agreement.

a. This Paragraph does not provide any protection against prosecution for any corrupt payments, false books and records, or inadequate internal controls, if any, by ABB Ltd in the future, or by any of its directors, employees, agents, consultants, contractors, subcontractors, or subsidiaries when acting on behalf of ABB Ltd irrespective of whether disclosed by ABB Ltd, pursuant to the terms of this Agreement.

b. In addition, this Paragraph does not provide any protection against prosecution of any present or former director, officer, employee, shareholder, agent, consultant, contractor, or subcontractor of ABB Ltd or its subsidiaries for any violations committed by them.

Corporate Compliance Program

10. ABB Ltd represents that it has implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the FCPA and other applicable anti-corruption laws throughout its operations, including those of its affiliates, joint ventures, and those of its contractors and subcontractors, with responsibilities that include interactions with foreign officials. Implementation of these policies and procedures shall not be

construed in any future enforcement proceeding as providing immunity or amnesty for any crimes not disclosed to the Fraud Section as of the date of signing of this Agreement for which ABB Ltd would otherwise be responsible.

11. In order to address deficiencies in its internal controls, policies, and procedures regarding compliance with the FCPA and other applicable anti-corruption laws, ABB Ltd represents that it has undertaken, and will continue to undertake in the future, in a manner consistent with all of its obligations under this Agreement, a review of the existing internal controls, policies, and procedures within ABB Ltd. Where necessary and appropriate, ABB Ltd will adopt new or modify existing internal controls, policies, and procedures in order to ensure that ABB Ltd maintains: (a) a system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records and accounts; and (b) a rigorous anti-corruption compliance system designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. The internal controls system and compliance system will include, but not be limited to, the minimum elements set forth in Attachment C, which is incorporated by reference into this Agreement.

Enhanced Compliance Obligations

12. ABB Ltd further agrees to adhere to the enhanced corporate

compliance and reporting obligations set forth in Attachment D for at least the duration of this Agreement.

Deferred Prosecution

13. In consideration of: (a) the past and future cooperation of ABB Ltd described in Paragraphs 4 and 5 above; (b) ABB Ltd's payment of a monetary penalty of \$30,420,000; (c) the guilty plea by ABB Ltd's wholly owned subsidiary ABB Inc.; (d) the Deferred Prosecution Agreement with ABB Ltd, including the filing of a Criminal Information charging ABB Ltd's wholly owned subsidiary ABB Ltd - Jordan; and (e) ABB Ltd's adoption and maintenance of remedial measures, including the enhanced compliance obligations referenced in paragraph 12 above and set forth in Attachment D, the Fraud Section agrees that any prosecution of ABB Ltd for the conduct set forth in the Statements of Facts (Attachments A-1 and A-2) and for the conduct that ABB Ltd disclosed to the Fraud Section prior to the signing of this Agreement, be and hereby is deferred for the Term of this Agreement.

14. The Fraud Section further agrees that if ABB Ltd fully complies with all of its obligations under this Agreement, the Fraud Section will not continue the criminal prosecution against ABB Ltd - Jordan described in Paragraph 1, will dismiss the Information filed against ABB Ltd - Jordan, and, at the conclusion of

the Term, this Agreement shall expire.

Breach of the Agreement

15. If, during the Term of this Agreement, the Fraud Section determines, in its sole discretion, that ABB Ltd, including ABB Ltd - Jordan, has committed any felony under federal law subsequent to the signing of this Agreement, has, at any time, provided deliberately false, incomplete, or misleading information, or has otherwise breached the Agreement, ABB Ltd, including ABB Ltd - Jordan, shall thereafter be subject to prosecution for any federal criminal violation of which the Fraud Section has knowledge. Any such prosecutions may be premised on information provided by ABB Ltd. Any such prosecution that is not time-barred by the applicable statute of limitations and tolling provisions on the date of the signing of this Agreement may be commenced against ABB Ltd, including ABB Ltd - Jordan, 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, ABB Ltd agrees that the statute of limitations with respect to any prosecution of it or any of its affiliates or subsidiaries that is not time-barred on the date of this Agreement shall be tolled for the Term plus one year.

16. In the event that the Fraud Section determines that ABB Ltd has breached this Agreement, the Fraud Section agrees to provide ABB Ltd with written

notice of such breach prior to instituting any prosecution resulting from such breach. ABB Ltd shall, within thirty (30) days of receipt of such notice, have the opportunity to respond to the Fraud Section in writing to explain the nature and circumstances of such breach, as well as the actions ABB Ltd has taken to address and remediate the situation, which explanation the Fraud Section shall consider in determining whether to institute a prosecution.

17. In the event that the Fraud Section determines that ABB Ltd has breached this Agreement: (a) all statements made by or on behalf of ABB Ltd to the Fraud Section or to the Court, including the attached Statements of Facts, and any testimony given by ABB Ltd before a grand jury or any tribunal, at any legislative hearings, whether prior or subsequent to this Agreement, or any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Fraud Section against ABB Ltd; and (b) ABB Ltd 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 statements made by or on behalf of ABB Ltd prior or subsequent to this Agreement, and any leads derived therefrom, should be suppressed. The decision whether conduct or statements of any individual will be imputed to ABB Ltd for the purpose of determining whether ABB Ltd has violated

any provision of this Agreement shall be in the sole discretion of the Fraud Section.

18. ABB Ltd acknowledges that the Fraud Section has made no representations, assurances, or promises concerning what sentence may be imposed by the Court if ABB Ltd breaches this Agreement and this matter proceeds to judgment. ABB Ltd further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of such discretion.

Sale or Merger of ABB Ltd

19. ABB Ltd agrees that in the event it sells, merges, or transfers all or substantially all of its business operations as they exist as of the date of this Agreement, whether such sale is structured as a stock or asset sale, merger, or transfer, it shall include in any contract for sale, merger, or transfer a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement.

Public Statements by ABB Ltd

20. ABB Ltd expressly agrees that it shall not, through present or future attorneys, directors, employees, agents, or any other person authorized to speak for ABB Ltd make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by ABB Ltd set forth above or the facts described in

the attached Statement of Facts. Any such contradictory statement shall, subject to cure rights of ABB Ltd described below, constitute a breach of this Agreement and ABB Ltd thereafter shall be subject to prosecution as set forth in Paragraphs 13-18 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the Statement of Facts will be imputed to ABB Ltd for the purpose of determining whether they have breached this Agreement shall be at the sole discretion of the Fraud Section. If the Fraud Section determines that a public statement by any such person contradicts in whole or in part a statement contained in the Statement of Facts, the Fraud Section shall so notify ABB Ltd, and ABB Ltd may avoid a breach of this Agreement by publicly repudiating such statement(s) within five (5) business days after notification. Consistent with the obligations of ABB Ltd as set forth above, ABB Ltd shall be permitted to raise defenses and to assert affirmative claims in civil and regulatory proceedings relating to the matters set forth in the Statements of Facts. This Paragraph does not apply to any statement made by any present or former employee of ABB Ltd in the course of any criminal, regulatory, or civil case initiated against such individual, unless such individual is speaking on behalf of ABB Ltd.

