



U.S. Department of Justice

United States Department of Justice
Criminal Division, Fraud Section

The Bond Building
1400 New York Ave., NW
Washington, D.C., 20005

March 23, 2015

Christopher Clark
Latham & Watkins, LLP
885 Third Avenue
New York, NY 10022-4834

Re: United States v. Lee Stewart

Dear Mr. Clark:

On the understandings specified below, the Fraud Section of the Criminal Division of the U.S. Department of Justice and the Antitrust Division of the U.S. Department of Justice (“this Office”) will accept a guilty plea from Lee Stewart to Count One of the Criminal Information filed on [date] (“the Information”), charging him with a violation of Title 18, United States Code, Section 1349 (conspiracy to commit wire fraud and bank fraud), in connection with a conspiracy to manipulate the London Interbank Offered Rate (“LIBOR”) that lasted from at least in or about May 2006 through at least in or about early 2011. This charge carries a maximum sentence of 30 years’ imprisonment, five years’ supervised release, and a maximum fine of \$1,000,000. Mr. Stewart agrees to allocute that from at least 1993 to at least 2009 he worked as a senior derivatives trader at Rabobank’s London, England desk. In his capacity as a trader, Mr. Stewart in interest rate swaps linked to the U.S. Dollar LIBOR rate. Mr. Stewart, together with Anthony Allen, Paul Thompson, Tetsuya Motomura, Anthony Conti, and others, participated in a conspiracy to manipulate the LIBOR benchmark interest rate, to which was tied the profitability of interest rate derivative trades entered into by Rabobank traders.

It is further understood that Mr. Stewart shall make restitution in an amount to be specified by the Court in accordance with 18 U.S.C. §§ 3663, 3663A, and 3664. This amount shall be paid according to a plan established by the Court.

It is understood that Mr. Stewart (a) shall truthfully and completely disclose all information with respect to the activities of himself and others concerning all matters about which this Office inquires of him, which information can be used for any purpose; (b) shall cooperate fully with this Office, the Federal Bureau of Investigation, and any other law enforcement agency designated by this Office, including but not limited to the Serious Fraud Office of the United Kingdom; (c) shall attend all meetings at which this Office requests his presence; (d) shall provide to this Office, upon request, any document, record, or other tangible evidence relating to matters about which this Office or any designated law enforcement agency inquires of him; (e) shall truthfully testify before the grand jury and at any trial and other court proceeding with respect to any matters about which this Office may request his testimony; (f)

shall bring to this Office's attention all crimes which he has committed, and all administrative, civil, or criminal proceedings, investigations, or prosecutions in which he has been or is a subject, target, party, or witness; and, (g) shall commit no further crimes whatsoever. Moreover, any assistance Mr. Stewart may provide to federal criminal investigators shall be pursuant to the specific instructions and control of this Office and designated investigators. Mr. Stewart shall provide notice to this Office prior to discussing the conduct covered by Count One of the Indictment with anyone other than this Office, law enforcement agencies designated by this Office, and the Defendant's attorney.

It is understood that this Office cannot, and does not, agree not to prosecute Mr. Stewart for criminal tax violations. However, if Mr. Stewart fully complies with the understandings specified in this Agreement, no testimony or other information given by him (or any other information directly or indirectly derived therefrom) will be used against him in any criminal tax prosecution. Moreover, if Mr. Stewart fully complies with the understandings specified in this Agreement, he will not be further prosecuted criminally by this Office for any crimes, except for criminal tax violations, related to his participation in a conspiracy to manipulate the LIBOR benchmark interest rate to the extent that he has disclosed such participation to this Office as of the date of this Agreement. This Agreement does not provide any protection against prosecution for any crimes except as set forth above.

It is understood that this Agreement does not bind any federal, state, or local prosecuting authority other than this Office. This Office will, however, bring the cooperation of Mr. Stewart to the attention of other prosecuting offices, if requested by him. Nor does this Agreement bind the Bureau of Immigration and Customs Enforcement (ICE), although this Office will bring the cooperation of Mr. Stewart to the attention of ICE, if requested by him.

It is understood that the sentence to be imposed upon Mr. Stewart is within the sole discretion of the Court. This Office cannot, and does not, make any promise or representation as to what sentence Mr. Stewart will receive, and will not recommend any specific sentence to the Court. However, this Office will inform the Probation Office and the Court of (a) this Agreement; (b) the nature and extent of Mr. Stewart's activities with respect to this case and all other activities of Mr. Stewart which this Office deems relevant to sentencing; and (c) the nature and extent of Mr. Stewart's cooperation with this Office. This Office will also inform the Probation Office and the Court of whether Mr. Stewart agrees to waive extradition and travel to the United States on his own accord and will further advise the Probation Office and the Court that, under the unique circumstances of this case, a decision to waive extradition is relevant to Mr. Stewart's cooperation and would conserve substantial judicial and prosecutorial resources. In so doing, this Office may use any information it deems relevant, including information provided by Mr. Stewart both prior to and subsequent to the signing of this Agreement. In addition, if this Office determines that Mr. Stewart has provided substantial assistance in an investigation or prosecution, and if he has fully complied with the understandings specified in this Agreement, this Office will file a motion, pursuant to Section 5K1.1 of the Sentencing Guidelines. It is understood that, even if such a motion is filed, the sentence to be imposed on Mr. Stewart remains within the sole discretion of the Court. Moreover, nothing in this Agreement limits this Office's right to present any facts and make any arguments relevant to sentencing to the Probation Office and the Court, or to take any position on post-sentencing

motions. Mr. Stewart hereby consents to such adjournments of his sentence as may be requested by this Office.

