4. Each of Fernando Musa, the Chief Executive Officer of the Company, Gustavo Valverde, the General Counsel of the Company, or Pedro Freitas, the Chief Financial Officer of the Company, is 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, including, but not limited to waiving indictment on behalf of the Company, appearing on behalf of the Company in any proceedings relating to the Plea Agreement and the matters to which the Plea Agreement relates, execute and deliver any documents necessary to enter into the proposed settlement with the Fraud Section and EDNY, enter a guilty plea before the United States District Court for the Eastern District of New York and accept the sentence of said court on behalf of the Company, and take all other acts on behalf of the Company as are specified in these resolutions or ancillary or related in any way to the foregoing, including the payment of any and all expenses and fees, that they may deem necessary, appropriate, or desirable to carry out the intent and purposes of the foregoing resolutions, such approval to be conclusively evidenced by the taking of any such action or the execution and delivery of any such instrument by them;

5. Any specific resolutions that may be required to have been adopted by the Board in connection with the actions contemplated by the foregoing resolutions be, and they hereby are, adopted, and Fernando Musa, the Chief Executive Officer of the Company, Gustavo Valverde, the General Counsel of the Company, and Pedro Freitas, the Chief Financial Officer of the Company, be and each of them individually hereby is, authorized in the name and on behalf of the Company to certify as to the adoption of any and all such resolutions; and

6. Any actions heretofore taken by Fernando Musa, the Chief Executive Officer of the Company, Gustavo Valverde, the General Counsel of the Company, and Pedro Freitas, the Chief Financial Officer of the Company, in connection with or otherwise in contemplation of the actions contemplated by any of the foregoing resolutions be, and they hereby are, adopted, approved, confirmed and ratified.

December 16, 2016

Date:

Marcella Menezes Fagundes
Corporate Secretary
Braskem S.A.

9.º TABELIÃO DE NOTAS
Rua Marconi, 124 • 1º ao 5º andar • CEP 01047-000 • São Paulo
Telefone: (11) 3258-2611 - Fax: (11) 2174-6858
www.nonocartorio.com.br

Reconheço a 1 firma com valor econômico por semelhança de MARCELLA MENEZES FERREIRA DE SOUZA FAGUNDES, do que dou fé. .....

Em test° da verdade. MARCELO CAMPOS DOS SANTOS -
São Paulo/Capital, 19 de dezembro de 2016. Valor recebido R$ 8,15
Válido somente com selo de autenticidade. Selos pagos por verba

1020AA06347 34 - 113787

TABELIÃO 9º - Rua Marconi, 124 - S. Paulo -

ATTACHMENT B

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Plea Agreement (the "Agreement") between the United States Department of Justice, Criminal Division, Fraud Section, the United States Attorney's Office for the Eastern District of New York, and the defendant Braskem S.A. ("Braskem" or the "Company"). Braskem hereby agrees and stipulates that the following information is true and accurate. Certain of the facts herein are based on information obtained from third parties by the Government through their investigation and described to Braskem. Braskem admits, accepts, and acknowledges that it is responsible for the acts of its officers, directors, employees, and agents as set forth below. The Government's evidence establishes the following facts during the relevant time frame and proves beyond a reasonable doubt the charges set forth in the Criminal Information filed in the United States District Court for the Eastern District of New York pursuant to the Agreement:

RELEVANT ENTITIES AND INDIVIDUALS

1. Braskem was a *sociedade anônima* (corporation) organized under the laws of Brazil, and was the largest petrochemical company in the Americas, producing a portfolio of petrochemical and thermoplastic products. Braskem had its headquarters in São Paulo, Brazil. American depositary shares of Braskem traded on the New York Stock Exchange, and Braskem was required to file annual reports with the United States Securities and Exchange Commission ("SEC") under Section 15(d) of the Exchange Act, Title 15, United States Code, Section 78o(d). Braskem was an "issuer" as that term is used in the Foreign Corrupt Practices Act ("FCPA"), Title 15, United States Code, Sections 78dd-1(a) and 78m(b).

2. Odebrecht, S.A. ("Odebrecht") was a Brazilian holding company that, through various operating entities, conducted business in multiple industries, including engineering, construction, infrastructure, energy, chemicals, utilities and real estate. Odebrecht had its headquarters in Salvador, state of Bahia, Brazil, and operated in 27 other countries, including the United States.

3. Odebrecht indirectly owned 38.1% of the total shares of Braskem, and controlled the Company through its ownership of 50.11% of the voting shares. Petróleo Brasileiro S.A. – Petrobras ("Petrobras"), Brazil's state-controlled oil company, owned 36.1% of the shares of Braskem.

4. Braskem Incorporated Limited ("Braskem Incorporated") was a wholly-owned subsidiary of Braskem. It was incorporated with limited liability under the laws of the Cayman Islands and headquartered in Grand Cayman. Braskem Incorporated was an "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

5. "Braskem Employee 1," a Brazilian citizen whose identity is known to the United States and the Company, was a director of Braskem and an officer and senior executive of Odebrecht. Braskem Employee 1 was a "director" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

6. "Braskem Employee 2," a Brazilian citizen whose identity is known to the United States and the Company, was director of Braskem and an executive of Odebrecht. Braskem Employee 2 was a "director" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

7. "Braskem Employee 3," a Brazilian citizen whose identity is known to the United States and the Company, was an executive of Braskem and an executive of Odebrecht. Braskem

Employee 3 was an "employee" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

8. "Braskem Employee 4," a Brazilian citizen whose identity is known to the United States and the Company, was an executive of Braskem. Braskem Employee 4 was an "employee" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

9. "Braskem Employee 5," a Brazilian citizen whose identity is known to the United States and the Company, was an executive of Braskem. Braskem Employee 5 was an "employee" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

10. "Braskem Employee 6," a Brazilian citizen whose identity is known to the United States and the Company, was an executive of Braskem and Braskem America, Inc., a wholly-owned U.S. subsidiary of Braskem. Braskem Employee 6 was an "employee" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

