**ANTI-CORRUPTION AND FOREIGN CORRUPT PRACTICES POLICY**

**PURPOSE**

[EMPLOYER'S NAME] operates in a diverse range of legal and business environments, many of which present challenges to conducting our business with the utmost integrity. We are committed to maintaining the highest ethical standards in every aspect of our operations. Our goal is to avoid even the perception of wrongdoing by our directors, officers, employees, and agents.

This policy reaffirms our dedication to integrity and outlines the specific requirements and prohibitions related to anti-corruption laws, including, but not limited to, the US Foreign Corrupt Practices Act of 1977 ("**FCPA**"). The policy is designed to mitigate the risk of corruption and bribery in the activities of [EMPLOYER'S NAME]. We strictly prohibit all forms of corruption and bribery and will take the necessary actions to prevent them in our operations.

Under the FCPA, it is illegal for US persons—including US companies, companies traded on US exchanges, and their subsidiaries, directors, officers, employees, and agents—to offer bribes to non-US government officials. While the prohibition against bribery is straightforward, understanding the full scope of the FCPA is crucial as it impacts daily business dealings between [EMPLOYER'S NAME] and non-US governments, as well as government-controlled entities.

Violations of the FCPA may also result in violations of other US laws, such as anti-money laundering, mail and wire fraud, and conspiracy laws. Penalties for violating the FCPA are severe, including termination of employment with [EMPLOYER'S NAME] and potential imprisonment or fines for individuals involved.

In addition to the FCPA, [EMPLOYER'S NAME] must comply with anti-corruption laws in other jurisdictions where we do business, as well as local laws in the countries where we operate. This policy sets the framework for ensuring compliance with these laws and regulations, including any specific to the state of Kentucky.

**APPLICABILITY**

This policy applies to all operations of [EMPLOYER'S NAME] worldwide. It is applicable to all directors, officers, and employees of [EMPLOYER'S NAME]. Additionally, this policy extends to [EMPLOYER'S NAME] agents, consultants, joint venture partners, and any other third-party representatives who, on behalf of [EMPLOYER'S NAME], engage in business outside of the US or interact with non-US government officials, or who are likely to do so in the future.

**PROHIBITED PAYMENTS**

Employees and agents of [EMPLOYER'S NAME] are strictly prohibited from directly or indirectly offering, promising, authorizing, or making any payment or giving anything of value to a non-US government official on behalf of [EMPLOYER'S NAME]. This is prohibited to secure an improper advantage, obtain or retain business, or direct business to any other person or entity. This prohibition also applies to payments made to third parties if [EMPLOYER'S NAME] employees or agents know or have reason to know that the third party will use part of the payment for bribes.

Cash and non-cash payments

Payments that violate this policy may occur in various situations and involve a wide range of payments, beyond just cash bribes or kickbacks. The FCPA prohibits giving "anything of value" for improper purposes, which can include, but is not limited to:

* Gifts.
* Travel, meals, lodging, entertainment, or gift cards.
* Loans or non-market transactions.
* Charitable or political donations.
* Business, employment, or investment opportunities.

Non-US government official

The FCPA broadly defines non-US government officials to include:

* Officers or employees of any non-US government, department, agency, or instrumentality.
* Officers or employees of companies owned or controlled by non-US governments (state-owned enterprises).
* Officers or employees of public international organizations (e.g., United Nations, World Bank, European Union).
* Non-US political parties or officials.
* Political candidates.

This term also encompasses anyone acting on behalf of any of the above.

In certain situations, non-US government officials may try to solicit or extort improper payments or anything of value from employees or agents of [EMPLOYER'S NAME]. If this happens, employees or agents must inform the official that [EMPLOYER'S NAME] does not tolerate such conduct and must immediately report it to [NAME OR TITLE OF RELEVANT CONTACT].

Commercial bribery

Bribery in the commercial (non-governmental) context is also prohibited under this policy. Employees and agents of [EMPLOYER'S NAME] may not offer, promise, authorize, or provide anything of value to any employee, agent, or representative of another company to improperly influence or reward any function or business activity. Additionally, employees and agents are prohibited from requesting, agreeing to receive, or accepting anything of value from others in exchange for improper performance.

**PERMITTED PAYMENTS**

The FCPA does not prohibit all payments to non-US government officials. In fact, it permits three specific types of payments, under certain circumstances.

