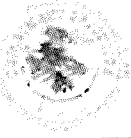


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DATE FILED: 2/22/2016



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*Criminal Division
Fraud Section*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza 950
New York, New York 10007*

*Bond Building
1400 New York Ave, NW 11th
Floor
Washington, DC 20005*

February 10, 2016

Mark Rochon, Esq.
John E. Davis, Esq.
Miller & Chevalier Chartered
655 Fifteenth Street, NW
Suite 900
Washington, DC 20005-5701

Re: *United States v. VimpelCom Ltd.* Deferred Prosecution Agreement
16-cr-137 (ER)

Dear Counsel:

Defendant VimpelCom Ltd. (the "Company"), by its undersigned representatives, pursuant to authority granted by the Company's Board of Directors, and the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Southern District of New York (the "Offices"), enter into this deferred prosecution agreement (the "Agreement"), the terms and conditions of which are as follows:

Criminal Information and Acceptance of Responsibility

1. The Company acknowledges and agrees that the Offices will file the attached two-count criminal Information in the United States District Court for the Southern District of New York charging the Company with one count of conspiracy to commit offenses against the United States in violation of Title 18, United States Code, Section 371, that is, to violate the anti-bribery and books and records provisions of the Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, Title 15, United States Code, Sections 78dd-1, 78m(b)(2)(A), 78m(b)(5),

and 78ff(a), and one count of violation of the internal controls provisions of the of the FCPA, Title 15, United States Code, Sections 78m(b)(2)(B), 78m(b)(5), and 78ff(a). In so doing, the Company: (a) knowingly waives its right to indictment on this charge, as well as all rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) knowingly waives for purposes of this Agreement and any charges by the United States arising out of the conduct described in the attached Statement of Facts, any objection with respect to venue, and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Southern District of New York.

2. The Company admits, accepts, and acknowledges that it is responsible under United States law for the acts of its officers, directors, employees, and agents as charged in the Information, and as set forth in the Statement of Facts attached hereto as Attachment A and incorporated by reference into this Agreement, and that the allegations described in the Information and the facts described in Attachment A are true and accurate. Should the Offices pursue the prosecution that is deferred by this Agreement, the Company stipulates to the admissibility of the Statement of Facts in any proceeding by the Offices, including any trial, guilty plea, or sentencing proceeding, and will not contradict anything in the Statement of Facts at any such proceeding.

Term of the Agreement

3. This Agreement is effective for a period beginning on the date on which the Information is filed and ending three (3) years from the later of the date on which the Information is filed or the date on which the independent compliance monitor (the "Monitor") is retained by the Company, as described in Paragraphs 13-15 below (the "Term"). The Company

agrees, however, that, in the event the Offices determine, in their sole discretion, that the Company has knowingly violated any provision of this Agreement, an extension or extensions of the term of the Agreement may be imposed by the Offices, in their sole discretion, for up to a total additional time period of one year, without prejudice to the Offices' right to proceed as provided in Paragraphs 18-21 below. Any extension of the Agreement extends all terms of this Agreement, including the terms of the monitorship in Attachment D, for an equivalent period.

Conversely, in the event the Offices find, in their sole discretion, that there exists a change in circumstances sufficient to eliminate the need for the monitorship in Attachment D, and that the other provisions of this Agreement have been satisfied, the Term of the Agreement and the monitorship term may be terminated early.

Relevant Considerations

4. The Offices enter into this Agreement based on the individual facts and circumstances presented by this case and the Company. Among the factors considered were the following: (a) the Company failed to self-disclose voluntarily its misconduct to the Offices after an internal investigation had been initiated and uncovered wrongdoing, and as a result the Company was not eligible for a more significant discount on the fine amount or the form of resolution; (b) the Company has provided to the Offices all relevant facts known to the Company, including information about individuals involved in the FCPA misconduct; (c) the Company received full cooperation and remediation credit of 25% for its substantial cooperation with the Offices, including providing evidence (where not prohibited by relevant foreign data privacy and national security laws and regulations) uncovered during a previously conducted internal investigation; undertaking significant efforts to provide foreign evidence to the Offices (again where not prohibited by relevant foreign data privacy law and national security laws or

regulations); conducting additional investigation independently, proactively, and as requested; voluntarily making foreign employees available for interviews; assisting with interviews of former employees; and collecting, analyzing, translating, and organizing voluminous evidence and information for the Offices (again where not prohibited by relevant foreign data privacy law and national security laws or regulations); (d) the Company received additional credit of 20% for its prompt acknowledgement of wrongdoing by Company personnel after being informed by the Offices of their criminal investigation, and the Company's willingness to resolve promptly its criminal liability on an expedited basis; (e) the Company has engaged in extensive remediation, including terminating the employment of officers and employees when the Company determined that they were complicit in the unlawful payments or otherwise failed their responsibilities in connection with such payments; has been substantially upgrading its anti-corruption compliance program; has retained new leaders of its legal, compliance, and financial gatekeeper functions; and has committed to continue to enhance its compliance program and internal controls, including ensuring that its compliance program satisfies the minimum elements set forth in Attachment C to this Agreement; (f) despite these remedial efforts, the Company recognized the need for, and agreed to, the imposition of an independent compliance monitor, as set forth in Attachment D to this Agreement; (g) the Company has no prior criminal history; and (h) the Company has agreed to continue to cooperate with the Offices as provided below in any investigation of the Company and its officers, directors, employees, agents, and consultants relating to possible violations under investigation by the Offices as provided in Paragraph 5 below.

Future Cooperation and Disclosure Requirements

5. The Company shall cooperate fully with the Offices in any and all matters relating

to the conduct described in this Agreement, Attachment A, and other conduct related to corrupt payments, false books, records, and accounts, and the failure to implement adequate internal accounting controls under investigation by the Offices at any time during the Term of this Agreement, subject to applicable law and regulations, until the later of the date upon which all investigations and prosecutions arising out of such conduct are concluded, or the end of the Term specified in paragraph 3. At the request of the Offices, the Company shall also cooperate fully with other domestic or foreign law enforcement and regulatory authorities and agencies, as well as the Multilateral Development Banks ("MDBs"), in any investigation of the Company, its subsidiaries or affiliates, or any of its present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement, Attachment A, and other conduct related to corrupt payments, false books, records, and accounts, and the failure to implement adequate internal accounting controls under investigation by the Offices at any time during the Term of this Agreement. The Company agrees that its cooperation pursuant to this paragraph shall include, but not be limited to, the following, subject to the obligation of the Company and its subsidiaries to comply with local law and regulations, including relevant data privacy and national security laws and regulations:

a. The Company shall truthfully disclose all factual information not protected by a valid claim of attorney-client privilege, work product doctrine, or applicable foreign laws, including relevant data privacy and national security laws and regulations with respect to its activities, those of its affiliates, and those of its present and former directors, officers, employees, agents, and consultants, including any evidence or allegations and internal or external investigations, about which the Company has any knowledge or about which the Offices may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation

of the Company to provide to the Offices, upon request, any document, record, or other tangible evidence about which the Offices may inquire of the Company, to the extent such disclosure does not violate applicable laws or regulations.

b. Upon request of the Offices, the Company shall designate knowledgeable employees, agents, or attorneys to provide to the Offices the information and materials described in Paragraph 5(a) above on behalf of the Company, to the extent permitted by applicable laws or regulations. It is further understood that the Company must at all times provide complete, truthful, and accurate information.

c. The Company shall use its best efforts to make available for interviews or testimony, as requested by the Offices, present or former officers, directors, employees, agents, and consultants of the Company. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation under this Paragraph shall include identification of witnesses who, to the knowledge of the Company, may have material information regarding the matters under investigation.

d. With respect to any information, testimony, documents, records, or other tangible evidence provided to the Offices pursuant to this Agreement, the Company consents to any and all disclosures, subject to applicable law and regulations (including relevant foreign data privacy and national security laws and regulations), to other governmental authorities, including United States authorities and those of a foreign government, as well as the MDBs, of such materials as the Offices, in their sole discretion, shall deem appropriate.

6. In addition to the obligations in Paragraph 5, during the Term of the Agreement, should the Company learn of credible evidence or allegations of possible corrupt payments,

related false books and records, or the failure to implement or circumvention of internal controls, including the existence of internal or external investigations into such conduct, the Company shall promptly report such evidence or allegations to the Offices.