21. ABB Ltd agrees that if it or any of its direct or indirect affiliates or subsidiaries issues a press release in connection with this Agreement, ABB Ltd

shall first consult the Fraud Section to determine whether (a) the text of the release is true and accurate with respect to matters between the Fraud Section and ABB Ltd; and (b) the Fraud Section has no objection to the release. Statements at any press conference concerning this matter shall be consistent with this press release.

22. With respect to ABB Ltd's present reliability and responsibility as a government contractor, the Fraud Section agrees to cooperate with ABB Ltd, in a form and manner to be agreed, in bringing facts relating to the nature of the conduct underlying this Agreement and to ABB Ltd's and ABB Inc.'s extraordinary cooperation and remediation to the attention of governmental and other debarment authorities, including the MDBs or other entities, as requested.

Limitations on Binding Effect of Agreement

23. This Agreement is binding on ABB Ltd and the Fraud Section 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 Fraud Section will bring the extraordinary cooperation of ABB Ltd and ABB Inc. and their compliance with their other obligations under this Agreement, to the attention of such agencies and authorities, including the MDBs or other entities, if requested to do so by ABB Ltd.

Notice

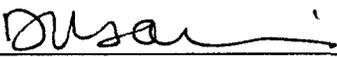
24. Any notice to the Fraud Section under this Agreement shall be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, in each case, for the Fraud Section, addressed to Chuck Duross (or his successor), Acting Deputy Chief, Fraud Section, Criminal Division, U.S. Department of Justice, Fourth Floor, 1400 New York Avenue, N.W., Washington, D.C. 20005 and, for ABB Ltd, addressed to Ms. Diane de Saint Victor (or her successor), Executive Vice President, General Counsel, ABB Ltd, Affolternstrasse 44, P.O. Box 8131, CH-8050 Zurich/Switzerland, and Laurence A. Urgenson, Laura Fraedrich, and Audrey L. Harris, Kirkland & Ellis, LLP, 655 Fifteenth Street, NW, Washington, D.C. 20005. Notice shall be effective upon actual receipt by ABB Ltd.

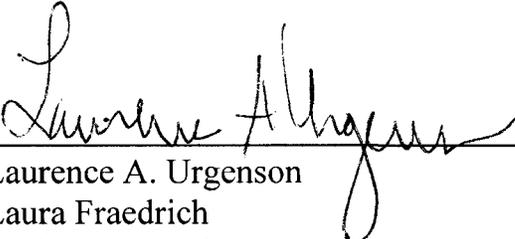
Complete Agreement

26. This Agreement sets forth all the terms of the agreement between ABB Ltd and the Fraud Section. No amendments, modifications, or additions to this Agreement shall be valid unless they are consistent with applicable law and regulation and they are in writing and signed by the Fraud Section, the attorneys for ABB Ltd and a duly authorized representative of ABB Ltd.

AGREED:

FOR ABB Ltd:

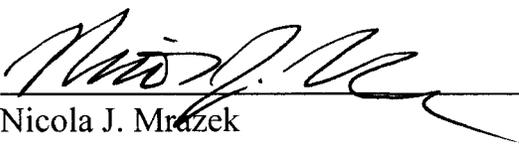
By: 
Ms. Diane de Saint Victor, General Counsel
ABB Ltd


Laurence A. Urgenson
Laura Fraedrich
Audrey L. Harris
Kirkland & Ellis, LLP
Counsel for ABB Ltd

Washington, DC, on Sept 29 2010.

FOR THE DEPARTMENT OF JUSTICE:

DENIS J. McINERNEY
Chief, Fraud Section


Nicola J. Mrazek
Senior Trial Attorney, Fraud Section
United States Department of Justice
Criminal Division
1400 New York Ave., N.W.
Washington, D.C. 20005
(202) 514-8122

Washington, DC, on Sept. 29 2010.

GENERAL COUNSEL'S CERTIFICATE

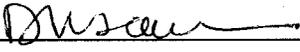
I have read this Agreement and carefully reviewed every part of it with outside counsel for ABB Ltd. I understand the terms of this Agreement and voluntarily agree, on behalf of ABB Ltd, to each of its terms. Before signing this Agreement, I consulted outside counsel for ABB Ltd. Counsel fully advised me of the rights of ABB Ltd, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed the terms of this Agreement with the Board of Directors of ABB Ltd. I have advised and caused outside counsel for ABB Ltd to advise the Board of Directors fully of the rights of ABB Ltd, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in this Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Agreement on behalf of ABB Ltd, in any way to enter into this Agreement. I am also satisfied with outside counsels' representation in this matter. I certify that I am General Counsel for ABB Ltd and that I have been duly authorized by ABB Ltd to execute this Agreement on behalf of ABB Ltd.

Date: Sept 29, 2010

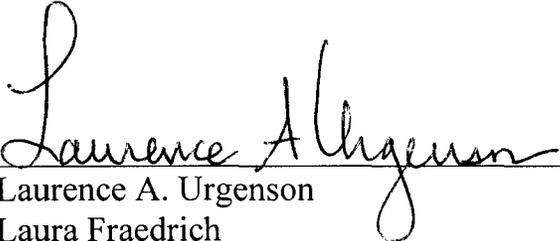
FOR ABB Ltd:

By: 
Diane de Saint Victor,
General Counsel
ABB Ltd

CERTIFICATE OF COUNSEL

We are counsel for ABB Ltd in the matter covered by this Agreement. In connection with such representation, we have examined relevant ABB Ltd documents and have discussed the terms of this Agreement with the ABB Ltd Board of Directors. Based on our review of the foregoing materials and discussions, we are of the opinion that the representative of ABB Ltd has been duly authorized to enter into this Agreement on behalf of ABB Ltd. We have carefully reviewed the terms of this Agreement with the Board of Directors and the General Counsel of ABB Ltd. We have fully advised them of the rights of ABB Ltd, of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into this Agreement. To our knowledge, the decision of ABB Ltd to enter into this Agreement, based on the authorization of the Board of Directors, is an informed and voluntary one.

Date: September 29, 2010



Laurence A. Urgenson

Laurence A. Urgenson
Laura Fraedrich
Audrey L. Harris
Kirkland & Ellis, LLP
Counsel for ABB Ltd

ATTACHMENT A-1 (ABB INC.)

STATEMENT OF FACTS

The following Statement of Facts is incorporated by this reference as part of the Deferred Prosecution Agreement between the United States Department of Justice, Criminal Division, Fraud Section (the “Department”) and ABB Ltd and its subsidiaries. As set forth in Paragraph 2 of that agreement, ABB Ltd accepts and acknowledges that it is responsible for the acts of its officers, employees, and agents as set forth below. The following Statement of Facts is also incorporated by reference as part of the Plea Agreement between the Department and ABB Inc., as set forth in Paragraph 11 of that agreement. The parties hereby agree and stipulate that the following information is true and accurate.