11. "Braskem Employee 7," a Brazilian citizen whose identity is known to the United States and the Company, was an executive of Braskem. Braskem Employee 7 was an "employee" and "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

12. "Braskem Agent 1," a Brazilian citizen whose identity is known to the United States and the Company, was an executive of Odebrecht and an alternate director at Braskem. Braskem Agent 1 was an "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

13. "Braskem Agent 2," a Brazilian citizen whose identity is known to the United States and the Company, was a senior executive in Odebrecht's Division of Structured Operations (described in more detail below), in or about and between 2006 and 2015, and reported directly to Braskem Employee 1. Braskem Agent 2 operated the Division of Structured Operations to account for and disburse payments that were not included in the publicly-declared financials of Odebrecht and its subsidiaries and affiliated companies, including corrupt payments made to, or for the benefit of, foreign officials and foreign political parties in order to obtain and retain business for Odebrecht and several of its subsidiaries, including Braskem. In this role, Braskem Agent 2 was responsible for executing requests from Braskem officers, employees and/or agents whereby Braskem Agent 2 made corrupt payments to foreign officials for the benefit of Braskem. As such, Braskem Agent 2 was an "agent" of an issuer, Braskem, within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a).

14. Petrobras was a Brazilian state-controlled oil company, and a minority shareholder in Braskem. Petrobras was headquartered in Rio de Janeiro, Brazil, and operated to refine, produce and distribute oil, oil products, gas, biofuels and energy. The Brazilian government directly owned approximately 50.3% of Petrobras's common shares with voting rights, while an additional 10% of the corporation's shares were controlled by the Brazilian Development Bank and Brazil's Sovereign Wealth Fund. Petrobras was an "agency" and "instrumentality" of a foreign government, as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

15. "Brazilian Official 1," an individual whose identity is known to the United States and the Company, was a high-level official in the executive branch of government in Brazil.

Brazilian Official 1 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

16. "Brazilian Official 2," an individual whose identity is known to the United States and the Company, was a high-level official in the executive branch of government in Brazil. Brazilian Official 2 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

17. "Brazilian Official 3," an individual whose identity is known to the United States and the Company, served as a minister in the Brazilian government and an advisor to a high-level official in the executive branch of the government in Brazil, as well as an elected official in the legislative branch of government in Brazil. In these capacities, Brazilian Official 3 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

18. "Brazilian Official 4," an individual whose identity is known to the United States and the Company, served as a minister in the Brazilian government. Brazilian Official 4 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

19. "Brazilian Official 5," an individual whose identity is known to the United States and the Company, was an executive of Petrobras. Brazilian Official 5 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

20. "Brazilian Official 6," an individual whose identity is known to the United States and the Company, was a high-level official in the legislative branch of government in Brazil. Brazilian Official 6 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

21. "Brazilian Official 7," an individual whose identity is known to the United States and the Company, was a high-level official in the legislative branch of government in Brazil. Brazilian Official 7 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

22. "Brazilian Official 8," an individual whose identity is known to the United States and the Company, was a high-level official in the legislative branch of government in Brazil. Brazilian Official 8 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

23. "Brazilian Official 9," an individual whose identity is known to the United States and the Company, was a high-level state official. Brazilian Official 9 was a "foreign official" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

OVERVIEW OF THE BRIBERY SCHEME

24. Beginning in or about and between 2002 and 2014, Braskem knowingly and willfully conspired and agreed with others to corruptly provide millions of dollars in payments to, and for the benefit of, foreign officials, foreign political parties, foreign political party officials and foreign political candidates to secure an improper advantage and to influence those foreign officials, foreign political parties, and foreign political candidates in order to obtain and retain business in Brazil.

25. Specifically, during this period, Braskem authorized a division of Odebrecht known as the Division of Structured Operations, described below, to pay bribes to Brazilian politicians and political parties, as well as to an official at Petrobras, in exchange for helping Braskem maintain a joint venture contract with Petrobras, a reduction in pricing for raw

materials that Braskem purchased from Petrobras, as well as reductions in Braskem's tax liabilities, and other benefits.

26. Odebrecht created and funded an elaborate, secret financial structure that operated to account for and disburse corrupt bribe payments to, and for the benefit of, foreign officials and foreign political parties. Over time, the development and operation of this secret financial structure evolved, and in or about 2006, Odebrecht established the Division of Structured Operations, a standalone division within the company. The Division of Structured Operations effectively functioned as a bribe department within Odebrecht. To conceal its activities, the Division of Structured Operations utilized an entirely separate and off-book communications system, which allowed members of the Division of Structured Operations to communicate with one another and with outside financial operators and others about the bribes through the use of secure emails and instant messages, utilizing codenames and passwords.

27. To conceal Braskem's criminal conduct and corrupt payments, Braskem provided funds to the Division of Structured Operations. Once Braskem sent funds to the Division of Structured Operations, the Division of Structured Operations funneled the funds into a series of offshore entities that were not listed as related entities on Braskem's balance sheet, and the funds were no longer recorded on Braskem's financial statements. Braskem, through the Division of Structure Operations, concealed and disguised corrupt payments made to, and for the benefit of, foreign officials and foreign political parties in Brazil. Many of the transactions were layered through multiple levels of offshore entities and bank accounts throughout the world, often transferring the illicit funds through up to four levels of offshore bank accounts before reaching the final recipient. In this regard, members of the conspiracy sought to distance the origin of the funds from the final beneficiaries.

28. The funds were also disbursed by financial operators who acted on behalf of the Division of Structured Operations, including but not limited to the beneficial owners of the accounts and/or *doleiros* (also known as money traders, who function to exchange Brazilian Reais for United States dollars), who delivered the payments in cash in Brazil or other foreign countries, in packages or suitcases at locations predetermined by the beneficiary of the funds; or made the payments via wire transfer through one or more of the unrelated offshore entities.