Payment of Monetary Penalty

7. The Offices and the Company agree that application of the United States Sentencing Guidelines (“USSG” or “Sentencing Guidelines”) to determine the applicable fine range yields the following analysis:

a. The 2015 USSG are applicable to this matter.

b. Offense Level. Based upon USSG § 2C1.1, the total offense level is 48, calculated as follows:

(a)(2) Base Offense Level	12
(b)(1) Multiple Bribes	+2
(b)(2) Value of benefit received more than \$400,000,000	+30
(b)(3) Public official in a high-level decision-making position	+4
TOTAL	48

c. Base Fine. Based upon USSG § 8C2.4(a)(2), the base fine is \$523,098,180 (as the pecuniary gain exceeds the fine indicated in the Offense Level Fine Table, namely \$72,500,000)

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

(a) Base Culpability Score	5
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(b)(1) the organization had 5,000 or more employees and an individual within high-level personnel of the organization participated in, condoned, or was willfully ignorant of the offense	+5
(g) The organization fully cooperated in the investigation and clearly demonstrated recognition and affirmative acceptance of responsibility for its criminal conduct	-2
TOTAL	<hr/> 8

Calculation of Fine Range

Base Fine	\$523,098,180
Multipliers	1.60(min)/3.20(max)
Fine Range	\$836,957,088 / \$1,673,914,176

The Company agrees to pay total monetary penalties in the amount of \$460,326,398.40 (the "Total Criminal Penalty"), \$40,000,000 of which will be paid as forfeiture, as discussed below in paragraphs 8-9. This Total Criminal Penalty is 45% below the bottom of the applicable Sentencing Guidelines fine range, which reflects a reduction of 25% for the Company's full cooperation as permitted by relevant foreign data privacy and national security laws and regulations and a reduction of 20% for the Company's prompt acknowledgement of wrongdoing and willingness to resolve its criminal liability on an expedited basis. The Company will pay \$190,163,199.20 of the Total Criminal Penalty to the United States Treasury within ten (10) business days of the sentencing by the Court of VimpelCom's subsidiary Unitel LLC in connection with its guilty plea and plea agreement entered into simultaneously herewith, except that the parties agree that any criminal penalties that might be imposed by the Court on VimpelCom's subsidiary Unitel LLC in connection with its guilty plea and plea agreement will be deducted from the \$190,163,199.20. The Total Criminal Penalty will be offset by up to

\$230,163,199.20 for any criminal penalties paid to the Organization of the Public Prosecution Service of the Netherlands (“Dutch Prosecution Service”) in connection with the settlement of the Company's potential prosecution in the Netherlands. Should any amount of such payment to the Dutch Prosecution Service be returned to the Company or any affiliated entity for any reason, then the remaining balance of the Total Criminal Penalty will be paid to the U.S. Treasury within ten (10) business days of such event. The Company and the Offices agree that this penalty is appropriate given the facts and circumstances of this case, including the Company's prompt acknowledgment of wrongdoing, willingness to resolve its criminal liability on an expedited basis, full cooperation, and extensive remediation in this matter. The Total Criminal Penalty is final and shall not be refunded. Furthermore, nothing in this Agreement shall be deemed an agreement by the Offices that \$460,326,398.40 is the maximum penalty that may be imposed in any future prosecution, and the Offices are not precluded from arguing in any future prosecution that the Court should impose a higher fine, although the Offices agree that under those circumstances, it will recommend to the Court that any amount paid under this Agreement should be offset against any fine the Court imposes as part of a future judgment. The Company acknowledges that no tax deduction may be sought in connection with the payment of any part of the Total Criminal Penalty.

Forfeiture

8. As a result of the Company's conduct, including the conduct set forth in the Statement of Facts, the parties agree the Offices could institute a civil and/or criminal forfeiture action against certain funds held by the Company and that such funds would be forfeitable pursuant to Title 18, United States Code Section 981(a)(1)(C), and Title 28, United States Code Section 2461. The Company acknowledges that at least \$40,000,000 was proceeds of

transactions in violation of the anti-bribery provisions of the FCPA, Title 15, United States Code, Sections 78dd-1. The Company agrees to forfeit to the United States the sum of \$40,000,000 (the "Forfeiture Amount"). The Company agrees that the funds to be forfeited are directly traceable to the offense. It further agrees that, in the event the funds used to pay the Forfeiture Amount are found not to be directly traceable to the transactions, the monies used to pay the Forfeiture Amount shall be considered substitute res for the purpose of forfeiture to the United States pursuant to Title 18, United States Code Section 981(a)(1)(C), and Title 28, United States Code Section 2461, and the Company releases any and all claims it may have to such funds. The Company shall pay the Forfeiture Amount plus any associated transfer fees within ten (10) business days of the sentencing by the Court of VimpelCom's subsidiary Unitel LLC in connection with its guilty plea and plea agreement entered into simultaneously herewith, pursuant to payment instructions provided by the Offices in their sole discretion. The Company agrees to sign any additional documents necessary to complete forfeiture of the funds.

9. The Forfeiture Amount paid is final and shall not be refunded should the Offices later determine that the Company has breached this Agreement and commence a prosecution against the Company. In the event of a breach of this Agreement and subsequent prosecution, the Offices may pursue additional civil and/or criminal forfeiture in excess of the Forfeiture Amount. The Offices agree that in the event of a subsequent breach and prosecution, they will recommend to the Court that the amounts paid pursuant to this Agreement be offset against whatever forfeiture the Court shall impose as part of its judgment. The Company understands that such a recommendation will not be binding on the Court.

Conditional Release from Liability

10. Subject to Paragraphs 18-21, the Offices agree, except as provided herein, that it

will not bring any criminal or civil case against the Company relating to any of the conduct described in the Statement of Facts, attached hereto as Attachment A, or the criminal Information filed pursuant to this Agreement, including, but not limited to, criminal cases alleging violations of the FCPA, Travel Act, money laundering statutes, mail or wire fraud statutes, or conspiracy statutes. The Offices, however, may use any information related to the conduct described in the attached Statement of Facts against the Company: (a) in a prosecution for perjury or obstruction of justice; (b) in a prosecution for making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code.

a. This Agreement does not provide any protection against prosecution for any future conduct by the Company.

b. In addition, this Agreement does not provide any protection against prosecution of any present or former officer, director, employee, shareholder, agent, consultant, contractor, or subcontractor of the Company for any violations committed by them.

Corporate Compliance Program

11. The Company represents that it has implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the FCPA and other applicable anti-corruption laws throughout its operations, including those of its affiliates, agents, and joint ventures, and those of its contractors and subcontractors whose responsibilities include interacting with foreign officials or other activities carrying a high risk of corruption.

12. In order to address any deficiencies in its internal accounting controls, policies, and procedures, the Company represents that it has undertaken, and will continue to undertake in the future, in a manner consistent with all of its obligations under this Agreement, a review of its

existing internal accounting controls, policies, and procedures regarding compliance with the FCPA and other applicable anti-corruption laws. If necessary and appropriate, the Company will adopt new or modify existing internal controls, policies, and procedures in order to ensure that the Company maintains: (a) a system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) rigorous anti-corruption compliance code, standards, and procedures designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. The internal accounting controls system and compliance code, standards, and procedures will include, but not be limited to, the minimum elements set forth in Attachment C, which is incorporated by reference into this Agreement.

Independent Compliance Monitor

13. Promptly after the Offices' selection pursuant to Paragraph 14 below, the Company agrees to retain a Monitor for the term specified in Paragraph 15. The Monitor's duties and authority, and the obligations of the Company with respect to the Monitor and the Offices, are set forth in Attachment D, which is incorporated by reference into this Agreement. Within thirty (30) calendar days after the execution of this Agreement, and after consultation with the Offices, the Company will propose to the Offices a pool of three (3) qualified candidates to serve as the Monitor. If the Offices determine, in their sole discretion, that any of the candidates are not, in fact, qualified to serve as the Monitor, or if the Offices, in their sole discretion, are not satisfied with the candidates proposed, the Offices reserve the right to seek additional nominations from the Company. The Monitor candidates or their team members shall have, at a minimum, the following qualifications:

- a. demonstrated expertise with respect to the FCPA and other applicable anti-corruption laws, including experience counseling on FCPA issues;

- b. experience designing and/or reviewing corporate compliance policies, procedures and internal controls, including FCPA and anti-corruption policies, procedures and internal controls;
- c. the ability to access and deploy resources as necessary to discharge the Monitor's duties as described in the Agreement; and
- d. sufficient independence from the Company to ensure effective and impartial performance of the Monitor's duties as described in the Agreement.