The Foreign Corrupt Practices Act

1. The Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Sections 78dd-1, *et seq.*, was enacted by Congress for the purpose of, among other things, making it unlawful for certain classes of persons and entities to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value to a foreign government official for the purpose of securing any improper advantage, or of obtaining or retaining business for, or directing business to, any person.

Relevant Persons and Entities

2. ABB Ltd was a corporation headquartered and incorporated in Switzerland and with sponsored American Depositary Shares (“ADSs”) publicly traded on the New York Stock Exchange. ABB Ltd issued and maintained a class of publicly-traded securities registered pursuant to Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. § 78l) and was required to file periodic reports with the United States Securities and Exchange Commission under Section 13 of the Securities Exchange Act (15 U.S.C. § 78m). Accordingly, ABB Ltd was an “issuer” within the meaning of the Foreign Corrupt Practices Act (“FCPA”), 15 U.S.C. § 78dd-1(a).

3. The defendant, ABB Inc., was an indirect subsidiary of ABB Ltd and was incorporated under the laws of the State of Delaware. ABB Inc. was a

“domestic concern” as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1). ABB Inc. conducted business, in part, through a business unit called ABB Network Management that had its principal place of business in Sugar Land, Texas and was acquired by ABB Inc. in or around January 1999. The term “ABB NM” refers to this Sugar Land, Texas business both before and after its acquisition. ABB NM’s primary business was to provide products and services to electrical utilities for network management in connection with power generation, transmission, and distribution. Many of ABB NM’s clients were foreign state-owned utilities. ABB NM conducted business in a number of its foreign markets through local sales representatives.

4. John Joseph O’Shea was the General Manager of ABB NM and oversaw its operations both before and after its acquisition by ABB Inc. Among O’Shea’s responsibilities was approving payments to sales representatives. O’Shea was a citizen of the United States. In light of the foregoing, O’Shea was a “domestic concern” and an officer, employee, and agent of a domestic concern, as these terms are defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

5. Comisión Federal de Electricidad (“CFE”) was an electric utility company owned by the United Mexican States (“Mexico”) and responsible for supplying electricity to all of Mexico other than Mexico City. CFE contracted with Mexican and foreign companies for goods and services to help it perform its mission. CFE did business with ABB NM.

6. CFE Officials N, J, C, and G held official positions at CFE and had influence over decisions concerning ABB NM’s contracts with CFE. CFE Officials N, J, C, and G were “foreign officials” as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(2).

7. Mexican Company X was a Mexican company headquartered in Mexico City, Mexico. The principal business of Mexican Company X was to be a sales representative for foreign and domestic companies doing business with Mexican government agencies. Mexican Company X was ABB NM’s sales representative in Mexico pursuant to representative agreements, and ABB NM was an important customer for Mexican Company X. In light of the foregoing, Mexican Company X was an agent of a domestic concern, as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

8. ABB NM and Mexican Company X entered into multiple commission-based representation agreements in which Mexican Company X would receive a percentage of the revenue generated from business with Mexican governmental utilities, including CFE. Mexican Company X was retained by the Sugar Land operation prior to its acquisition by an ABB entity in 1999. ABB NM obtained multiple contracts with CFE for goods and services related to CFE's network while using Mexican Company X as its sales representative. In or around December 1997, CFE awarded a contract referred to as the SITRACEN Contract (using the Spanish language acronym for Real Time Information and Control System) to ABB NM. The purpose of this contract was to significantly upgrade the backbone of Mexico's electrical network system. The SITRACEN Contract generated over \$44 million dollars in revenue for ABB NM. In or around October 2003, CFE awarded ABB NM a multi-year contract for maintenance and upgrades of the SITRACEN Contract, referred to as the Evergreen Contract. The Evergreen Contract, a sole source award, generated over \$37 million in revenue for ABB NM.

9. Fernando Maya Basurto was a citizen of Mexico. Basurto was a principal of Mexican Company X, performed work for ABB NM on its contracts with CFE, and had primary responsibility at Mexican Company X for the Evergreen Contract. In light of the foregoing, BASURTO was an agent of a domestic concern, as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

10. Co-conspirator X was a citizen of Mexico. Co-conspirator X founded and was a principal of Mexican Company X and also performed work for ABB NM on its contracts with CFE. In light of the foregoing, Co-conspirator X was an agent of a domestic concern, as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

11. Intermediary Company O was a company incorporated in and headquartered in Mexico. Intermediary Company O maintained a bank account in Mexico. Intermediary Company O was paid by ABB NM in connection with the Evergreen Contract, purportedly to perform maintenance support and administration. In light of the foregoing, Intermediary Company O was an agent of a domestic concern, as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

12. Intermediary Company S was a company incorporated in Panama and headquartered in Mexico. Intermediary Company S maintained bank accounts abroad. Co-conspirator S was the President and Executive Director of

Intermediary Company S and a Mexican citizen. Intermediary Company S was paid by ABB NM in connection with the Evergreen Contract purportedly to perform technical support. Intermediary Company S had previously also been paid by ABB NM in connection with the SITRACEN Contract. In light of the foregoing, Intermediary Company S and Co-conspirator S were agents of a domestic concern, as that term is defined in the FCPA, 15 U.S.C. § 78dd-2(h)(1).

Overview of the Conspiracy

13. ABB Inc., along with O'Shea, Basurto, Mexican Business X, Co-conspirator X, Intermediary Companies O and S, Co-conspirator S, and others engaged in a conspiracy to unjustly enrich themselves by making concealed corrupt payments to CFE Officials N, J, C, and G, and others in exchange for improper business advantages to ABB Inc. and ABB NM, including the award of CFE contracts.

14. CFE officials would inform O'Shea, Basurto, Co-conspirator X, and others that corrupt payments would need to be paid in order to receive the SITRACEN Contract. O'Shea would authorize ABB NM to make corrupt payments for the benefit of CFE officials through the use of Intermediary Company S. O'Shea would also authorize Basurto and Co-conspirator X to make corrupt payments to CFE Official J on ABB NM's behalf in exchange for the SITRACEN Contract. BASURTO and certain of his family members would make these payments in the form of checks to family members of CFE Official J.

15. In anticipation of future business based on the success of the SITRACEN Contract, O'Shea, Basurto, Co-conspirator X, and CFE Officials N and C would meet to discuss how to make corrupt payments to CFE Officials N and C, as well as others at CFE, in order to secure the Evergreen Contract and cause the inclusion of terms favorable to ABB NM. They agreed that the CFE officials collectively would receive approximately 10% of the revenue from the CFE contract to distribute among themselves and others. The conspirators planned to pay a portion of this bribe money, which they referred to as the "3WT" or "Third World Tax," through the payment of false invoices from Intermediary Companies O and S. They also agreed that Mexican Company X would serve as an intermediary company for approximately one million dollars of the corrupt payments over the course of the Evergreen Contract, which they referred to as

payments to the “Good Guys,” with Basurto and Co-conspirator X retaining a portion of these funds for themselves for their efforts.