It is understood that, should this Office determine either that Mr. Stewart has not provided substantial assistance in an investigation or prosecution, or that Mr. Stewart has violated any provision of this Agreement, such a determination will release this Office from any obligation to file a motion pursuant to Section 5K1.1 of the Sentencing Guidelines but will not entitle Mr. Stewart to withdraw his guilty plea once it has been entered.

It is understood that, should this Office determine, subsequent to the filing of a motion pursuant to Section 5K1.1 of the Sentencing Guidelines and/or 18 U.S.C. §3553(e), that Mr. Stewart has violated any provision of this Agreement, this Office shall have the right to withdraw such motion.

It is understood that, should Mr. Stewart commit any further crimes or should it be determined that he has given false, incomplete, or misleading testimony or information, or should he otherwise violate any provision of this Agreement, Mr. Stewart shall thereafter be subject to prosecution for any federal criminal violation of which this Office has knowledge, including perjury and obstruction of justice. Any such prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against Mr. Stewart notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

It is understood that in the event that it is determined that Mr. Stewart has committed any further crimes, given false, incomplete, or misleading testimony or information, or otherwise violated any provision of this Agreement, (a) all statements made by Mr. Stewart to this Office or other designated law enforcement agents, and any testimony given by Mr. Stewart before a grand jury or other tribunal, whether prior to or subsequent to the signing of this Agreement, and any leads from such statements or testimony shall be admissible in evidence in any criminal proceeding brought against Mr. Stewart and (b) Mr. Stewart shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, or any other federal rule that such statements or any leads therefrom should be suppressed. It is the intent of this Agreement to waive all rights in the foregoing respects.

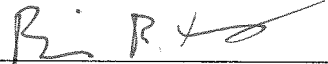
The defendant hereby acknowledges that he has accepted this Agreement and decided to plead guilty because he is in fact guilty. By entering this plea of guilty, the defendant waives any and all right to withdraw his plea or to attack his conviction, either on direct appeal or collaterally, on the ground that the Government has failed to produce any discovery material, *Jencks* Act material, exculpatory material pursuant to *Brady v. Maryland*, 373 U.S. 83 (1963), other than information establishing the factual innocence of the defendant, and impeachment material pursuant to *Giglio v. United States*, 405 U.S. 150 (1972), that has not already been produced as of the date of the signing of this Agreement.

The defendant recognizes that, if he is not a citizen of the United States, his guilty plea and conviction make it very likely that his deportation from the United States is presumptively mandatory and that, at a minimum, he is at risk of being deported or suffering other adverse immigration consequences. The defendant acknowledges that he has discussed the possible immigration consequences (including deportation) of his guilty plea and conviction with defense counsel. The defendant affirms that he wants to plead guilty regardless of any immigration consequences that may result from the guilty plea and conviction, even if those consequences include deportation from the United States. It is agreed that the defendant will have no right to withdraw his/her guilty plea based on any actual or perceived adverse immigration consequences (including deportation) resulting from the guilty plea and conviction. It is further agreed that the defendant will not challenge his conviction or sentence on direct appeal, or through litigation under Title 28, United States Code, Section 2255 and/or Section 2241, on the basis of any actual or perceived adverse immigration consequences (including deportation) resulting from his/her guilty plea and conviction.


If the defendant is eligible and applies to transfer his sentence pursuant to the international prisoner transfer program, this office agrees to support the defendant's transfer application. Defendant acknowledges and understands, however, that the transfer decision rests in the sole discretion of the Office of Enforcement Operations (OEO) of the Criminal Division of the United States Department of Justice and that the position of this office is neither binding nor determinative of the positions of other federal agencies or on the final transfer decision of OEO. Defendant further understands that in addition to OEO, federal law and the underlying transfer treaties require that the foreign government must also approve the transfer.

This Agreement supersedes any prior understandings, promises, or conditions between this Office and Mr. Stewart. No additional understandings, promises, or conditions have been entered into other than those set forth in this Agreement, and none will be entered into unless in writing and signed by all parties.

Very truly yours,

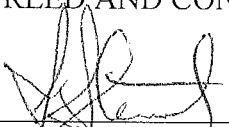


CAROL L. SIPPERLY
Senior Litigation Counsel
BRIAN R. YOUNG
Trial Attorney
Criminal Division, Fraud Section



MICHAEL T. KOENIG
Trial Attorney
Antitrust Division

AGREED AND CONSENTED TO:



LEE STEWART

Date: MARCH 23 2015

APPROVED:



CHRISTOPHER CLARK, ESQ.
Counsel for Lee Stewart

Date: March 23, 2015