14. The Offices retain the right, in their sole discretion, to choose the Monitor from among the candidates proposed by the Company, though the Company may express its preference(s) among the candidates. In the event the Offices reject all proposed Monitors, the Company shall propose an additional three candidates within thirty (30) calendar days after receiving notice of the rejection. This process shall continue until a Monitor acceptable to both parties is chosen. The Offices and the Company will use their best efforts to complete the selection process within sixty (60) calendar days of the filing of the Agreement and the accompanying Information. If the Monitor resigns or is otherwise unable to fulfill his or her obligations as set out herein and in Attachment D, the Company shall within thirty (30) calendar days recommend a pool of three qualified Monitor candidates from which the Offices will choose a replacement.

15. The Monitor's term shall be three (3) years from the date on which the Monitor is retained by the Company, subject to extension or early termination as described in Paragraph 3. The Monitor's powers, duties, and responsibilities, as well as additional circumstances that may support an extension of the Monitor's term, are set forth in Attachment D. The Company agrees that it will not employ or be affiliated with the Monitor or the Monitor's firm for a period of not

less than two (2) years from the date on which the Monitor's term expires. Nor will the Company discuss with the Monitor or the Monitor's firm the possibility of further employment or affiliation during the Monitor's term.

Deferred Prosecution

16. In consideration of: (a) the past and future cooperation of the Company described in Paragraphs 4-6 above; (b) the Company's payment of a Total Criminal Penalty of \$460,326,398.40; and (c) the Company's implementation and maintenance of remedial measures as described in Paragraphs 11-12 above, the Offices agree that any prosecution of the Company for the conduct set forth in the attached Statement of Facts or the criminal Information filed pursuant to this Agreement, be and hereby is deferred for the Term of this Agreement. The Company will not be exempt from further prosecution for conduct that is not covered by this Agreement.

17. The Offices further agree that if the Company fully complies with all of its obligations under this Agreement, the Offices will not continue the criminal prosecution against the Company described in Paragraph 1 and, at the conclusion of the Term, this Agreement shall expire. Within six (6) months of the Agreement's expiration, the Offices shall seek dismissal with prejudice of the criminal Information filed against the Company described in Paragraph 1, and agree not to file charges in the future against the Company based on the conduct described in this Agreement, Attachment A, or the criminal Information filed pursuant to this Agreement, including but not limited to, violations of the FCPA, Travel Act, money laundering statutes, mail or wire fraud statutes, or conspiracy statutes.

Breach of the Agreement

18. If, during the Term of this Agreement, the Company (a) commits any felony

under U.S. federal law; (b) provides in connection with this Agreement deliberately false, incomplete, or misleading information; (c) fails to cooperate as set forth in Paragraphs 5-6 of this Agreement; (d) fails to implement a compliance program as set forth in Paragraphs 11-12 of this Agreement and Attachment C; (e) commits any acts that, had they occurred within the jurisdictional reach of the FCPA, would be a criminal violation of the FCPA; or (f) otherwise fails specifically to perform or to fulfill completely each of the Company's obligations under the Agreement, regardless of whether the Offices become aware of such a breach after the Term of the Agreement is complete, the Company shall thereafter be subject to prosecution for any federal criminal violation of which the Offices have knowledge, including, but not limited to, the charges in the Information described in Paragraph 1, which may be pursued by the Offices in the U.S. District Court for the Southern District of New York or any other appropriate venue.

Determination of whether the Company has breached the Agreement and whether to pursue prosecution of the Company shall be in the Offices' sole discretion. Any such prosecution may be premised on information provided by the Company. Any such prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Company, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term plus one year. Thus, by signing this Agreement, the Company agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term plus one year. In addition, the Company agrees that the statute of limitations as to any violation of U.S. federal law that occurs during the Term will be tolled from the date upon which

the violation occurs until the earlier of the date upon which the Office is made aware of the violation or the duration of the Term plus five years, and that this period shall be excluded from any calculation of time for purposes of the application of the statute of limitations.

19. In the event the Offices determine that the Company has breached this Agreement, the Offices agree to provide the Company with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, the Company shall have the opportunity to respond to the Offices in writing to explain the nature and circumstances of such breach, as well as the actions the Company has taken to address and remediate the situation, which explanation the Offices shall consider in determining whether to pursue prosecution of the Company.

20. In the event that the Offices determine that the Company has breached this Agreement: (a) all statements made by or on behalf of the Company to the Offices or to the Court, including the attached Statement of Facts, and any testimony given by the Company before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Offices against the Company; and (b) the Company shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that any such statements or testimony made by or on behalf of the Company prior or subsequent to this Agreement, or any leads derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director, officer, or employee, or any person acting on behalf of, or at the direction of, the Company, will be imputed to the Company for the purpose of determining whether the Company

has violated any provision of this Agreement shall be in the sole discretion of the Offices.

21. The Company acknowledges that the Offices have made no representations, assurances, or promises concerning what sentence may be imposed by the Court if the Company breaches this Agreement and this matter proceeds to judgment. The Company further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of such discretion.

22. Thirty (30) days after the expiration of the period of deferred prosecution specified in this Agreement, the Company, by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company, will certify to the Department that the Company has met its disclosure obligations pursuant to Paragraph 6 of this Agreement. Such certification will be deemed a material statement and representation by the Company to the executive branch of the United States for purposes of 18 U.S.C. § 1001, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

Sale, Merger, or Other Change in Corporate Form of Company

23. Except as may otherwise be agreed by the parties hereto in connection with a particular transaction, the Company agrees that in the event that, during the Term of the Agreement, the Company sells, merges, or transfers all or substantially all of its business operations, or all or substantially all of the business operations of its subsidiaries involved in the conduct described in Attachment A of the Agreement attached hereto, as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, transfer, or other change in corporate form, it shall include, as determined in the sole discretion of the Offices (considering all relevant factors related to the transaction and the Agreement), in any contract for such sale, merger, transfer, or other change in corporate form provisions to bind the purchaser, or

any successor in interest thereto, to any or all obligations described in this Agreement.

24. Except as may otherwise be agreed by the parties hereto in connection with a particular transaction, if, during the Term of the Agreement, the Company undertakes any change in corporate form that involves business operations that are material to the consolidated financial statements of the Company as a whole, or to the financial statements of its subsidiaries involved in the conduct described in Attachment A of the Agreement attached hereto, as they exist as of the date of this Agreement, whether such transaction is structured as a sale, asset sale, merger, transfer, or other similar transaction, the Company shall provide notice to the Offices at least thirty (30) days prior to undertaking any such transaction. If such transaction (or series of transactions) is completed and has the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined in the sole discretion of the Offices (considering all relevant factors related to the transaction and the Agreement), it shall be deemed a breach of this Agreement subject to Paragraphs 18-20.

Public Statements by Company

25. The Company expressly agrees that it shall not, through present or future attorneys, officers, directors, employees, agents, or any other person authorized to speak for the Company make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by the Company set forth above or the facts described in Attachment A. Any such contradictory statement shall, subject to cure rights of the Company described below, constitute a breach of this Agreement, and the Company thereafter shall be subject to prosecution as set forth in Paragraphs 18-21 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the Statement of Facts will be imputed to the Company for the purpose of determining whether it has breached this Agreement shall be at the sole

discretion of the Offices. If the Offices determine that a public statement by any such person contradicts in whole or in part a statement contained in Attachment A, the Offices shall so notify the Company, and the Company may avoid a breach of this Agreement by publicly repudiating such statement(s) within five (5) business days after notification. The Company shall be permitted to raise defenses and to assert affirmative claims in other proceedings relating to the matters set forth in Attachment A provided that such defenses and claims do not contradict, in whole or in part, a statement contained in Attachment A. This Paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of the Company in the course of any criminal, regulatory, governmental, or civil investigation or case initiated against such individual, unless such individual is speaking on behalf of the Company.

26. The Company agrees that if it or any of its direct or indirect subsidiaries or affiliates issues a press release or holds any press conference in connection with this Agreement, the Company shall first consult with the Offices to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Offices and the Company; and (b) whether the Offices have any objection to the release. Nothing in Paragraphs 25 or 26 restricts the Company from fulfilling its obligations under the federal securities laws or restricts the Company from interacting with investors.