Corrupt Payments to Intermediary Companies O and S

16. In or around March 2004, Basurto transmitted an invoice to ABB NM on behalf of Intermediary Company O that had been given to him by CFE Official C, which falsely requested payment for “6 MONTHS (7- 12/2003) OF MAINTENANCE SUPPORT SERVICES AND ADMINISTRATION OF CFE EVERGREEN PROJECT AT ALL SITES IN MEXICO” in the amount of \$327,000. On or about March 8, 2004, O’Shea caused ABB NM to wire transfer \$327,000 to Intermediary Company O’s Mexican bank account.

17. In or around May 2004, Basurto transmitted an invoice to ABB NM on behalf of Intermediary Company O that had been given to him by CFE Official C, which falsely requested payment for “4 MONTHS OF MAINTENANCE SUPPORT SERVICES AND ADMINISTRATION OF CFE EVERGREEN PROJECT AT ALL SITES IN MEXICO” in the amount of \$76,200. On or about June 3, 2004, O’Shea caused ABB NM to wire transfer \$76,200 to Intermediary Company O’s Mexican bank account.

18. On or around March 2004, Basurto transmitted an invoice to ABB NM on behalf of Intermediary Company S and signed by Co-conspirator S that had been given to him by CFE Official C, which falsely requested payment for “Technical support for 6 months” in the amount of \$218,000 and to a specified German bank account. On or about April 1, 2004, O’Shea caused ABB NM to wire transfer \$218,000 to Intermediary Company S’s German bank account. On or about April 5, 2004, Co-conspirator S caused a \$24,500 wire to be made to the U.S. bank account of a military academy to pay for the tuition of CFE Official N’s son.

19. On or around May 2004, Basurto transmitted an invoice to ABB NM on behalf of Intermediary Company S and signed by Co-conspirator S that had been given to him by CFE Official C, which falsely requested payment for “Technical support for 4 months” in the amount of \$50,800 and to a specified German bank account. On or about June 3, 2004, O’Shea caused ABB NM to wire transfer \$50,800 to Intermediary Company S’s German bank account. On or about June 4, 2004, Co-conspirator S caused a

\$5,000 wire to be made to the U.S. bank account of a military academy to pay for the tuition of CFE Official N's son.

Corrupt Payments for the "Good Guys"

20. On or about February 2, 2004, Basurto sent an email to O'Shea referring to payments from ABB NM to Mexican Company X, including those intended to be corrupt payments, that read, in part, "This is the transfer arrangement for the bonus portion we are handling. It is the same amount shown in the table you have, the first two figures under the Good Guys column." On or about February 17, 2004, O'Shea caused six wire transfers to be made to Basurto and his family, five for \$30,000 and one for \$31,750. At the direction of CFE Official C, Basurto further transferred these funds by causing two \$22,500 wire transfers on or about February 20, 2004, two \$22,500 wire transfers on or about February 23, 2004, and one \$45,000 wire transfer on or about February 23, 2004 to be made to a Merrill Lynch brokerage account held in the name of a third party. On or about February 26, 2004, Official C caused a \$68,159 wire transfer to be made to an account in the name of the son-in-law of CFE Official N.

21. On or about May 7, 2004, Basurto sent an email to O'Shea discussing corrupt payments Mexican Company X was responsible for transferring that read, in part, "We have already informed [CFE Officials N and C] that you are not coming the 11th. . . . Regarding the numbers we handle for them, we will need a transfer of US\$42,344." On or about May 11, 2004, Basurto sent an email to O'Shea regarding the latest requested corrupt payment that read, in part, "This 42k is for the extra we handle for our friends." On or about May 13, 2004, O'Shea caused a wire transfer of \$42,343 to be made to a member of Basurto's family. At the direction of CFE Official C, Basurto further transferred these funds by causing a \$30,831 wire transfer on or about May 14, 2004 to be made to a Merrill Lynch brokerage account held in the name of a third party. On or about May 21, 2004, Official C caused a \$15,875 wire transfer to be made to an account in the name of the son-in-law of CFE Official N. On or about June 21, 2004, CFE Official C caused a wire transfer of approximately \$2,000 to be made from the same Merrill Lynch brokerage account to a Mexican bank account in the name of the brother of CFE Official C.

22. On or about July 23, 2004, Basurto sent an email to O'Shea explaining which portion of Mexican Company X's commissions was for services and which was for corrupt payments, which read, in part, "Commission 3 is the extra bonus for our friends that we handle."

23. On or about September 27, 2004, O'Shea caused a wire transfer of \$42,342 to be made to a member of Basurto's family. At the direction of CFE Official C, Basurto further transferred these funds by causing a \$31,750 wire transfer on or about October 4, 2004 to be made to a Merrill Lynch brokerage account held in the name of a third party. On or about October 14, 2004, Official C caused a \$15,875 wire transfer to be made to an account in the name of the son-in-law of CFE Official N.

ATTACHMENT A-2 (ABB LTD - JORDAN)

STATEMENT OF FACTS

The following Statement of Facts is incorporated by this reference as part of the Deferred Prosecution Agreement (the “Agreement”) between the United States Department of Justice, Criminal Division, Fraud Section (the “Department”) and ABB Ltd and its subsidiaries (collectively, “ABB”) and the parties hereby agree and stipulate that the following information is true and accurate. As set forth in Paragraph 2 of the Agreement, ABB accepts and acknowledges that it is responsible for the acts of its officers, employees, and agents as set forth below.

Should the Department initiate the prosecution that is deferred by this Agreement, ABB agrees that it will neither contest the admissibility of, nor contradict, this Statement of Facts in any such proceeding.

The Foreign Corrupt Practices Act

1. The Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Sections 78dd-1, *et seq.*, was enacted by Congress for the purpose of, among other things, making it unlawful for certain classes of persons and entities to act corruptly in furtherance of an offer, promise, authorization, or payment of money or anything of value to a foreign government official for the purpose of securing any improper advantage, or of obtaining or retaining business for, or directing business to, any person. The FCPA also requires that any issuer of securities shall make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer.

The United Nations Oil-for-Food Program

2. On or around August 6, 1990, days after Iraq’s invasion of Kuwait, the U.N. adopted Security Council Resolution 661, which prohibited U.N. member states from transacting business with Iraq, except for the purchase and sale of humanitarian supplies. Resolution 661 prohibited virtually all direct financial transactions with the government of Iraq.

3. On or around April 15, 1995, the U.N. adopted Security Council Resolution 986, which provided a limited exception to the Iraq sanctions regime in that it allowed Iraq to sell its oil. However, Resolution 986 required that the proceeds of oil sales be used by the Iraqi government to purchase humanitarian supplies for the Iraqi people, including food and equipment to maintain and service Iraq's oil sector. Hence, this program became known as the Oil for Food Program ("OFFP"). Payments made to the Iraqi government which were not approved by the U.N. and which were outside the strict contours of the OFFP were prohibited.

4. The rules of the OFFP required that the proceeds from all sales of Iraqi oil be deposited into a U.N.-controlled escrow account at the New York, New York branch of Banque Nationale de Paris ("BNP-Paribas"). That escrow account funded the purchase of humanitarian goods by the Iraqi government.