29. Braskem initially benefitted from the operation of the Division of Structured Operations, as well as a slush fund that was the precursor to the Division of Structured Operations (which was managed by an Odebrecht subsidiary, Construtora Norberto Odebrecht ("CNO")), due to its status as an Odebrecht subsidiary. That is, before 2006, Odebrecht executives associated with Braskem directed the Division of Structured Operations and/or the slush fund operators to make corrupt payments to support Braskem's financial and political interests although Braskem was not contributing directly to the Division of Structured Operations or the slush fund at that time. Specifically, Odebrecht executives directed the Division of Structured Operations and/or the slush fund to make payments to various government officials in connection with the consolidation of the petrochemical sector under Braskem's control. However, by approximately 2006, Braskem's most senior executives and Board members determined that Braskem would start generating its own unrecorded funds to deposit into the Division of Structured Operations.

30. Specifically, in approximately May or June 2006, Braskem Employee 4 – then a high-level executive at Braskem – approached Braskem Employee 2 and advised Braskem Employee 2 that Braskem needed to generate its own unrecorded funds to make payments to government officials in support of its own strategic goals. At a subsequent meeting, Braskem

Employee 2 and Braskem Employee 4 instructed Braskem Employee 7, then a high-level finance executive at Braskem, to create a system for Braskem to generate unrecorded funds that could be paid into the Division of Structured Operations. Braskem Employee 7, in turn, hired both an attorney and a Swiss citizen with banking experience to set up that system. Braskem generated unrecorded funds to deposit into the Division of Structured Operations by making payments pursuant to fabricated "commissions" contracts with three fictitious import and export agents. Braskem used its bank accounts in Brazil and New York-based bank accounts held by Braskem Incorporated to pay offshore shell companies ostensibly held by the fictitious export and import agents. Braskem, under the guise of the fictitious agents, then directed the money to accounts held by the Division of Structured Operations.

31. In general, certain individuals serving as officers at Braskem – including Braskem Employee 4, Braskem Employee 5, and Braskem Employee 6 – had autonomy in managing Braskem's Division of Structured Operations deposits and disbursements. Certain individuals serving as high-level financial executives at Braskem – including Braskem Employee 6 – were responsible for monitoring the generation of unrecorded funds. A Braskem employee in the Company's financial division oversaw the transfer of unrecorded funds to the Division of Structured Operations from the offshore shell companies, and periodically met with members of Braskem Agent 2's team to check on Braskem's Division of Structured Operations balance. Payments from the Division of Structured Operations at Braskem's direction were made by Braskem Agent 2's team.

32. In total, Braskem diverted approximately R$513 million[1] (equivalent to $250 million) into offshore shell companies for transfer into accounts managed by the Division of

[1] "R$" denotes Brazilian Reais, the currency of Brazil.

Structured Operations, and it also directed the Division of Structured Operations to make bribe payments on its behalf. Approximately $75 million of the money Braskem paid into the Division of Structured Operations was used to make bribe payments to secure benefits to Braskem of approximately $289 million, including, as described below, corrupt payments to a Petrobras executive and corrupt payments to other government officials in Brazil. Braskem also paid an additional $175 million into the Division of Structured Operations for which a direct benefit has not been identified but which payments otherwise reflect a failure of the Company's internal controls and a falsification of the Company's books and records.

33. Braskem, through certain executives and employees, falsely recorded the payments that were diverted into the Division of Structured Operations-managed bank accounts on, among other things, Braskem's general ledger and electronic finance system as "commissions for agents," and knowingly and willfully created fake and fraudulent agency contracts and other documentation in order to mask the true purpose of these payments.

34. In furtherance of the conspiracy, and to execute the corrupt payments, beginning in or about and between 2006 and 2014, Braskem, through certain employees and agents, caused wire transfers to be made from bank accounts located in Brazil and the United States, into shell company accounts located outside the United States. These payments to the offshore shell companies were subsequently transferred to the Division of Structured Operations. The following are two examples of such payments:

a. On or about April 28, 2014, Braskem made a payment in the amount of $1,611,120.95 from a New York-based bank account held by Braskem Incorporated to an offshore shell company controlled by Braskem.

b. On or about April 30, 2014, Braskem made a payment in the amount of $1,405,489.26 from a second New York-based bank account held by Braskem Incorporated to an offshore shell company controlled by Braskem.

35. Braskem, through its agents, also took acts in furtherance of the corrupt scheme while in the territory of the United States. For example, some of the offshore entities that the Division of Structured Operations used to hold and disburse unrecorded funds were established, owned and/or operated by individuals located in the United States.

BRASKEM'S CORRUPT PAYMENTS TO FOREIGN OFFICIALS

36. During the relevant period, Braskem together with its co-conspirators, made payments to various government officials in the Brazilian government with the understanding that such payments would serve as, in essence, a retainer that would permit Braskem and its co-conspirators to call in favors when necessary to assist with Braskem's business.

37. In addition, Braskem made corrupt payments in connection with specific contracts and benefits that Braskem sought in Brazil. A number of these specific payments, contracts and benefits are described more fully below.

Approval of Favorable Tax Legislation

38. In approximately 2006, a series of judicial rulings in Brazil called into question the applicability of certain tax credits. As a result, Braskem faced a potentially significant increase in its tax liability. In response, Odebrecht and Braskem took a number of steps to ensure the passage of legislation that would mitigate the loss of such credits on Braskem's overall tax liabilities.

39. First, Braskem Employee 1 directed Braskem Employee 3 to reach out to Brazilian Official 3. Braskem Employee 3 made contact, asking Brazilian Official 3 to both

intercede with a Brazilian minister, and to advise a member of Brazilian Official 1's staff to prepare Brazilian Official 1 to approve a legislative solution approved by Odebrecht and Braskem. Both individuals agreed to help Braskem Employee 3.