27. The Offices agree, if requested to do so, to bring to the attention of law enforcement and regulatory authorities the facts and circumstances relating to the nature of the conduct underlying this Agreement, including the nature and quality of the Company's cooperation and remediation. By agreeing to provide this information to such authorities, the Offices are not agreeing to advocate on behalf of the Company, but rather are agreeing to provide facts to be evaluated independently by such authorities.

AGREED:

Date: FEBRUARY 18, 2016

By: 

Scott G. Dresser
Group General Counsel
VimpelCom Ltd.

Date: 18 Feb 2016

By: 

Mark Rochon
John E. Davis
Miller & Chevalier Chartered
Counsel to VimpelCom Ltd.

FOR THE DEPARTMENT OF JUSTICE:

ANDREW WEISSMANN
Chief, Fraud Section
Criminal Division
United States Department of Justice

Date: February 17, 2016

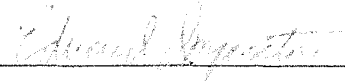
By: 


Nicola J. Mrazek
Senior Litigation Counsel

Ephraim Wernick
Trial Attorney

PREET BHARARA
United States Attorney Southern
District of New York

Date: February 17, 2016


Edward Imperatore
Assistant United States Attorney


Daniel L. Stein
Chief, Criminal Division

COMPANY OFFICER'S CERTIFICATE


I have read this Agreement and carefully reviewed every part of it with outside counsel for VimpelCom Ltd. (the "Company"). I understand the terms of this Agreement and voluntarily agree, in my capacity as an officer and on behalf of the Company, to each of its terms. Before signing this Agreement, I consulted outside counsel for the Company. Outside counsel fully advised me of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

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

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

Date: FEBRUARY 18, 2016

By:

VimpelCom Ltd.


Scott G. Dresser
Group General Counsel

CERTIFICATE OF COUNSEL

I am counsel for VimpelCom Ltd. (the "Company") in the matter covered by this Agreement. In connection with such representation, I have examined relevant Company documents and have discussed the terms of this Agreement with the Supervisory Board. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of the Company has been duly authorized to enter into this Agreement on behalf of the Company and that this Agreement has been duly and validly authorized, executed, and delivered on behalf of the Company and is a valid and binding obligation of the Company. Further, I have carefully reviewed the terms of this Agreement with the Supervisory Board and Group General Counsel of the Company. I have fully advised them of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into this Agreement. To my knowledge, the decision of the Company to enter into this Agreement, based on the authorization of the Supervisory Board, is an informed and voluntary one.

Date: 18 Feb 2016

By:



Mark Rochon
John E. Davis
Miller & Chevalier Chartered Counsel for
VimpelCom Ltd.

ATTACHMENT A

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Deferred Prosecution Agreement (the “Agreement”) between the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney’s Office for the Southern District of New York (collectively, the “Offices”) and VimpelCom Ltd. VimpelCom Ltd. admits, accepts, and acknowledges that it is responsible for the acts of its officers, directors, employees, and agents as set forth below. Should the Offices pursue the prosecution that is deferred by this Agreement, VimpelCom Ltd. agrees that it will neither contest the admissibility of, nor contradict, this Statement of Facts in any such proceeding. The following facts took place during the relevant time frame and establish beyond a reasonable doubt the charges set forth in the Criminal Information attached to this Agreement.

I. Introduction

A. The Uzbek Regulatory Regime for Telecommunications

1. The Uzbek Agency for Communications and Information (“UzACI”) was an Uzbek governmental entity authorized to regulate operations and formulate state policy in the sphere of communication, information, and the use of radio spectrum in Uzbekistan. As such, UzACI was a “department,” “agency,” and “instrumentality” of a foreign government, as those terms are used in the Foreign Corrupt Practices Act (“FCPA”), Title 15, United States Code, Section 78dd-1(f)(1).

B. VIMPELCOM and Other Relevant Entities and Individuals

2. From in or around 2010 to the present, VimpelCom Ltd. was a multinational telecommunications company headquartered in the Netherlands and incorporated in Bermuda. During the period of in or around 1996 to in or around 2013, VimpelCom Ltd. or its predecessor company (collectively referred to as “VIMPELCOM”) maintained a class of publicly traded securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, 15 U.S.C. § 78l, and was required to file periodic reports with the SEC under Section 15(d) of the Securities Exchange Act, 15 U.S.C. § 78o(d). Accordingly, VIMPELCOM was an “issuer” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(a).

3. VIMPELCOM had direct and indirect subsidiaries in various countries around the world through which it conducted telecommunications business. Regional heads of VIMPELCOM’s businesses have been members of VIMPELCOM’s senior management group. VIMPELCOM has employed over 58,000 employees worldwide.

4. As described below, in or around 2006, VIMPELCOM acquired two Uzbek telecommunications companies, Unitel LLC (“Unitel”) and LLC Bakrie Uzbekistan Telecom (“Buztel”), and merged the two companies as Unitel. Unitel was headquartered and incorporated in Uzbekistan and conducted VIMPELCOM’s mobile telecommunications business in Uzbekistan.

5. From in or around 2002 to January 2014, “Executive 1,” an individual whose identity is known to the United States, worked for various VIMPELCOM-related entities. From in or around December 2009 to January 2014, Executive 1 was a high-ranking VIMPELCOM executive with responsibilities in the Commonwealth of Independent States (“CIS”) region, including oversight of Unitel in Uzbekistan.

6. From in or around 2003 to February 2013, “Executive 2,” an individual whose identity is known to the United States, worked for various VIMPELCOM-related entities. From in or around February 2010 to February 2013, Executive 2 worked with Executive 1 relating to VIMPELCOM’s business in the CIS region, including oversight of Unitel in Uzbekistan.

7. “Foreign Official,” an individual whose identity is known to the United States, was an Uzbek government official and a close relative of a high-ranking Uzbek government official. Foreign Official had influence over decisions made by UzACI. Foreign Official was a “foreign official” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(f)(1).

8. “Shell Company” was a company incorporated in Gibraltar that was beneficially owned by Foreign Official.

9. “Associate A,” an individual whose identity is known to the United States, was Foreign Official’s close associate. When Shell Company was incorporated in 2004, Associate A was twenty years old and became Shell Company’s purported sole owner and director.

10. “Associate B,” an individual whose identity is known to the United States, was a chief executive at one of Unitel’s primary competitors in Uzbekistan. Associate B also represented Shell Company and Foreign Official in their business dealings with VIMPELCOM and Unitel.

II. Overview of the Corruption Scheme

11. As discussed in more detail below, VIMPELCOM and Unitel conspired with others to provide over \$114 million in bribes in exchange for Foreign Official’s understood influence over decisions made by UzACI concerning Uzbekistan’s telecommunications market. VIMPELCOM and Unitel officials understood that they had to regularly pay Foreign Official

millions of dollars in order to continue to obtain necessary UzACI approvals and be allowed to obtain and retain Uzbek telecommunications business.

12. VIMPELCOM's corrupt payments to Foreign Official occurred in stages:

a. First, before entering the Uzbek market, certain VIMPELCOM management understood that they were required to have Foreign Official as a "local partner" to conduct business in Uzbekistan. As part of its efforts to enter the market, VIMPELCOM paid \$60 million to acquire Buztel, a company in which certain VIMPELCOM management knew that Foreign Official held an indirect interest via Shell Company, because certain VimpelCom management knew that the acquisition of Buztel likely would facilitate VIMPELCOM's acquisition of a more attractive target and enable the company to conduct business in Uzbekistan.

b. Second, in 2006, VIMPELCOM and Unitel corruptly entered into a lucrative partnership agreement with Foreign Official's front company, Shell Company, in which Shell Company would obtain an indirect ownership interest in Unitel that VIMPELCOM would later repurchase at a guaranteed profit. The true purpose of this agreement was to pay a \$37.5 million bribe to Foreign Official in exchange for Foreign Official permitting VIMPELCOM and Unitel to conduct business in Uzbekistan.

c. Third, VIMPELCOM, through a subsidiary, corruptly entered into a contract with Shell Company purportedly to obtain 3G frequencies in 2007. Certain VIMPELCOM management caused a \$25 million bribe to be paid to Foreign Official via Shell Company so that Foreign Official would help Unitel obtain these valuable telecommunications assets and permit it to conduct business in Uzbekistan.

d. Fourth, VIMPELCOM, directly or through a subsidiary, knowingly entered into fake consulting contracts with Shell Company for \$2 million in 2008 and \$30 million in 2011; in both cases, Shell Company did no real work to justify the large consulting fees. The corrupt purpose of these contracts was to provide Foreign Official with approximately \$32 million in exchange for valuable telecommunications assets and to allow Unitel to continue to conduct business in Uzbekistan.

e. Finally, VIMPELCOM and Unitel made \$20 million in bribe payments to Foreign Official in 2011 and 2012 through purposefully non-transparent transactions with purported “reseller” companies. Through these transactions with reseller companies, VIMPELCOM and Unitel made and concealed corrupt payments to Foreign Official through Shell Company, which allowed Unitel to continue to conduct business in Uzbekistan.