5. Under the provisions of the OFFP, a supplier of humanitarian goods contracted with a ministry or other department of the Iraqi government to sell goods to the Iraqi government. Once that contract was finalized, the contract was submitted to a U.N. Committee (the "661 Committee") which reviewed the contracts to ensure that their terms complied with all OFFP and Iraqi sanction regulations. The 661 Committee accepted the contracts, rejected them, or asked the supplier to provide additional information upon which the committee could make a decision.

6. If a contract was approved by the 661 Committee, a letter of credit was issued by the New York, New York branch of BNP-Paribas to the supplier's bank stating that the supplier would be paid by the OFFP for the relevant goods once certain conditions were met, including delivery of the goods to Iraq and inspection of the goods by a U.N. contractor. Once those conditions were deemed by the U.N. to have been met, the U.N. would direct BNP-Paribas to release payment to the supplier.

7. On or around December 10, 1996, the first Iraqi oil exports under the OFFP began. The OFFP continued from in or around December 1996 until the United States invasion of Iraq on or around March 19, 2003. From in or around December 1996 through March 2003, the United States government prohibited United States companies and individuals from engaging in transactions with the government of Iraq, unless such transactions were authorized by the U.N. pursuant to the OFFP. 31 C.F.R. § 575.201, et seq.

8. Beginning in approximately August 2000, the Iraqi government demanded that suppliers of humanitarian goods pay a kickback, usually valued at 10% of the contract price, to the Iraqi government in order to be awarded a contract by the government. These kickbacks violated U.N. OFFP regulations and U.N. sanctions which prohibited payments to the Iraqi government which were not expressly approved by the U.N. and which were not contemplated by OFFP guidelines.

9. Often, these kickbacks were termed “after sales service fees” (“ASSFs”). They did not, however, involve the performance of any actual service by the supplier. Typically, these ASSFs were included in the contract price submitted by the supplier to the U.N. without disclosing to the U.N. the fact that the contract contained an extra 10% which would be kicked back to the Iraqi government. Including the 10% in the submitted contract price allowed the supplier to avoid paying the 10% out of its profits; instead, the suppliers caused the U.N., unknowingly, to fund the kickbacks to the Iraqi government.

10. In many cases, during or after contract negotiations, the Iraqi government asked the supplier to sign an auxiliary contract, usually called a “side letter,” memorializing the supplier’s commitment to pay the ASSFs. These side letters usually stated explicitly that the supplier agreed to pay a set amount, approximately 10% of the contract price, to the Iraqi government in advance of the arrival of the goods in Iraq.

11. Some suppliers described the ASSFs as such in the contracts submitted to the U.N. for approval, thereby leading the U.N. to believe that actual after-sales services were being provided by the supplier. Other suppliers disguised the ASSFs by inserting fictitious line items into the contracts for goods or services that were not being provided. Still other suppliers simply inflated their contract prices by 10% to account for the payments they would make, or cause to be made, to the Iraqi government.

Relevant Entities

12. ABB Ltd was a corporation headquartered and incorporated in Switzerland and with sponsored American Depositary Shares (“ADSs”) publicly traded on the New York Stock Exchange. ABB Ltd issued and maintained a class of publicly-traded securities registered pursuant to Section 12(g) of the Securities

Exchange Act of 1934 (15 U.S.C. § 78l) and was required to file periodic reports with the United States Securities and Exchange Commission under Section 13 of the Securities Exchange Act (15 U.S.C. § 78m). Accordingly, ABB Ltd was an “issuer” within the meaning of the Foreign Corrupt Practices Act (“FCPA”), 15 U.S.C. § 78dd-1(a). By virtue of its status as an issuer within the meaning of the FCPA, ABB Ltd was required to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflected the transactions and disposition of assets of ABB Ltd and its subsidiaries, including those described below, which were incorporated into the books, records, and accounts of ABB Ltd.

13. ABB Ltd - Jordan was an indirect wholly owned subsidiary of ABB Ltd. ABB Near East Trading Ltd (“ABB Near East”) was a 95% owned subsidiary that operated as a trading company for ABB Ltd - Jordan. ABB Ltd - Jordan through ABB Near East provided equipment and services to electrical utilities, including control measurement and protection systems and transducers and metering equipment. During the period of the information, ABB Near East had three principle customers under the OFFP. These were the General Company for Electricity Energy Production (“GEEP”), the Baghdad Mayoralty, and State Company Baghdad Electricity Distribution, all of which were regional companies of the Iraqi Electricity Commission, an Iraqi government agency.

14. On occasion, ABB Near East would act through employees of the Jordan branch of ABB International Marketing Ltd, which was a wholly owned subsidiary of ABB Ltd.

15. Employee A was an employee of ABB International Marketing Ltd who often performed work for ABB Near East and held the title of General Manager.

Overview of the Kickback Scheme

16. From in or about April 2000 through in or about April 2004, ABB Ltd - Jordan or ABB Near East received eleven purchase orders for electrical equipment and services worth over \$5.9 million with the Iraqi Electricity Companies, pursuant to the OFFP. To obtain these purchase orders, ABB Near East caused over \$300,000 in kickbacks to be paid to the government of Iraq.

17. The kickbacks were paid to the government of Iraq either by cash given by Employee A or by bank guarantee. ABB Near East concealed the kickbacks from the U.N. by inflating the contract prices by 10% before submitting the contracts for approval to the U.N.

Contract 800584

18. In or around April 2000, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for a control protection and measurement system for 100,903 Swiss Francs (CHF) (“Contract 800584”), which included approximately an extra 10%. On the order calculation model for this purchase order, the extra 10% was listed as “consultation fees.” In fact, the extra 10% was to be used to pay kickbacks to the Iraqi government.

19. On or about March 2, 2002, Employee A delivered approximately 2,000 CHF on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 800584. This payment was documented in a receipt for ASSF issued by the government of Iraq.

20. On or about May 29, 2002, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 800584 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East, minus applicable late penalties.

21. On or about June 24, 2002, Employee A delivered approximately 7,200 CHF on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 800584, delivered by Employee A. This payment was documented in a receipt for ASSF issued by the government of Iraq.

Contract 800846

22. On or about September 11, 2000, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for switch yard equipment, accessories, and spares for 246,004 CHF (“Contract 800846”), which included approximately an extra 10% to be used to pay kickbacks to the Iraqi government.

23. On or about December 30, 2001, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 800846 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

24. On or about March 25, 2002, Employee A delivered approximately 22,364 CHF on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 800846. This payment was documented in receipts for ASSF issued by the government of Iraq.

Contract 801160

25. On or about December 11, 2000, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for switch yard equipment and accessories for €183,883 EUR ("Contract 801160"). On the order calculation model for this purchase order, the extra 10% was listed as "consultation fees." In fact, the extra 10% was to be used to pay kickbacks to the Iraqi government.

26. On or about November 11, 2001, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 801160 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

27. On or about December 5, 2001, Employee A delivered approximately \$14,030 USD on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 801160. This payment was documented in a receipt for ASSF issued by the government of Iraq.