40. At the same time, another Odebrecht executive spoke directly to Brazilian Official 1, and asked Brazilian Official 1 to exert influence over Brazilian Official 4. Braskem Employee 1 then met directly with Brazilian Official 4 on several occasions to press the issue. At one of those meetings, Brazilian Official 4 asked Braskem Employee 1 for a contribution to Brazilian Official 2's upcoming political campaign in exchange for the official's assistance. Specifically, Brazilian Official 4 wrote down the amount "R$50 million" on a piece of paper and slid it across the table to Braskem Employee 1. Braskem Employee 1 discussed the bribe request with Braskem Employee 5; given the potential impact of the resolution on Braskem, Braskem Employee 5 agreed that Braskem would pay the bribe. Although the request was framed as a contribution to Brazilian Official 2's campaign, Braskem Employee 1 knew that the funds were not going to be used for the campaign. Rather, Braskem Employee 1 understood that they would be distributed after the next election for the personal benefit of various politicians.

41. As a result of these efforts, in or about 2009, a solution was reached in the form of a program that would, in effect, allow companies to employ an accounting rule to reduce tax liabilities in a similar fashion as the original tax credits. That program was subsequently incorporated into legislation that was converted into law in approximately 2010. Braskem benefitted from these measures, and was permitted to use the rule to reduce its tax liabilities.

42. Braskem subsequently used the Division of Structured Operations to make the R$50 million bribe payment to Brazilian Official 2's political campaign with unrecorded funds.

The Company also used the Division of Structured Operations to pay R$14 million to Brazilian Official 3 for the official's efforts.

Confirmation of Favorable Tax Treatment For Raw Materials

43. In or about 2008, state officials in a region where Braskem operated a petrochemical plant took the position that a particular tax should be paid in connection with Braskem's use of raw materials at the plant. Braskem disagreed with the officials' position, and argued that the tax did not apply. Braskem's refusal to pay the tax caused the state officials to restrict Braskem's receipt of certain raw materials, which threatened Braskem's operation of the plant.

44. Braskem attempted to resolve the issue by making its case to state and federal officials through formal channels that the tax did not apply. At the same time, however, Braskem also sought to leverage the bribes it had been making on a regular basis to Brazilian officials to help secure a favorable outcome of this issue. Specifically, Braskem Employee 3 asked Brazilian Official 3, a recipient of many of the recurring corrupt payments from the Division of Structured Operations, for the official's support and influence to get a regulatory action settling the matter. Brazilian Official 3 agreed, and Braskem Employee 3 gave him specific language to include in the regulation.

45. Based on these efforts, in or about December 2008, the federal government published a decree which clarified that the tax in question did not apply to the raw materials used by Braskem. Based on that statement, Braskem was able to resume normal operation of its plant.

Retention of Petrobras Contract

46. In or about 2005, Braskem signed a series of contracts with Petrobras to complete a significant petrochemical project. Braskem subsequently became concerned that Petrobras

would not honor those contracts, and would instead try to give the project to one of Braskem's competitors.

47. In response, Braskem Employee 4 directed Braskem Employee 3 to raise the matter with Brazilian Official 6, and to take steps to ensure Braskem would retain the project. Braskem Employee 3 had a series of meetings with Brazilian Official 5 and Brazilian Official 6, at which both asked for bribes in return for assistance. After negotiations, they settled on a payment of R$4.3 million, which would be conditioned on Braskem maintaining all of the contracts with Petrobras related to the project. Braskem Employee 3 further stipulated that no payments would be made until certain aspects of the project were actually underway.

48. Braskem Employee 3 brought the bribe proposal to Braskem Employee 4 for approval, and Braskem Employee 4 agreed. Petrobras ultimately honored its contracts with Braskem, and the project proceeded. Thereafter, Braskem authorized Braskem Agent 2's team to make the agreed-upon payments to Brazilian Official 5 and Brazilian Official 6. The payments totaling R$4.3 million were paid in installments in approximately 2007 and 2008, via international wire transfers paid to foreign accounts.

Naphtha Supply Contract

49. In or about mid-2008, Braskem and Petrobras began to negotiate a new long-term contract for naphtha (a colorless, volatile petroleum distillate that is a raw material for certain of Braskem's petrochemical operations). The technical teams from each company proposed and then debated various pricing formulas for the contract. Petrobras initially proposed a pricing formula based on an international industry standard reference that resulted in a higher price for Petrobras. Braskem rejected this proposal, and instead proposed a formula that was a variation on that standard that resulted in a lower price for Braskem.

50. At this point, Braskem Employee 5 asked Braskem Employee 3 to seek Brazilian Official 6's assistance in moving the negotiations along. Braskem Employee 3 met with Brazilian Official 5 and Brazilian Official 6, who agreed to assist Braskem by getting Brazilian Official 5 to put pressure on Petrobras to reduce the naphtha price to Braskem. In return, Braskem Employee 3 promised to pay Brazilian Official 5 and Brazilian Official 6 a bribe of $12 million via the Division of Structured Operations.

51. After several additional rounds of negotiation, during which Brazilian Official 5 became involved in the process, both parties agreed to a new formula that reduced the price of naphtha for Braskem. This formula was presented to Petrobras's Executive Board on or about March 12, 2009. Although the Petrobras Executive Board signed off on many of the agreed-upon contract conditions, it changed the formula terms to increase the price of naphtha. Braskem rejected this change, indicating that the formula could not be changed without reopening the negotiation process.

52. Braskem Employee 5 asked Braskem Employee 3 to go back to Brazilian Official 6 and seek further assistance. Braskem Employee 3 told Brazilian Official 6 that Braskem would not pay the $12 million unless the Petrobras-Braskem naphtha contract included a price that was more beneficial to Braskem. Brazilian Official 6 agreed to ask Brazilian Official 5 once again to intervene on behalf of Braskem. Thereafter, Brazilian Official 5 personally intervened, and ensured that the negotiation process was held open until the next meeting of the Petrobras Executive Board the following month. Brazilian Official 5 also arranged a meeting at Petrobras's headquarters between Brazilian Official 5, Braskem Employee 1, Braskem Employee 5 and an executive officer of Petrobras, at which Braskem was able to make a general

presentation directly to the executive officer about the alignment of Braskem's and Petrobras's interests.

53. Following the meeting, at the direction of Brazilian Official 5, Braskem agreed to negotiate financial reciprocities with Petrobras to justify the reducing of the price of naphtha to the level that Braskem wanted. Ultimately, Petrobras agreed to a formula that over the course of the contract would have the net effect of reducing the price of the naphtha that Braskem purchased. The contract was finalized in approximately July 2009.