13. Certain VIMPELCOM and Unitel management used U.S.-based email accounts to communicate with others and effectuate the scheme. In addition, VIMPELCOM and Unitel each made numerous corrupt payments that were executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

III. The Corruption Scheme

A. VIMPELCOM Corruptly Entered the Uzbek Market in 2005 and 2006

14. In 2005, as part of a plan of expansion into the CIS region, VIMPELCOM sought to acquire an Uzbek telecommunications company. Two companies under consideration for acquisition were Unitel, the second largest operator in Uzbekistan with approximately 300,000 subscribers, and Buztel, which was a much smaller operator with only 2,500 subscribers. Although there was a sound business case for purchasing Unitel alone, VIMPELCOM ultimately purchased Buztel, as well. Certain VIMPELCOM management knew that Foreign Official held

an indirect interest in Buztel, and that purchasing Buztel would ensure Foreign Official's support for VIMPELCOM's entry into the Uzbek telecommunications market.

15. From the beginning of VIMPELCOM's deliberations concerning its entry into Uzbekistan, there was an acknowledgment of the serious FCPA risks associated with certain VIMPELCOM management's recommendation to purchase Buztel in addition to Unitel. For example, on or about December 13, 2005, VIMPELCOM's Finance Committee of the Board of Directors met and considered certain management's recommendation to acquire both companies. Documents prepared for the December 13, 2005 Finance Committee meeting explained that Buztel was owned by a Russian company "and a partner" without further detailing the identity of the "partner." The materials documented that "[t]hrough a local partner, [VIMPELCOM was] in a preferred position to purchase both assets"

16. Although minutes from the Finance Committee meeting similarly failed to identify the local partner's identity, the participants identified the likelihood of corruption and expressed concerns. As reflected in the minutes, certain VIMPELCOM management explained that "due to certain political reasons (and this message should be taken by us as is), Buztel should be considered as an entry ticket into [the] Uzbekistan market and the buyer of Buztel would be considered a preferred buyer of Unitel." Certain VIMPELCOM management explained that it was "more important to follow the political requirements suggested for entry into the market versus [the] questionable risk of acquisition of Unitel as [a] standalone" and VIMPELCOM would be "in opposition to a very powerful opponent and bring [the] threat of revocation of licenses after the acquisition of Unitel [as a] stand-alone."

17. According to the minutes of the meeting, a VIMPELCOM Finance Committee member questioned the wisdom of purchasing Buztel when Unitel was of a size sufficient for

nation-wide coverage and when the \$60 million purchase price for Buztel could be better spent developing Unitel's network. The minutes reflect that same member also "expressed concern on the structure of the deal and FCPA issues" and noted "that if [VIMPELCOM] goes into this deal under this structure and if the structure violates the FCPA picture, [VIMPELCOM's] name could be damaged."

18. The Finance Committee voted to move forward with the acquisition process with the understanding that VIMPELCOM's board should consider whether to "enter Uzbekistan through acquisitions of both Buztel (as a condition of entry into the market) and Unitel, . . . provided, however, that all issues related to FCPA should be resolved" or "to bid for Unitel only with understanding that potentially it may be more expensive and is connected with risks of business development without [the] local partner."

19. During a December 14, 2005 VIMPELCOM board meeting, the likelihood of corruption was further discussed. For example, certain VIMPELCOM management explained that Foreign Official was actively influencing and interfering with Buztel's operations because of Foreign Official's ownership interest in the company. Certain VIMPELCOM management added that Foreign Official appeared to have control and influence over the purchase price for Unitel. Certain VIMPELCOM management also warned that there could be a falling out with the local partner if VIMPELCOM only purchased Unitel that would make it difficult, if not impossible, to operate in Uzbekistan. Concerns were raised about doing business with Foreign Official and the dangers associated with the Buztel transaction, and there was a recognition that a thorough analysis was needed to ensure that the Buztel payment was not merely a corrupt pretext for other services and favors. There were also numerous requests to ensure that the deal complied with the FCPA. Ultimately, VIMPELCOM's board approved the Buztel and Unitel

acquisitions, with a condition that FCPA analysis from an international law firm be provided to VIMPELCOM.

20. VIMPELCOM's management then sought FCPA advice that could be used to satisfy the board's requirement while allowing VIMPELCOM to proceed with a knowingly corrupt deal. Despite the known risks of Foreign Official's involvement in Buztel, certain VIMPELCOM management obtained FCPA legal opinions from an international law firm supporting the acquisition of Unitel and Buztel; however, certain VIMPELCOM management did not disclose to the law firm Foreign Official's known association with Buztel. As a result, the legal opinion did not address the critical issue identified by the VIMPELCOM board as a prerequisite to the acquisition. Management limited the law firm's FCPA review of the transaction to ensure that the legal opinion would be favorable.

21. Having obtained a limited FCPA legal opinion designed to ostensibly satisfy the board's requirement, certain VIMPELCOM management then proceeded with the Buztel acquisition and corrupt entry into the Uzbek market. VIMPELCOM, through subsidiaries, purchased Buztel for approximately \$60 million on or about January 18, 2006 and Unitel for approximately \$200 million on or about February 10, 2006, along with the assumption of some debt.

B. VIMPELCOM Corruptly Entered into a Local Partnership in 2006 and 2007

22. As VIMPELCOM entered the Uzbek market through the acquisitions of Unitel and Buztel, certain VIMPELCOM management learned that VIMPELCOM would be required to enter into a partnership with Shell Company, which was ultimately controlled by Foreign Official, in order to conceal corrupt payments to Foreign Official in exchange for Foreign Official's support to allow VIMPELCOM and Unitel to do business in Uzbekistan.

23. In internal VIMPELCOM documents, Foreign Official frequently was identified only as “partner” or “local partner” rather than by name. For example, documents prepared for an April 7, 2006 board meeting concerning the proposed partnership agreement with Shell Company referred only to a “Local Partner” who was the 100% owner of Shell Company.

24. VIMPELCOM structured the partnership agreement to hide the bribe payments to Foreign Official. Under the deal, Shell Company obtained an indirect interest of approximately 7% in Unitel for \$20 million, and Shell Company received an option to sell its shares back to Unitel in 2009 for between \$57.5 million and \$60 million for a guaranteed net profit of at least \$37.5 million. In proposing the partnership, VIMPELCOM justified it in part by explaining that the partner would provide the “[r]evision of the licensing agreement for the major licenses” and “transfer of frequencies,” while also noting that the direct transfer of frequencies was not allowed in Uzbekistan.

25. VIMPELCOM’s board approved the partnership on or about April 7, 2006, but its approval again was conditioned on “FCPA analysis by an international law firm” and required that the “the identity of the Partner . . . [be] presented to and approved by the Finance Committee.” VIMPELCOM received an FCPA opinion on the sale of the indirect interest in Unitel to Shell Company on or about August 30, 2006. The FCPA advice VIMPELCOM received was not based on important details that were known to certain VIMPELCOM management and that certain VIMPELCOM management failed to provide to outside counsel, including Foreign Official’s control of Shell Company. In addition, documents, including minutes from the Finance Committee’s meeting on August 28, 2006, failed to identify the true identity of the local partner by name while noting the “extremely sensitive” nature of the issue.

26. On or about March 28, 2007, VIMPELCOM's board unanimously approved the partnership agreement with Shell Company, and the deal progressed as planned. Associate A signed the agreement on behalf of Shell Company as the "Director" and on or about June 12, 2007, Shell Company transferred \$20 million from its Latvian bank account to VIMPELCOM's bank account. Less than three years later, in or around September 2009, Shell Company exercised its guaranteed option to have VIMPELCOM's subsidiary repurchase Shell Company's shares, and VIMPELCOM transferred \$57,500,000 from its bank account to Shell Company's bank account in Hong Kong. Both transfers were executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

27. As a result of VIMPELCOM's partnership agreement and transfer of funds to Shell Company, Foreign Official made a net profit of approximately \$37.5 million and VIMPELCOM and Unitel were able to continue to conduct business in Uzbekistan.