Contract 801200

28. On or about December 7, 2000, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for a boiler auxiliary system for €386,893 EUR ("Contract 801200"). On the cost calculation model for this purchase order, the extra 10% was listed as "consultation fees." In fact, the extra 10% was to be used to pay kickbacks to the Iraqi government.

29. On or about June 1, 2001, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 801200 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

30. On or about July 17, 2002, Employee A delivered approximately €35,172 EUR on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 801200. This payment was documented in receipts for ASSF issued by the government of Iraq.

Contract 801562

31. On or about January 13, 2001, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for transmission line spares for 1,088,133 CHF (“Contract 801562”). On the order cost calculation model for this purchase order, the extra 10% was listed as “consultation fees.” In fact, the extra 10% was to be used to pay kickbacks to the Iraqi government.

32. On or about December 28, 2002, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 801562 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

33. On or about March 28, 2002, the inspection company sent from Iraq to the U.N., via international wire communication, another notification that the ABB Near East products pursuant to Contract 801562 had been received and inspected by the inspection company in Iraq; thereby triggering additional payment by the U.N. to ABB Near East.

34. On or about April 13, 2002, Employee A delivered approximately 98,922 CHF on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 801562. This payment was documented in a receipt for ASSF issued by the government of Iraq.

Contract 801820

35. On or about January 16, 2001, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for transmission line spares for 1,031,949 CHF (“Contract 801820”). On the cost calculation model for this purchase order, the extra 10% is listed as “consultation fees.” In fact, the extra 10% was to be used to pay kickbacks to the Iraqi government.

36. On or about May 5, 2002, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 801820 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

37. On or about April 13, 2002, Employee A delivered approximately 1,078 CHF on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 801820. This payment was documented in a receipt for ASSF issued by the government of Iraq.

38. On or about May 28, 2002, Employee A delivered approximately 92,730 CHF on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 801820, delivered by Employee A. This payment was documented in a receipt for ASSF issued by the government of Iraq.

Contract 901362

39. On or about June 20, 2001, ABB Ltd - Jordan through ABB Near East executed a purchase order with Baghdad Mayoralty for electrical transformers for €965,525 EUR (“Contract 901362”), which included approximately an extra 10% to be used to pay kickbacks to the Iraqi government and which were calculated as “consultation fees” on the cost calculation model.

40. On or about May 5, 2002, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 901362 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

41. On or about August 14, 2001, ABB Near East caused approximately €87,775 EUR to be delivered to the Iraqi government in kickbacks, pursuant to Contract 901362, through a bank guarantee with Cairo Amman Bank.

Contract 901008

42. On or about June 3, 2001, ABB Ltd - Jordan through ABB Near East executed a purchase order with Baghdad Mayorality for circuit breakers for motor starter protection for €373,105 EUR (“Contract 901008”), which included approximately an extra 10% to be used to pay kickbacks to the Iraqi government and which were calculated as “consultation fees” on the cost calculation sheet.

43. On or about August 14, 2001, ABB Near East caused approximately €33,919 EUR to be delivered to the Iraqi government in kickbacks, pursuant to Contract 901008, through a bank guarantee with Cairo Amman Bank.

44. On or about December 3, 2001, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 901008 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

Contract 1102008

45. On or about November 7, 2001, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for transducer and metering equipment for €547,947 EUR (“Contract 1102008”), which included approximately an extra 10% to be used to pay kickbacks to the Iraqi government.

46. On or about March 2, 2002, Employee A delivered approximately €5,000 EUR on behalf of ABB Near East to be delivered to the Iraqi government in kickbacks, for Contract 1102008. This payment was documented in a receipt for ASSF issued by the government of Iraq.

47. On or about January 27, 2004, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Near East products pursuant to Contract 1102008 had been received and inspected by

the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

Contract 1102001

48. In or around December 2001, ABB Ltd - Jordan executed a purchase order with State Company Baghdad Electricity Distribution for substation equipment and materials for €1,692,205.75 EUR (“Contract 1102001”), which included approximately an extra 10% to be used to pay kickbacks to the Iraqi government. This 10% was disguised as payment for “spare parts” on the purchase order. On the cost calculation model, it was described as “AFTER SALES SERVIC[]”. The U.N. later issued a letter of credit for this purchase order that excluded this 10%.

49. On or about February 24, 2002, Employee A delivered approximately \$10,000 USD on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 1102001. This payment was documented in a receipt for ASSF issued by the government of Iraq.

50. On or about April 6, 2004, the inspection company sent from Iraq to the U.N., via international wire communication, notification that the ABB Ltd - Jordan products pursuant to Contract 1102001 had been received and inspected by the inspection company in Iraq; thereby triggering payment by the U.N. to ABB Near East.

Contract 1101993

51. On or about January 18, 2001, ABB Ltd - Jordan through ABB Near East executed a purchase order with GEEP for transducer and metering equipment for 648,707 Swedish krona (SEK) (“Contract 1101993”). On the cost calculation model for this purchase order, the extra 10% is listed as “consultation fees.” In fact, the extra 10% was to be used to pay kickbacks to the Iraqi government.

52. On or about March 20, 2002, Employee A delivered approximately \$2,000 USD on behalf of ABB Near East to the Iraqi government in kickbacks, for Contract 1101993. This payment was documented in a receipt for ASSF issued by the government of Iraq. This contract, however, was terminated before completion.

Books and Records

53. ABB Near East would misrepresent the nature of the ASSF payments in the books and records of ABB Near East as, among other things, “Consultation Fees,” in order to conceal the illegal payments.

54. In or about 2002, ABB Near East improperly characterized an ASSF payment of approximately 98,922 CHF made as a kickback to the Iraqi government in connection with Contract 801562 as “Consultation Fees.”

55. At the end of ABB Ltd’s fiscal year 2002, the books and records of ABB Near East, including those containing false characterizations of the payments made to the Iraqi government, were incorporated into the books and records of ABB Ltd for purposes of preparing ABB Ltd’s year-end financial statements, which were filed with the Securities and Exchange Commission in Washington, DC.

ATTACHMENT B

**CERTIFICATE OF CORPORATE RESOLUTION
BY THE BOARD OF DIRECTORS**

WHEREAS, ABB Ltd (“ABB Ltd” or the “Company”) has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”) in connection with issues arising in relation to certain improper payments to foreign officials to facilitate the award of contracts and assist in obtaining business for ABB Ltd; and

WHEREAS, in order to resolve such discussions, it is proposed that ABB Ltd enter into a certain Agreement with the Fraud Section; and

WHEREAS ABB Ltd’s General Counsel, Diane de Saint Victor, together with outside counsel for ABB Ltd, have advised the Board of Directors of ABB Ltd of its rights, possible defenses, the United States Sentencing Guidelines’ provisions, and the consequences of entering into such Agreement with the Fraud Section;

Therefore, the Board of Directors has RESOLVED that:

1. ABB Ltd agrees to enter into the attached Deferred Prosecution Agreement, which defers the prosecution of ABB Ltd for the conduct set forth in the Statements of Facts (Attachments A-1 and A-2) and for the conduct that ABB Ltd disclosed to the Fraud Section prior to the signing the Deferred Prosecution

Agreement and defers the prosecution of its wholly owned subsidiary ABB Jordan for charges contained in the attached Criminal Information for three years. ABB Ltd further agrees that its wholly owned subsidiary ABB Inc. will plead guilty to the attached Criminal Information and will enter into the attached Plea Agreement.