54. Shortly thereafter, Braskem, via the Division of Structured Operations, began to make payments in installments on the $12 million bribe to Brazilian Official 5 and Brazilian Official 6. Specifically, Braskem Employee 3 received foreign bank account numbers from an intermediary for Brazilian Official 5 and Brazilian Official 6, and passed them on to a member of Braskem Agent 2's team, who in turn would make the payments via international wire transfer. These payments continued even after Brazilian Official 6's death and Braskem Employee 5's departure from Braskem in or about 2010; in this later period, the payments were overseen by Braskem Employee 5's successor, Braskem Employee 6. The full amount of the bribe was not paid until approximately mid-2011.

Tax Credit Negotiations in Certain Brazilian States

55. In the mid-2000s, due to its business model, Braskem began to accumulate tax credits at a particularly high rate in certain Brazilian states in which it operated. If Braskem went ahead and used those accumulated credits as anticipated, it would cease to generate any tax revenue for those states. By approximately 2008, the imbalance had gotten so pronounced that the state governments started to threaten Braskem with significant increases in other taxes. As a result, Braskem sought to resolve the matter both by entering into legitimate negotiations with

state officials, and by making significant campaign contributions to corruptly influence state government officials' decisions with respect to the tax issue. Braskem benefited from these corrupt payments, which ensured a favorable outcome; while the states were able to collect some revenue from Braskem, the Company continued to benefit significantly from the tax credits.

56. For example, in one state, Braskem entered into a series of agreements in which it agreed to (1) limit the use of its accumulated tax credits, (2) invest more than R$1 billion in infrastructure projects, and (3) create jobs in the state, all in exchange for the state not changing the tax structure so that Braskem and similarly-situated companies could continue to use their remaining credits without penalty. Brazilian Official 9 and Braskem Employee 5, acting on Braskem's behalf, signed off on these agreements.

57. During the negotiation of these agreements, Braskem Employee 3 separately negotiated the payment, with a relative of Brazilian Official 9, of substantial official contributions by Braskem to Brazilian Official 9's campaigns for state office, resulting in a R$200,000 contribution in connection with Brazilian Official 9's 2006 campaign and a R$600,000 payment in connection with Brazilian Official 9's 2010 reelection campaign. Braskem Employee 3 understood that these payments were provided in exchange for Brazilian Official 9 signing the series of tax credit agreements with Braskem.

58. Similarly, in or about and between 2008 and 2009, Braskem reached an agreement with another Brazilian state that the Company would limit its use of tax credits in return for investing more than R$650 million in infrastructure projects in that state. The high-level official responsible for the negotiations that resulted in that agreement had previously received campaign contributions from Odebrecht for the 2006 election totaling R$3 million through a combination of official donations and donations of unrecorded funds from the Division

of Structured Operations. The purpose of those donations was to secure the official's assistance on issues that affected Odebrecht and its related entities, including Braskem, such as the resolution of Braskem's accumulated tax credits.

Approval of Favorable Tax Incentive Legislation

59. In or about 2010, several Brazilian states began to offer certain tax incentives that Braskem believed would cause it to be less competitive in those states. Braskem considered the issue a top priority, and mobilized along several parallel tracks to eliminate such incentives. Braskem Agent 1 handled discussions with the Brazilian Congress, primarily through Brazilian Official 7, and Braskem Employee 1 attempted to influence the executive branch, primarily through meetings with Brazilian Official 4.

60. Subsequently, Brazilian Official 4 appointed Brazilian Official 7 as the person responsible to draft and oversee legislation that would help Braskem reduce or eliminate the tax incentives. As the legislation progressed, Braskem Agent 1 kept tabs on the process, speaking frequently to Brazilian Official 7 and other members of Congress. In March 2012, Braskem Employee 6 met with a number of Brazilian legislators, including Brazilian Official 7 and Brazilian Official 8, to discuss the specifics of the legislation. Braskem understood that it needed to pay bribes to Brazilian Official 7 and other officials in order to secure their support in connection with the legislation.

61. Subsequently, legislation was passed that reduced the ability of the states to grant the tax incentives. As soon as the legislation was finalized, Braskem Agent 1 notified Braskem Employee 6 and Braskem Employee 1 that Braskem needed to approve the release of unrecorded funds to fulfill commitments with certain members of Congress who had voted for the measure. Braskem Employee 6 then spoke to Braskem Agent 2 and authorized the release of R$4 million

from the Division of Structured Operations to be disbursed at Braskem Agent 1's direction. Braskem Agent 1 advised Braskem Employee 6 that Brazilian Official 7 was one of the recipients of the unrecorded funds.

62. After the initial disbursement of funds from the Division of Structured Operations was made to certain legislators, Braskem Employee 6 was notified that another member of Congress involved in the legislation had complained that he deserved a R$500,000 payment from Braskem for the legislator's work getting the measure approved. Braskem Employee 6 authorized the payment to the legislator, and Division of Structured Operations paid the legislator with unrecorded funds.

Approval of Favorable Tax Exemption Legislation

63. In or about 2011, Braskem sought to persuade the government to implement a new tax exemption that would benefit petrochemical companies like Braskem. Odebrecht and Braskem approached securing this exemption on several fronts. Braskem Employee 6 focused on garnering industry support for the exemption; Braskem Agent 1 dealt with members of Congress; and Braskem Employee 1 handled discussions with the executive branch, specifically Brazilian Official 4. As a result of their efforts, legislation that included the tax exemption was introduced in Congress in approximately 2013. However, issues arose as the legislation progressed towards a vote. First, an amendment was added to the legislation that was unpopular with many of the legislators. To eliminate the amendment, Braskem Employee 1 called Brazilian Official 4, who in turn placed Braskem Employee 1 in touch with an aide to a government official. Braskem Employee 1 convinced the aide to drop the unpopular amendment.