C. \$25 Million Corrupt Payment for 3G Frequencies in 2007

28. In 2007, VIMPELCOM arranged to pay Foreign Official, through Shell Company, an additional \$25 million bribe to obtain 3G frequencies for Unitel in Uzbekistan. VIMPELCOM made this bribe payment in order to secure Foreign Official's continued support and to ensure that Shell Company's subsidiary waived its right to certain 3G frequencies with the expectation, and pursuant to a success fee, that UzACI would reissue the 3G frequencies to Unitel. Certain VIMPELCOM management negotiated the transfer of the 3G frequencies with Associate B, whom they knew was Foreign Official's representative for Shell Company. Certain VIMPELCOM management also knew that Associate B was the head of one of Unitel's primary competitors in Uzbekistan.

29. Materials prepared for an October 12, 2007 board meeting document that VIMPELCOM had "been offered to acquire" 3G frequencies held by a wholly owned subsidiary of Shell Company. The documents explained that, "[a]s the rights to frequencies are not transferable in Uzbekistan and can not be sold, [Shell Company]'s subsidiary has agreed to waive its rights to the frequencies and we expect the frequencies to be reissued to Unitel." The first \$10 million would be "payable to [Shell Company] upon waiver of the frequencies," and the final \$15 million would be "payable to [Shell Company] upon receipt of the frequencies by Unitel." On or about October 12, 2007, VIMPELCOM's board unanimously approved the 3G transaction.

30. Certain VIMPELCOM management communicated with Associate B to arrange for the transfer of the 3G licenses through a sham contract with Shell Company to conceal the corrupt payment to Foreign Official. For example, on or about October 15, 2007, Associate B emailed certain VIMPELCOM management from Associate B's personal email address. Using a

pseudonym, Associate B wrote, "Enclosed you may find the docs that you have requested." Attached to the email were several documents, including a draft contract between a VIMPELCOM subsidiary and Shell Company and a copy of the Shell Company's subsidiary's telecommunications license, which would be repudiated as part of the agreement. According to Shell Company's subsidiary's license, the subsidiary only obtained the license weeks earlier, on September 27, 2007.

31. In return for the \$25 million bribe payment, VIMPELCOM and Unitel obtained an amended license within a matter of days, which permitted Unitel to use 3G frequencies previously held by Shell Company's subsidiary. During this time, certain VIMPELCOM management negotiated directly with Associate B, and a Unitel executive worked with Associate B and exchanged documents with government regulators, including a high-ranking official at UzACI, to help close the deal. On or about November 7, 2007, a VIMPELCOM subsidiary transferred \$10 million from its Netherlands bank account to Shell Company's Latvian bank account. The following day, a VIMPELCOM employee emailed confirmation of the payment to Associate B at Associate B's personal email account using Associate B's pseudonym, and explained, "We are ready to start 3G frequency allocation to Unitel." Later that day, Associate B emailed certain VIMPELCOM management, and explained that the Uzbek telecom regulator had assigned the frequencies to Unitel and that the "[o]riginal will be given to your Local Representative." Associate B attached a scanned copy of Unitel's amended license dated that day. The next day, on or about November 9, 2007, a VIMPELCOM subsidiary transferred the remaining \$15 million from its Netherlands bank account to Shell Company's Latvian bank account, completing VIMPELCOM's corrupt payment to Foreign Official for the acquisition of the necessary 3G frequencies for Unitel. The corrupt payments from the VIMPELCOM

subsidiary to Shell Company's Latvian bank account totaled \$25 million and were executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

D. Corrupt Consulting Contract Payments to Shell Company in 2008 and 2011

32. In 2008 and again in 2011, VIMPELCOM, directly or through a subsidiary, knowingly entered into contracts for fake consulting services with Shell Company in order to provide Foreign Official with approximately \$32 million in exchange for valuable telecommunications assets and to allow Unitel to continue to conduct business in Uzbekistan.

33. In 2008, certain VIMPELCOM management, Associate B, and others conspired to pay an additional \$2 million bribe to Foreign Official that had originally been contemplated in 2006. Certain VIMPELCOM management justified the payment as a "consulting" fee to Shell Company and created false, backdated documents to conceal the corrupt payment.

34. On or about February 13, 2008, a VIMPELCOM executive emailed certain VIMPELCOM management to explain that "the partner, citing the earlier verbal agreements, is returning to the issue [of \$2 million] and is asking us to recognize the obligations and make payments." In response, on or about February 14, 2008, a VIMPELCOM in-house attorney indicated that a presentation to VIMPELCOM's Board of Directors in April 2006 included a \$2 million payment for "the partner's services" in approximately nine potential areas, however, the "payout term of the amount was not specified" and the in-house attorney did "not know if all the services listed in the presentation [had] to be fulfilled as a condition for the payment." Shortly thereafter, a VIMPELCOM employee with knowledge of the deal replied to confirm that the amount owed to the local partner was \$2 million and that "[t]he obligations were incurred from the moment of payment for the acquisition of Unitel."

35. Certain VIMPELCOM management then endeavored to find a way to pay Shell Company \$2 million to satisfy Foreign Official's demand. They proceeded to draft paperwork, in consultation with Associate B, in order to create false documents that would contain plausible services Shell Company could purport to perform under a consulting agreement. Drafts of the consulting agreements included varying limited services until the final agreement only required Shell Company to provide services related to "documentation packages required to assign 24 channels" to Unitel.

36. Certain VIMPELCOM management also considered ways to ensure that the contractual payments avoided unwanted scrutiny. For example, on or about July 1, 2008, certain VIMPELCOM management emailed about a phone call from Associate B and Associate B's statement that "they have a strong desire to receive these funds from an offshore [company]." In response, one VIMPELCOM executive wrote, "[t]his complicates our objective as it requires organization of financing (we do not keep spare money in offshores). . . . Will we be able to make a payment of 2 million the same way as the payment for 3G?" On or about July 2, 2008, another VIMPELCOM executive responded, "we do not have approved loans in the jurisdictions where they do not closely look at the documents (we paid for 3G for Uzbekistan from BVI). There is undrawn limit for 4 million in [a Dutch entity], but they have strict compliance – it will be necessary to prove with the documents that consulting services are provided"

37. Several other aspects of the consultancy arrangement demonstrated its sham nature. For example, at Associate B's request, VIMPELCOM, not Shell Company, drafted Shell Company's invoice for the work that Shell Company purportedly performed, and VIMPELCOM drafted Shell Company's service acceptance act. In addition, both documents were backdated to July 18, 2008, and the final, executed version of the consulting agreement between

VIMPELCOM and Shell Company was backdated to June 30, 2008. The final documents thus made it appear that Shell Company conducted \$2 million of consulting work for VIMPELCOM in only 18 days. In fact, Shell Company did no legitimate work to justify the \$2 million payment.

38. On or about August 8, 2008, VIMPELCOM transferred \$2 million from its bank account to Shell Company's bank account in Latvia, which was executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

39. VIMPELCOM did not conduct any FCPA analysis concerning this purported consulting services agreement with Shell Company. This was despite the fact that certain VIMPELCOM management had received a prior FCPA opinion concerning Shell Company, which explicitly excluded any FCPA analysis associated with consulting services provided by Shell Company. Moreover, during the earlier due diligence process, Shell Company had represented that "[Shell Company] does not contemplate entering into consultancy or similar agreement with VIMPELCOM"

40. In 2011, Executive 1 conspired with Executive 2 and others to direct an additional \$30 million payment to Foreign Official through Shell Company. This \$30 million bribe payment was made specifically to acquire 4G mobile communication frequencies for Unitel, but was also part of the broader effort to enable Unitel to continue to operate in the Uzbek telecommunications market without interference by Foreign Official. Executive 1, Executive 2 and others modeled the 2011 4G agreement on the 2007 3G agreement, except that the 2011 4G agreement purportedly was for consulting services and full payment was not contingent on obtaining the 4G frequencies. At the time, Unitel had no need for 4G frequencies, because Unitel lacked the ability to employ 4G frequencies in Uzbekistan in 2011 or the near future.