Facilitation payments

The FCPA allows for nominal payments made to low-level government officials to facilitate or expedite the proper performance of their routine, non-discretionary duties. These duties may include:

* Customs clearance.
* Processing government paperwork, such as visas, permits, or licenses.
* Providing police protection.
* Supplying mail, telephone, or utility services.

Hospitality and marketing expenses

[EMPLOYER'S NAME] may cover reasonable expenses for meals, lodging, or travel for non-US government officials, but only if the expenses are genuine, reasonable, and directly connected to promoting, demonstrating, or explaining [EMPLOYER'S NAME] products or services, or executing a contract with a non-US government or agency.

Promotional gifts

Promotional gifts of modest value may be provided to non-US government officials as a token of appreciation or to foster goodwill. These gifts should be low-cost and typically feature [EMPLOYER'S NAME] trademark or one of its products.

**POLITICAL AND CHARITABLE DONATIONS**

Donations to candidates running for non-US political office are not permitted unless explicitly pre-approved in writing by the [Compliance Officer/[OTHER POSITION]].

Similarly, charitable donations to non-US organizations must be approved in writing by the [Compliance Officer/[OTHER POSITION]] before being made.

**RECORD MAINTENANCE AND TRACKING**

[EMPLOYER'S NAME] commits to maintaining accurate internal accounting controls that adhere to sound accounting principles. All transactions must be recorded promptly and with sufficient detail to reflect the true nature of the transaction. These records and supporting documents should be reviewed regularly to identify and correct any discrepancies.

Authorization of transactions

Transactions that involve providing anything of value to non-US government officials must be authorized by [EMPLOYER’S NAME].

Recording transactions

All such transactions should be documented in compliance with generally accepted accounting principles.

Tracking transactions

These transactions should be logged separately, with detailed records that include:

* The name and position of the employee who initiated and approved the transaction.
* The name and position of the non-US government official involved.
* A description of the transaction, including its value, and if applicable, details about [EMPLOYER'S NAME] products or services promoted or the contractual terms if related to a business agreement.

**CASH TRANSACTIONS**

[EMPLOYER’S NAME] strictly prohibits cash payments to any third party, except for legitimate petty cash disbursements or other authorized and documented payments. [EMPLOYER'S NAME]’s checks should never be issued to "cash," "bearer," or anyone other than the intended recipient, except when replenishing approved petty cash funds.

**THIRD-PARTY REPRESENTATIVES**

All third-party representatives engaged by [EMPLOYER’S NAME] must adhere to the FCPA and all relevant laws.

**ADHERENCE TO THE POLICY**

All employees and agents of [EMPLOYER’S NAME] must understand and follow the guidelines outlined in this policy. Those who violate this policy may face disciplinary action, including termination. Third-party representatives who breach this policy may have their business relationship with [EMPLOYER’S NAME] terminated.

To ensure full compliance, [EMPLOYER’S NAME] will offer training and resources regarding the FCPA and relevant anti-corruption laws to its employees and agents, as needed.

If any employee or agent suspects a violation of this policy, they must report it as outlined in this policy. Employees who report suspected violations in good faith will not face retaliation. If uncertain about any conduct, employees are encouraged to seek additional guidance before taking action that could expose [EMPLOYER’S NAME] to potential liability under the FCPA.

**DUTY TO CO-OPERATE**

[EMPLOYER’S NAME] may conduct in-depth reviews of specific transactions. During such reviews, all employees, agents, and third-party representatives are required to cooperate with the [EMPLOYER’S NAME], external legal counsel, auditors, or other relevant parties. Failure to cooperate with an internal review is considered a breach of your responsibilities to [EMPLOYER’S NAME] and will be addressed accordingly, in compliance with local laws and regulations.

**REPORTING POLICY VIOLATIONS**

If you suspect a violation of this policy, you must promptly report it to [your Supervisor/the Compliance Officer/Hotline Number/[OTHER CONTACT]].

**ACKNOWLEDGEMENT OF RECEIPT AND REVIEW**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (employee name), acknowledge that on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date), I received and reviewed a copy of [EMPLOYER'S NAME]’s [NAME OF POLICY]. I understand that it is my responsibility to familiarize myself with the policy and adhere to its terms.

I also acknowledge that this policy is not intended to create an employment contract or alter my at-will employment status, unless otherwise specified in a written agreement signed by an authorized representative of [EMPLOYER'S NAME]. Any delay or failure by [EMPLOYER'S NAME] to enforce the provisions of this policy does not constitute a waiver of its rights to enforce them in the future.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date