64. However, the legislation was effectively stalled by a request made by a high-level official in the legislative branch, who proposed eliminating a different amendment. In response, Braskem Agent 1 contacted Braskem Employee 6 and Braskem Employee 1, and conveyed that Braskem needed to pay significant sums to various members of Congress in order to get the request lifted and to move the legislation along. Braskem Employee 6 approved the request and told Braskem Agent 2 to make unrecorded funds from the Division of Structured Operations available to Braskem Agent 1. After the funds were disbursed, the high-level official lifted the request to eliminate the amendment, and the legislation was passed.

65. Braskem Agent 1 subsequently advised Braskem Employee 6 that the payments were divided among a number of members of Congress. Specifically, approximately R$2.1 million had been paid to the high-level official who had proposed eliminating an amendment; approximately R$4 million had been paid to Brazilian Official 7 (who Braskem Agent 1 believed shared the funds with Brazilian Official 8); approximately R$1 to $1.5 million had been paid to a high-level official in the legislative branch; and approximately R$100,000 had been paid to a second high-level official in the legislative branch.

66. In addition, while Brazilian Official 4 received no specific compensation for the official's role in ensuring the passage of the legislation, Braskem was required to pay an additional R$100 million above and beyond what Braskem Employee 1 had previously agreed with Brazilian Official 4 to pay to the official's political party and to members of the federal government. This increase was negotiated by Brazilian Official 4 and primarily went to contributions for party members in the 2014 campaigns.

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address any deficiencies in its internal controls, compliance code, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act ("FCPA"), 15 U.S.C. §§ 78dd-1, *et seq.,* and other applicable anti-corruption laws, Braskem S.A. (the "Company") agrees 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, the Company agrees to adopt a new compliance program, or to modify its existing one, including internal controls, compliance policies, and procedures in order to ensure that it maintains: (a) an effective 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 program that incorporates relevant internal accounting controls, as well as policies and procedures designed to effectively detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Company's existing internal controls, compliance code, policies, and procedures:

High-Level Commitment

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

Policies and Procedures

2. The Company will develop and promulgate a clearly articulated and visible corporate policy against violations of the FCPA and other applicable foreign law counterparts (collectively, the "anti-corruption laws,"), which policy shall be memorialized in a written compliance code.

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

a. gifts;

b. hospitality, entertainment, and expenses;

c. customer travel;

d. political contributions;

e. charitable donations and sponsorships;

f. facilitation payments; and

g. solicitation and extortion.

4. The Company will ensure that it has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that:

a. transactions are executed in accordance with management's general or specific authorization;

b. transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;

c. access to assets is permitted only in accordance with management's general or specific authorization; and

d. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Periodic Risk-Based Review

5. The Company will develop these compliance policies and procedures on the basis of a periodic risk assessment addressing the individual circumstances of the Company, in particular the foreign bribery risks facing the Company, including, but not limited to, its geographical organization, interactions with various types and levels of government officials, industrial sectors of operation, involvement in joint venture arrangements, importance of licenses

and permits in the Company's operations, degree of governmental oversight and inspection, and volume and importance of goods and personnel clearing through customs and immigration.

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

Proper Oversight and Independence

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

Training and Guidance

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

corresponding certifications by all such directors, officers, employees, agents, and business partners, certifying compliance with the training requirements.

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

Internal Reporting and Investigation

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

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

Enforcement and Discipline

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

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

Third-Party Relationships

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

a. properly documented due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;

b. informing agents and business partners of the Company's commitment to abiding by anti-corruption laws, and of the Company's anti-corruption compliance code, policies, and procedures; and

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

15. Where necessary and appropriate, the Company will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are

reasonably calculated to prevent violations of the anti-corruption laws, which may, depending upon the circumstances, include: (a) anti-corruption representations and undertakings relating to compliance with the anti-corruption laws; (b) rights to conduct audits of the books and records of the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach of the anti-corruption laws, the Company's compliance code, policies, or procedures, or the representations and undertakings related to such matters.

Mergers and Acquisitions

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

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

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

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

Monitoring and Testing

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

ATTACHMENT D

INDEPENDENT COMPLIANCE MONITOR

The duties and authority of the Independent Compliance Monitor (the "Monitor"), and the obligations of Braskem S.A. (the "Company"), on behalf of itself and its subsidiaries and affiliates, with respect to the Monitor and the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Eastern District of New York (collectively the "Department"), are as described below:

1. The Company will retain the Monitor for a period of three years (the "Term of the Monitorship"), unless the early termination provision of Paragraph 1 of the Plea Agreement (the "Agreement") is triggered.

Monitor's Mandate

2. The Monitor's primary responsibility is to assess and monitor the Company's compliance with the terms of the Agreement, including the Corporate Compliance Program in Attachment C, so as to specifically address and reduce the risk of any recurrence of the Company's misconduct. During the Term of the Monitorship, the Monitor will evaluate, in the manner set forth below, the effectiveness of the internal accounting controls, record-keeping, and financial reporting policies and procedures of the Company as they relate to the Company's current and ongoing compliance with the FCPA and other applicable anti-corruption laws (collectively, the "anti-corruption laws") and take such reasonable steps as, in his or her view, may be necessary to fulfill the foregoing mandate (the "Mandate"). This Mandate shall include an assessment of the Board of Directors' and senior management's commitment to, and effective

implementation of, the corporate compliance program described in Attachment C of the Agreement.

Company's Obligations

3. The Company shall cooperate fully with the Monitor, and the Monitor shall have the authority to take such reasonable steps as, in his or her view, may be necessary to be fully informed about the Company's compliance program in accordance with the principles set forth herein and applicable law, including applicable data protection and labor laws and regulations. To that end, the Company shall: facilitate the Monitor's access to the Company's documents and resources; not limit such access, except as provided in Paragraphs 5-6; and provide guidance on applicable local law (such as relevant data protection and labor laws). The Company shall provide the Monitor with access to all information, documents, records, facilities, and employees, as reasonably requested by the Monitor, that fall within the scope of the Mandate of the Monitor under the Agreement. The Company shall use its best efforts to provide the Monitor with access to the Company's former employees and its third-party vendors, agents, and consultants.