2. The General Counsel of ABB Ltd, Diane de Saint Victor, and, as instructed and directed by Diane de Saint Victor, the counsels of ABB Ltd, Laurence A. Urgenson, Laura Fraedrich, and Audrey L. Harris, or their delegate, are hereby authorized, empowered and directed, on behalf of ABB Ltd, to execute the Deferred Prosecution Agreement substantially in such form as reviewed by this Board of Directors at this meeting with such changes as the General Counsel of ABB Ltd, Diane de Saint Victor, or the counsels of ABB Ltd, Laurence A. Urgenson, Laura Fraedrich, and Audrey L. Harris, or their delegate, may approve;

3. The General Counsel of ABB Ltd, Diane de Saint Victor, and, as instructed and directed by Diane de Saint Victor, counsels of ABB Ltd, Laurence A. Urgenson, Laura Fraedrich, and Audrey L. Harris, or their delegate, are hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

4. All of the actions of the General Counsel of ABB Ltd, Diane de Saint Victor, or the counsels of ABB Ltd, Laurence A. Urgenson, Laura Fraedrich, and Audrey L. Harris, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of ABB Ltd.

Date: Sept 29, 2010



Diane de Saint Victor
Corporate Secretary
ABB Ltd

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address deficiencies in its internal controls, 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, ABB Ltd and its subsidiaries (collectively, "ABB") agree to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, ABB agrees to adopt new or to modify existing internal controls, policies, and procedures in order to ensure that it maintains: (a) a system of internal accounting controls designed to ensure that ABB makes and keeps fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance code, standards, 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:

1. ABB will develop and promulgate a clearly articulated and visible corporate policy against violations of the FCPA, including its anti-bribery, books and records, and internal controls provisions, and other applicable counterparts

(collectively, the “anti-corruption laws,”), including strong, explicit, and visible support and commitment from senior management to the program.

2. ABB will develop and promulgate compliance standards and procedures designed to reduce the prospect of violations of the anti-corruption laws and ABB’s compliance code and will take appropriate measures to encourage and support the observance of ethics and compliance standards and procedures against foreign bribery at all levels of the company. These standards and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of ABB 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”), and shall notify all employees that compliance with the standards and procedures is the duty of individuals at all levels of the company. Such standards and procedures shall include policies governing:

- 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.

3. ABB will develop these compliance standards and procedures, including internal controls, ethics, and compliance programs on the basis of a 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, interaction with governments, and industrial sector of operation.

4. ABB shall review its compliance standards and procedures, including internal controls, ethics, and compliance programs, no less than annually, and update as appropriate, taking into account relevant developments in the field and evolving international and industry standards, and update and adapt as necessary to ensure the continued effectiveness of the company's internal controls, ethics, and compliance programs.

5. ABB will assign responsibility to one or more senior corporate executives of ABB for the implementation and oversight of compliance with policies, standards, and procedures regarding the anti-corruption laws. Such corporate official(s) shall have direct reporting obligations to independent monitoring bodies, such as the Audit Committee of ABB's Board of Directors, and shall have an adequate level of autonomy from management as well as sufficient resources and authority to maintain such autonomy.

6. ABB 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 to ensure that they cannot be used for the purpose of foreign bribery or concealing such bribery.

7. ABB will implement mechanisms designed to ensure that the policies, standards, and procedures of ABB regarding the anti-corruption laws are effectively communicated to all directors, officers, employees, and, where appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors, officers, and employees, and, where necessary and appropriate, agents and business partners; and (b) annual certifications by all such directors, officers, and employees, and, where necessary and appropriate, agents, and business partners, certifying compliance with the training requirements.

8. ABB will establish an effective system for:

a. Providing guidance and advice to directors, officers, employees, and, where appropriate, agents and business partners, on complying with ABB's compliance policies, standards, and procedures, including when they need advice on an urgent basis on difficult situations in foreign jurisdictions;

b. Internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and

business partners, not willing to violate professional standards or ethics under instructions or pressure from hierarchical superiors, as well as for directors, officers, employees, and, where appropriate, agents and business partners, willing to report breaches of the law or professional standards or ethics concerning anti-corruption occurring within the company, suspected criminal conduct, and/or violations of the compliance policies, standards, and procedures regarding the anti-corruption laws for directors, officers, employees, and, where necessary and appropriate, agents and business partners; and

c. Responding to such requests and undertaking appropriate action in response to such reports.

9. ABB will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and ABB's compliance and ethics program by ABB's directors, officers, and employees. ABB 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, ethics, and compliance program and making modifications necessary to ensure the program is effective.

10. ABB will institute appropriate due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

a. Properly documented risk-based due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;

b. Informing agents and business partners of ABB's commitment to abiding by laws on the prohibitions against foreign bribery, and of ABB's ethics and compliance standards and procedures or other measures for preventing and detecting such bribery; and

c. Seeking a reciprocal commitment from agents and business partners.

11. Where appropriate, ABB 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 anti-corruption laws, and regulations or representations and undertakings related to such matters.

12. ABB will conduct periodic review and testing of the compliance code, standards, and procedures designed to evaluate and improve their effectiveness in preventing and detecting violations of anti-corruption laws and ABB's compliance and ethics programs, taking into account relevant developments in the field and evolving international and industry standards.

ATTACHMENT D

ENHANCED CORPORATE COMPLIANCE AND REPORTING OBLIGATIONS AND CONDITION OF CORPORATE PROBATION

ABB Ltd and its subsidiaries (collectively, “ABB”) agree that they have or will undertake the following enhanced corporate compliance and reporting obligations for the duration of this Agreement:

General

1. ABB will continue to implement and adhere to the 101 compliance program elements recommended by the Independent Compliance Consultant in the *Report of the Independent Consultant to ABB Ltd, Securities and Exchange Comm'n v. ABB Ltd*, Civ. Action No. 04-1141 (D.D.C. July 23, 2007) (revised in December 2007), except where not possible because of local law.

2. ABB will continue to retain a senior corporate executive with significant experience with compliance with the FCPA, including its anti-bribery, books and records, and internal controls provisions, counterparts, as well as other applicable domestic and foreign anti-corruption laws and regulations to serve as Chief Compliance Officer. The Chief Compliance Officer will continue to have a dual reporting obligation directly to the Audit Committee of the Board of Directors and the General Counsel.

3. ABB will continue to maintain a global compliance team, including regional and country compliance officers, with responsibility for overseeing its company-wide compliance program, the Office of Special Investigations, and Internal Audit to foster and enforce compliance throughout ABB's operations.