Certain VIMPELCOM management knew that the 4G consulting agreement was a sham and that Shell Company would not be required to provide any actual services in return for the \$30 million fee.

41. Several aspects of the 4G consulting agreement with Shell Company caused substantial internal criticism by some VIMPELCOM executives, including those who were charged with approving the transaction. “Witness,” a consultant functioning as a senior VIMPELCOM executive and whose identity is known to the United States, was among the chief critics of the 4G consulting agreement with Shell Company, repeatedly voicing serious anti-corruption concerns about the deal at the highest level of VIMPELCOM management. For example, on or about August 20, 2011, Witness emailed several senior VIMPELCOM executives explaining that Witness was “very uncomfortable” and could “see no rationale” why “we are solely paying to the agent working for getting the license for us, and nothing to the [Uzbek] Government[.]” Witness compared the proposed deal to another “corruption case,” which resulted in “heavy fines . . . plus criminal charges against the company and individual employees.” Witness cautioned, “[u]nless there is absolute transparency of our consultants’ Gibraltar company, its ownership structure and the further cash flows from this, I cannot see how I can be able to sign off on this . . . unless the legal FCPA analysis can clarify this and settle my concerns.”

42. Certain VIMPELCOM management again sought an FCPA opinion from outside counsel to provide a plausible cover to go forward with the transaction. Certain VIMPELCOM management then failed to provide outside counsel with important information, most notably that Shell Company was known to be owned by Foreign Official, because certain VIMPELCOM

management were willing to accept an opinion that focused on Shell Company as a third party without analyzing or addressing the nature of the transaction itself or its high dollar value.

43. Furthermore, the purported FCPA due diligence on Shell Company was flawed in design and execution. No in-house or outside lawyer ever directly contacted Shell Company's purported owner, Associate A, and instead, the FCPA questionnaires purportedly designed to uncover beneficial owners and potential corruption risks were sent to intermediaries to respond. For example, on or about August 5, 2011, a VIMPELCOM in-house lawyer emailed FCPA questionnaires to Executive 1 to pass along "to the [Shell Company] representative to fill out." On or about August 6, 2011, Executive 1 forwarded the FCPA questionnaires both to Executive 1's personal email account and the personal email account of Associate B. Executive 1 also forwarded the email with the FCPA questionnaires to Executive 2 who replied: "Hardcore, of course . . . But in my opinion with the exception of the first and last names they can answer everything else."

44. In or around August and September 2011, Witness continued to raise concerns. On or about September 2, 2011, Witness emailed a then in-house VIMPELCOM attorney to explain that Witness was "very concerned about this way of structuring the payment," and Witness asked whether VimpelCom had received "any official 'ok' from US Governmental body/SEC" On or about September 5, 2011, Witness received a response from VIMPELCOM's then in-house counsel that acknowledged that, "[t]his transaction deserves caution but on the legal side the question boils down to whether there is a reasonable basis to believe that our counter-party will make illegal payments. We cannot establish conclusively that there will not be any illegal payments" VIMPELCOM's then in-house counsel added, ". . . our due diligence is our defense in the event that there is a claim against us so we have to ask

ourselves whether the situation warrants additional due diligence. [We are] comfortable that additional due diligence is not warranted. We are going to monitor the process and ensure that real work is being done by the counter-party.” However, VIMPELCOM, including its in-house attorneys, did not thoroughly monitor the process to ensure that Shell Company performed any services. Once the FCPA opinion was obtained, VIMPELCOM proceeded with the deal.

45. The 4G consulting agreement required approvals from certain senior VIMPELCOM executives reviewing the transaction from their areas of expertise. After receiving repeated assurances from VIMPELCOM’s then in-house lawyers, in or around mid-September 2011, Witness eventually provided the sign-off for Witness’s expert area for the proposed 4G consulting agreement with Shell Company. However, Witness handwrote an unusual caveat below Witness’s signature: “This sign off is solely related to [my expert area]. My sign off confirm[s] that I have reviewed the technical [] position and approved with it.” Notably, certain other VIMPELCOM executives specifically limited their approval or expressed reservations before signing off on their expert areas. Executive 2 expressed no reservations before providing the necessary approval on behalf of the business unit.

46. Soon after providing the limited sign-off on the deal, Witness escalated the matter to the highest levels within VIMPELCOM management, with whom Witness met on or about September 30, 2011. However, certain VIMPELCOM management failed to act on Witness’s concerns and the 4G deal remained in place after the meeting.

47. Executive 1 and Executive 2 closely monitored the approval process and ensured that Shell Company was paid quickly. On or about September 19, 2011, Executive 2 received an email showing that all approvals had been received for the 4G consulting agreement. That same day, the agreement was executed with Executive 2 signing as the director of a VIMPELCOM

subsidiary, and Associate A signing as the director of Shell Company. Two days later, on or about September 21, 2011, the VIMPELCOM subsidiary transferred \$20 million as an advance payment under the 4G consulting agreement to Shell Company's Swiss bank account. On or about October 18, 2011, UzACI issued a decision amending Unitel's license to allow it to use 4G frequencies. That same day, on or about October 18, 2011, Associate A also sent a letter on Shell Company letterhead to Executive 1 referencing the consulting agreement and enclosing "reports and presentations based on the work that we have done in the course of providing services to your Company." The following day, on or about October 19, 2011, the VIMPELCOM subsidiary sent the final \$10 million payment in recognition of its full performance under the deal to Shell Company's Swiss bank account. The corrupt payments from the VIMPELCOM subsidiary to Shell Company's Swiss bank account totaled \$30 million and were executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

48. Shell Company never provided any legitimate consulting services to Unitel to justify its \$30 million fee. In fact, Shell Company's consulting reports and presentations, which were prepared in supposed satisfaction of its obligations under the consulting agreement, were not needed by VIMPELCOM or Unitel, and the reports were almost entirely plagiarized from Wikipedia entries, other internet sources, and internal VIMPELCOM documents.

E. Corrupt Payments Through “Reseller” Companies in 2011 and 2012

49. Because of significant currency conversion restrictions in Uzbekistan and the inability to use Uzbek som (the Uzbek unit of currency) to obtain necessary foreign goods, Unitel frequently entered into non-transparent transactions with purported “reseller” companies to pay foreign vendors in hard currency for the provision of goods in Uzbekistan. Typically, Unitel would contract with a local Uzbek company in Uzbek som, and that Uzbek company’s related companies located outside of Uzbekistan would agree to pay an end supplier using the hard currency (usually, U.S. dollars).

50. In February and March 2011, Executive 1 conspired with Executive 2 and others to take advantage of the murky reseller process to conceal a \$10 million bribe to Foreign Official via Shell Company through various purported reseller transactions to Shell Company. To effectuate the corrupt payment, Unitel entered into contracts with an Uzbek entity for services that were unnecessary and/or were made at highly inflated prices. These transactions were approved without sufficient justification and bypassed the normal competitive tender processes. Unitel then made payments in Uzbek som to the Uzbek company. Thereafter, in or around February and March 2011, an offshore company affiliated with the Uzbek company sent approximately 14 payments totaling \$10.5 million to another intermediary, which in turn sent approximately 14 wire payments, each under \$1 million and totaling approximately \$10,000,023, to Shell Company’s Swiss bank account, which was executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

51. The \$10 million payment to Foreign Official in 2011 was achieved through a series of sham agreements whose only purpose was to justify associated payments using a number of reseller companies based in Uzbekistan or elsewhere. The reseller companies used in

these transactions were fungible, as no real work from the end recipient of the funds was expected as the payment was, in fact, a bribe. For example, on or about December 15, 2010, Executive 2 received an email with only the words, "The companies," which included a forwarded email with two names of purported reseller companies and the message, "Choose any . . ." Attached to the email was banking information for one of the company's Cypriot bank account. The following day, Executive 2 forwarded the email to two Unitel executives, and wrote, "below are the companies with which we must work on the question of the 10 mill. . . . Keep me informed pls how you will be doing it."

52. VIMPELCOM and Unitel, through Executive 1, Executive 2, and others, used these transactions with reseller companies to make and conceal the \$10 million bribe to Foreign Official through Shell Company. Shell Company performed no legitimate services to justify a \$10 million payment, and there was no need for VIMPELCOM or Unitel to make any payments for the specific contracted services in U.S. dollars. By using the reseller scheme, certain VIMPELCOM and Unitel executives avoided additional scrutiny, including FCPA analysis, of the transactions and payments.