4. Any disclosure by the Company to the Monitor concerning corrupt payments, false books and records, and internal accounting control failures shall not relieve the Company of any otherwise applicable obligation to truthfully disclose such matters to the Department, pursuant to the Agreement.

Withholding Access

5. The parties agree that no attorney-client relationship shall be formed between the Company and the Monitor. In the event that the Company seeks to withhold from the Monitor

access to information, documents, records, facilities, or current or former employees of the Company that may be subject to a claim of attorney-client privilege or to the attorney work-product doctrine, or where the Company reasonably believes production would otherwise be inconsistent with applicable law, the Company shall work cooperatively with the Monitor to resolve the matter to the satisfaction of the Monitor.

6. If the matter cannot be resolved, at the request of the Monitor, the Company shall promptly provide written notice to the Monitor and the Department. Such notice shall include a general description of the nature of the information, documents, records, facilities or current or former employees that are being withheld, as well as the legal basis for withholding access. The Department may then consider whether to make a further request for access to such information, documents, records, facilities, or employees.

Monitor's Coordination with the Company and Review Methodology

7. In carrying out the Mandate, to the extent appropriate under the circumstances, the Monitor should coordinate with Company personnel, including in-house counsel, compliance personnel, and internal auditors, on an ongoing basis. The Monitor may rely on the product of the Company's processes, such as the results of studies, reviews, sampling and testing methodologies, audits, and analyses conducted by or on behalf of the Company, as well as the Company's internal resources (e.g., legal, compliance, and internal audit), which can assist the Monitor in carrying out the Mandate through increased efficiency and Company-specific expertise, provided that the Monitor has confidence in the quality of those resources.

8. The Monitor's reviews should use a risk-based approach, and thus, the Monitor is not expected to conduct a comprehensive review of all business lines, all business activities, or

all markets. In carrying out the Mandate, the Monitor should consider, for instance, risks presented by: (a) the countries and industries in which the Company operates; (b) current and future business opportunities and transactions; (c) current and potential business partners, including third parties and joint ventures, and the business rationale for such relationships; (d) the Company's gifts, travel, and entertainment interactions with foreign officials; and (e) the Company's involvement with foreign officials, including the amount of foreign government regulation and oversight of the Company, such as licensing and permitting, and the Company's exposure to customs and immigration issues in conducting its business affairs.

9. In undertaking the reviews to carry out the Mandate, the Monitor shall formulate conclusions based on, among other things: (a) inspection of relevant documents, including the Company's current anti-corruption policies and procedures; (b) on-site observation of selected systems and procedures of the Company at sample sites, including internal accounting controls, record-keeping, and internal audit procedures; (c) meetings with, and interviews of, relevant current and, where appropriate, former directors, officers, employees, business partners, agents, and other persons at mutually convenient times and places; and (d) analyses, studies, and testing of the Company's compliance program.

Monitor's Written Work Plans

10. To carry out the Mandate, during the Term of the Monitorship, the Monitor shall conduct an initial review and prepare an initial report, followed by at least two follow-up reviews and reports as described in Paragraphs 16-19 below. With respect to the initial report, after consultation with the Company and the Department, the Monitor shall prepare the first written work plan within 60 calendar days of being retained, and the Company and the Department shall

provide comments within 30 calendar days after receipt of the written work plan. With respect to each follow-up report, after consultation with the Company and the Department, the Monitor shall prepare a written work plan at least 30 calendar days prior to commencing a review, and the Company and the Department shall provide comments within 20calendar days after receipt of the written work plan. Any disputes between the Company and the Monitor with respect to any written work plan shall be decided by the Department in its sole discretion.

11. All written work plans shall identify with reasonable specificity the activities the Monitor plans to undertake in execution of the Mandate, including a written request for documents. The Monitor's work plan for the initial review shall include such steps as are reasonably necessary to conduct an effective initial review in accordance with the Mandate, including by developing an understanding, to the extent the Monitor deems appropriate, of the facts and circumstances surrounding any violations that may have occurred before the date of the Agreement. In developing such understanding the Monitor is to rely to the extent possible on available information and documents provided by the Company. It is not intended that the Monitor will conduct his or her own inquiry into the historical events that gave rise to the Agreement.

Initial Review

12. The initial review shall commence no later than 120 calendar days from the date of the engagement of the Monitor (unless otherwise agreed by the Company, the Monitor, and the Department). The Monitor shall issue a written report within 150 calendar days of commencing the initial review, setting forth the Monitor's assessment and, if necessary, making recommendations reasonably designed to improve the effectiveness of the Company's program

for ensuring compliance with the anti-corruption laws. The Monitor should consult with the Company concerning his or her findings and recommendations on an ongoing basis and should consider the Company's comments and input to the extent the Monitor deems appropriate. The Monitor may also choose to share a draft of his or her reports with the Company prior to finalizing them. The Monitor's reports need not recite or describe comprehensively the Company's history or compliance policies, procedures and practices, but rather may focus on those areas with respect to which the Monitor wishes to make recommendations, if any, for improvement or which the Monitor otherwise concludes merit particular attention. The Monitor shall provide the report to the Board of Directors of the Company and contemporaneously transmit copies to the Deputy Chief – FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, at 1400 New York Avenue N.W., Bond Building, Eleventh Floor, Washington, D.C. 20005 and Chief, Business and Securities Fraud Section, United States Attorney's Office, Eastern District of New York, 271-A Cadman Plaza East, Brooklyn, New York 11201. After consultation with the Company, the Monitor may extend the time period for issuance of the initial report for a brief period of time with prior written approval of the Department.

13. Within 150 calendar days after receiving the Monitor's initial report, the Company shall adopt and implement all recommendations in the report, unless, within 60 calendar days of receiving the report, the Company notifies in writing the Monitor and the Department of any recommendations that the Company considers unduly burdensome, inconsistent with applicable law or regulation, impractical, excessively expensive, or otherwise inadvisable. With respect to any such recommendation, the Company need not adopt that

recommendation within the 150 calendar days of receiving the report but shall propose in writing to the Monitor and the Department an alternative policy, procedure or system designed to achieve the same objective or purpose. As to any recommendation on which the Company and the Monitor do not agree, such parties shall attempt in good faith to reach an agreement within 45 calendar days after the Company serves the written notice.