4. ABB will continue to retain Legal Counsel for Compliance who will follow FCPA trends and developments and will monitor and rectify issues identified by Internal Audit, the Office of Special Investigations, and its Anti-Bribery Compliance Review ("ABCR") Protocol (described below).

5. ABB will continue to use its functional and substance based definition of "ABB Representatives," as defined in Group Directive LC 43, developed as part of the Independent Compliance Consultant recommendations and SEC approved enhanced ABB compliance program. For the purposes of the ABB compliance program and this Agreement, agents and business partners subject to due diligence are ABB Representatives as defined in Group Directive LC 43.

Risk Assessments and Audits

6. ABB will continue to implement its ABCR Protocol and thereby will continue to conduct risk-based, targeted, in-depth anti-bribery audits of business units following the ABCR Work Plan. The Work Plan will continue to require customized, non-routine audits to identify potential compliance violations and "red

flags” and remedy compliance weaknesses. Among other things, the Work Plan requires testing against statistical models to determine unusual financial activity; sampling of categories of financial transactions for review based on defined, risk-based criteria; transaction testing; interviews with management; and reviews of board minutes, financial receipts and disbursements, bank accounts, petty cash, vendors, ABB Representatives, sales contracts, facilitation payments, gifts, donations, sponsorships, political contributions, employee payroll and expense reports, high-risk contractual obligations, marketing activities, and fixed assets for category-specific, enumerated activities, risks, and controls.

Acquisitions

7. ABB will ensure that, to the degree possible under applicable law, new businesses are only acquired after full and thorough FCPA and anti-corruption due diligence by qualified accounting or legal personnel and only after review and approval by ABB, per the Independent Compliance Consultant recommendations, at the country or corporate level. Such due diligence reviews will be subject to more than one level of review within ABB prior to acquisition. When such due diligence is not possible prior to acquisition of a business due to restrictions of local law, ABB will conduct anti-corruption due diligence subsequent to the acquisition and report to the Department of Justice (“DOJ”) in a manner consistent

with the approach set forth in DOJ FCPA Opinion Release 08-02, including, if necessary, reporting to the DOJ.

8. ABB will ensure that ABB's policies and procedures regarding the anti-corruption laws and regulations are implemented as quickly as is practicable post-acquisition.

9. Promptly but in no circumstances more than a year post-closing, ABB will train all directors, officers, and employees, as well as ABB Representatives, on all aspects of its compliance program, including ABB's policies and procedures.

Business Model Modification

10. ABB will continue to implement changes to its business model to eliminate the use of ABB Representatives whenever possible.

Relationships with Third Parties

11. In its due diligence reviews, ABB will review all ABB Representatives to ensure compliance with the FCPA and other anti-bribery laws. As part of that due diligence review, ABB will also have specific and detailed discussions about the FCPA and other anti-bribery laws with all ABB Representatives. Such due diligence will be reviewed at no less than the Country Compliance Officer level within ABB prior to retention or contract renewal of any

ABB Representative. Such due diligence reviews will be updated no less than every three years.

12. Where permitted by applicable law, ABB will require that all ABB Representatives sign standard agreements that include provisions designed to prevent violations of the FCPA and other applicable anti-corruption laws, including:

- a. Anti-corruption representations and undertakings relating to compliance with the anti-corruption laws and regulations;
- b. Rights to conduct audits of the books and records of the ABB Representative that are related to their business with ABB;
- c. Certifications on all invoices that none of the work performed or payment requested has or will result in anything of value being transmitted directly or indirectly to a government official;
- d. Full documentation of all services performed in support of payment and list and detailed description of all interactions with government officials; and
- e. Rights to terminate as a result of any breach of anti-corruption laws and regulations or representations and undertakings related to such anti-corruption laws and regulations.

13. ABB will require that all payments to an ABB Representative be made in the country in which the ABB Representative resides or the work is performed, unless a bona fide reason for payment in another country is documented and approved in advance by a Compliance Officer.

14. ABB will not allow any ABB Representative to be paid in cash.

15. ABB will require that all payments to ABB Representatives are approved and recorded in accordance with the compliance program elements recommended by the Independent Compliance Consultant.

16. ABB will continue to maintain a computerized approval process and registry of all ABB Representatives, which will enhance the transparency of the due diligence reviews.

Gifts, Travel, and Entertainment

17. ABB will continue to maintain country-specific computerized approval processes and registries of Gifts, Travel, and Entertainment that fall under Group Directive LC 45, which will enhance the transparency of the reporting and approval process.

18. ABB will require that gifts, entertainment, and travel are to be given or received for bona fide business purposes only and are not to exceed country-specific limits without prior approval by the Country Compliance Officer or a

person designated by a Country Compliance Officer. All gifts and entertainment must be properly supported by original receipts, and in no event will cash or loans be given as gifts. All travel expenses must be properly supported by original receipts, and, other than daily allowances required by contract and approved by a Country Compliance Office, may not be made in cash.

Complaints, Reports, and Compliance Issues

19. ABB shall maintain its mechanisms for making and handling reports and complaints related to potential violations of anti-corruption laws and regulations, including its anonymous, toll-free Business Ethics Hotline, as well as its Ombudsperson program.

Training

20. ABB will provide FCPA and anti-corruption training to directors, officers, executives, and employees who may interact with government officials at least once annually. This training will be enhanced and specialized for all internal audit, financial, and legal personnel performing ABCR audits, performing due diligence reviews before acquisition of new businesses, and performing due diligence reviews of ABB Representatives.

21. ABB will provide FCPA and anti-corruption training to relevant ABB

Representatives acting on the company's behalf that may interact with government officials at least once every two years.

Certification

22. ABB shall implement a system of annual certifications from senior managers in each of ABB's corporate-level functions, divisions, and business units in each foreign country confirming that they are not aware of any FCPA or other corruption issues that have not already been reported.

Modification of Commitments

23. If ABB wishes to deviate from implementation or adherence of any of these commitments, ABB will notify the DOJ and the Securities and Exchange Commission ("SEC"), and the U.S. Probation Office ("USPO") 30 days in advance of any such desired change to discuss any such change. No change shall occur unless consented to by all parties.

Reporting Requirements

24. ABB will biannually report on the following to the DOJ, SEC, and USPO during the term of the agreement, both in writing and at a meeting in Washington, D.C.:

(a) In summary form, ABB will report any credible evidence of newly discovered and previously unreported violations of Group Directives LC 40

through 47 with respect to the anti-bribery provisions related to government officials, will provide the status of any investigation or disciplinary action that has been taken as a result of those violations, and will provide additional factual information about these violations as requested;

(b) Any emergency facilitation payments made pursuant to Group Directive LC 42 § 2.2.3;

(c) The progress of the ABCR Protocol, including the local business units reviewed and the significant findings concerning those business units;

(d) Improvements to its compliance program, including those undertaken due to discoveries made through the ABCR Protocol; and

(e) Any changes in the personnel and reporting chains of the Finance, Audit, and Compliance Committee.