14. In the event the Company and the Monitor are unable to agree on an acceptable alternative proposal, the Company shall promptly consult with the Department. The Department may consider the Monitor's recommendation and the Company's reasons for not adopting the recommendation in determining whether the Company has fully complied with its obligations under the Agreement. Pending such determination, the Company shall not be required to implement any contested recommendation(s).

15. With respect to any recommendation that the Monitor determines cannot reasonably be implemented within 150 calendar days after receiving the report, the Monitor may extend the time period for implementation with prior written approval of the Department.

Follow-Up Reviews

16. A follow-up review shall commence no later than 180 calendar days after the issuance of the initial report (unless otherwise agreed by the Company, the Monitor and the Department). The Monitor shall issue a written follow-up report within 120 calendar days of commencing the follow-up review, setting forth the Monitor's assessment and, if necessary, making recommendations in the same fashion as set forth in Paragraph 12 with respect to the initial review. After consultation with the Company, the Monitor may extend the time period for

issuance of the follow-up report for a brief period of time with prior written approval of the Department.

17. Within 120 calendar days after receiving the Monitor's follow-up report, the Company shall adopt and implement all recommendations in the report, unless, within 30 calendar days after receiving the report, the Company notifies in writing the Monitor and the Department concerning any recommendations that the Company considers unduly burdensome, inconsistent with applicable law or regulation, impractical, excessively expensive, or otherwise inadvisable. With respect to any such recommendation, the Company need not adopt that recommendation within the 120 calendar days of receiving the report but shall propose in writing to the Monitor and the Department an alternative policy, procedure, or system designed to achieve the same objective or purpose. As to any recommendation on which the Company and the Monitor do not agree, such parties shall attempt in good faith to reach an agreement within 30 calendar days after the Company serves the written notice.

18. In the event the Company and the Monitor are unable to agree on an acceptable alternative proposal, the Company shall promptly consult with the Department. The Department may consider the Monitor's recommendation and the Company's reasons for not adopting the recommendation in determining whether the Company has fully complied with its obligations under the Agreement. Pending such determination, the Company shall not be required to implement any contested recommendation(s). With respect to any recommendation that the Monitor determines cannot reasonably be implemented within 120 calendar days after receiving the report, the Monitor may extend the time period for implementation with prior written approval of the Department.

19. The Monitor shall undertake a second follow-up review not later than 150 calendar days after the issuance of the first follow-up report. The Monitor shall issue a second follow-up report within 120 days of commencing the review, and recommendations shall follow the same procedures described in Paragraphs 16-18. No later than 60 days before the end of the Term, the Monitor shall submit to the Department a final written report ("Certification Report"), setting forth an overview of the Company's remediation efforts to date, including the implementation status of the Monitor's recommendations, and an assessment of the sustainability of the Company's remediation efforts. No later than 30 days before the end of the Term, the Monitor shall certify whether the Company's compliance program, including its policies and procedures, is reasonably designed and implemented to prevent and detect violations of the anti-corruption laws.

Monitor's Discovery of Potential or Actual Misconduct

20. (a) Except as set forth below in sub-paragraphs (b), (c) and (d), should the Monitor discover during the course of his or her engagement that:

- improper payments or anything else of value may have been offered, promised, made, or authorized by any entity or person within the Company or any entity or person working, directly or indirectly, for or on behalf of the Company; or
- the Company may have maintained false books, records or accounts; or

(collectively, "Potential Misconduct"), the Monitor shall immediately report the Potential Misconduct to the Company's General Counsel, Chief Compliance Officer, and/or Audit Committee for further action, unless the Potential Misconduct was already so disclosed. The

Monitor also may report Potential Misconduct to the Department at any time, and shall report Potential Misconduct to the Department when it requests the information.

(b) In some instances, the Monitor should immediately report Potential Misconduct directly to the Department and not to the Company. The presence of any of the following factors militates in favor of reporting Potential Misconduct directly to the Department and not to the Company, namely, where the Potential Misconduct: (1) poses a risk to public health or safety or the environment; (2) involves senior management of the Company; (3) involves obstruction of justice; or (4) otherwise poses a substantial risk of harm.

(c) If the Monitor believes that any Potential Misconduct actually occurred or may constitute a criminal or regulatory violation ("Actual Misconduct"), the Monitor shall immediately report the Actual Misconduct to the Department. When the Monitor discovers Actual Misconduct, the Monitor shall disclose the Actual Misconduct solely to the Department, and, in such cases, disclosure of the Actual Misconduct to the General Counsel, Chief Compliance Officer, and/or the Audit Committee of the Company should occur as the Department and the Monitor deem appropriate under the circumstances.

(d) The Monitor shall address in his or her reports the appropriateness of the Company's response to disclosed Potential Misconduct or Actual Misconduct, whether previously disclosed to the Department or not. Further, if the Company or any entity or person working directly or indirectly for or on behalf of the Company withholds information necessary for the performance of the Monitor's responsibilities and the Monitor believes that such withholding is without just cause, the Monitor shall also immediately disclose that fact to the

Department and address the Company's failure to disclose the necessary information in his or her reports.

(e) The Company nor anyone acting on its behalf shall take any action to retaliate against the Monitor for any such disclosures or for any other reason.

Meetings During Pendency of Monitorship

21. The Monitor shall meet with the Department within 30 calendar days after providing each report to the Department to discuss the report, to be followed by a meeting between the Department, the Monitor, and the Company.

22. At least annually, and more frequently if appropriate, representatives from the Company and the Department will meet together to discuss the monitorship and any suggestions, comments, or improvements the Company may wish to discuss with or propose to the Department, including with respect to the scope or costs of the monitorship.

Contemplated Confidentiality of Monitor's Reports

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