53. In 2012, Executive 1 again conspired with Executive 2 and others to make and conceal another \$10 million bribe payment to Foreign Official via Shell Company through purported transactions with reseller companies. As in 2011, Executive 1 and Executive 2 knew that the true purpose of these transactions was to funnel \$10 million to Shell Company, and they took efforts to ensure that the transactions were approved without unwanted scrutiny.

54. Between in or around February and May 2012, Unitel entered into contracts, this time with multiple Uzbek entities for services that were unnecessary and/or were made at highly inflated prices. These transactions were approved without sufficient justification and bypassed

the normal competitive tender processes. Unitel then made payments in Uzbek som to those Uzbek companies. Thereafter, in or around April and May 2012, a company affiliated with the subcontractor sent approximately 12 payments totaling over \$10.5 million to a designated reseller company, and then that designated reseller company sent approximately 13 wire payments, each under \$1 million and totaling approximately \$10 million, to Shell Company's Swiss bank account, which was executed through transactions into and out of correspondent bank accounts at financial institutions in New York, New York.

55. Unitel entered into these transactions even after Executive 1 was alerted to serious concerns about one of the reseller companies that was used in the corrupt scheme. On or about February 10, 2012, a Unitel employee emailed Executive 1 and another executive to complain that the employee had been "forced to sign a notice of voluntary [resignation]" after reporting problems after the employee's visit to the reseller company's office related to another tender. Specifically, the employee found, among other things, that the office was "located in an old run-down house [building], without any signage" and "[t]here were no specialists [or technicians] there." The employee recommended against using the reseller company as a contractor for Unitel, as it was "not qualified and there are big risks" The employee noted in the email to Executive 1 that, in response to the information the employee provided, the employee was warned by Unitel personnel "not to interfere," and, when the employee persisted, "they began to put pressure on me to resign." This complaint did not deter Executive 1 from moving forward with the scheme.

56. Executive 2 and others also took steps to ensure that the 2012 payments to the reseller companies would not be scrutinized during a May 2012 in-house audit of Unitel. The audit included a review of certain contracts with reseller companies, including the February 2012

agreement between Unitel and a certain reselling company. However, a Unitel executive who worked closely with Executive 2 refused to cooperate with the audit, claiming to in-house auditors that the matter was “confidential” and that no materials or information could be shared with them. When the dispute was escalated, Executive 2 intervened on or about May 22, 2012, and claimed that the transaction was “not a reselling operation,” which resulted in the purported reseller company contract being removed from the audit.

57. Just as in 2011, VIMPELCOM and Unitel, through Executive 1, Executive 2, and others, used these transactions with reseller companies to make and conceal the \$10 million bribe to Foreign Official through Shell Company. Shell Company performed no legitimate services to justify a \$10 million payment, and there was no need for VIMPELCOM or Unitel to make payments for the contracted services in U.S. dollars. By again using the non-transparent reseller scheme, certain VIMPELCOM and Unitel executives were able to avoid additional scrutiny, including FCPA analysis, of the transactions and payments.

F. Contemplation of Other Corrupt Payments in December 2012 and January 2013

58. In the summer of 2012, a primary competitor of Unitel’s was forced into bankruptcy and exited the Uzbek marketplace. Later that summer, international news reports linked Shell Company with Foreign Official.

59. Thereafter, certain VIMPELCOM and Unitel management discussed how to continue participating in the corrupt scheme involving Foreign Official and Foreign Official’s associates. On December 3, 2012, a Unitel executive emailed Executive 1 with a draft letter for further dissemination which included an explanation of “the situation that has currently arisen in . . . Uzbekistan.” The Unitel executive explained that as Unitel’s business expanded significantly in 2012, Unitel began to receive all kinds of inquiries from local “partners,” and that “a critical

situation ha[d] arisen” concerning Unitel’s failure to obtain various government permits and approvals for Unitel’s on-going telecom business, and the “[l]ocal ‘partners’ claim that the solution to our problems directly depends on the assistance to them. The sooner we can help, the faster our requests will be addressed.”

60. On or about January 30, 2013, Executive 2 sent multiple emails to Executive 1 concerning a plan being contemplated to pay additional bribes totaling \$16 million in exchange for, among other things, the “[o]ppportunity to conduct future operations without hurdles from the ‘partner’ and regulatory agencies.” Executive 2 proposed concealing the bribe payments by structuring them through “local reseller companies,” noting that “[o]ffshore companies provided by the ‘partner’ will be final beneficiaries of these payments.” Executive 2 evaluated the risks associated with “non-payment” of the bribes to involve a number of negative governmental reactions, including “disconnecting of existing base stations,” “refusing to issue building permits,” “refusing to issue additional numbering capacity,” “possible challenges from the tax authority,” and even “[r]ecall of the license.” Executive 2 ultimately valued the “cumulative amount of possible risks” for “non-payment” at approximately \$61.2 million, and Executive 2 noted that if they made the decision to pay, it would also be necessary to address the “FCPA” and “[i]nternal and external audit.”

IV. VIMPELCOM Failure to Implement and Enforce Internal Accounting Controls

61. Throughout the time period of VIMPELCOM's bribery of Foreign Official, VIMPELCOM failed to implement adequate internal accounting controls and failed to enforce the internal accounting controls it did have in place, which permitted the above-referenced bribe payments to occur without detection or remediation.

62. VIMPELCOM failed to implement a system for conducting, recording, and verifying due diligence on third parties, including joint venture partners, consultants, reseller companies, and suppliers to uncover their true nature, beneficial ownership, and possible corruption risks. Time and again, board members, executives, and employees of VIMPELCOM identified serious concerns with third parties, and VIMPELCOM still failed to undertake adequate due diligence.

63. Further, VIMPELCOM knowingly failed to require that all consulting agreements be for bona fide services, that agreed-upon payments were commensurate with the services to be performed, and that services paid for were, in fact, performed. VIMPELCOM knowingly failed to conduct meaningful auditing or testing of its consultant agreements, invoices, and payments, including those with Shell Company and, as demonstrated above, failed to conduct adequate investigations of corruption complaints. VIMPELCOM also had no policy regarding payments to bank accounts located in places where the contractual partner neither performed work nor had operations.

64. In 2011 and 2012, VIMPELCOM paid \$20 million in bribes through single-source decisions with reseller companies that allowed certain executives to structure non-transparent transactions. VIMPELCOM knowingly failed to implement and maintain adequate controls for approving and transacting with reseller companies and intermediaries to ensure that

reseller companies were scrutinized and that single-source contracting decisions were justified. Certain VIMPELCOM and Unitel executives took advantage of these control failures to engage in transactions designed to obfuscate the actual purpose of the payments, which was to corruptly influence Foreign Official.

65. As a result of the facts described herein and the failures of VIMPELCOM's management, VIMPELCOM also knowingly lacked a sufficient internal audit function to provide reasonable assurances that corporate assets were not used to make bribery payments to foreign officials and failed to enforce audit protocols or conduct adequate internal audits to detect and prevent criminal activity. As discussed above, VIMPELCOM knowingly failed to implement and enforce internal controls to keep a 2012 reseller transaction within a regularly conducted audit after Executive 2 intervened to cause its removal, thereby allowing a bribe payment to Foreign Official, through Shell Company, to go undetected.

66. VIMPELCOM management also knowingly failed to implement and maintain adequate controls governing processes concerning conflicts of interest. For example, certain VIMPELCOM management knew of a conflict with Associate B's representation of Shell Company, because at the time Associate B was a chief executive of one of Unitel's primary competitors in Uzbekistan. Moreover, Associate B requested to be contacted about work matters on a personal email account and through a pseudonym. VIMPELCOM failed to implement or enforce any meaningful policy to adequately scrutinize business deals with representatives who had such conflicts of interest or otherwise engaged in non-transparent activities.

67. Other failures that contributed to VIMPELCOM's lax control environment were VIMPELCOM's failure to enforce price thresholds that determined the required level of approval authority, failure to retain documentation of deliverables for contracts, and failure to

adequately classify and obtain approvals for purported charitable contributions that were made in exchange for state-provided assets.

68. VIMPELCOM's failures to implement and enforce adequate internal controls contributed to an environment where it was possible for VIMPELCOM and Unitel executives to pay Foreign Official through Shell Company over \$114 million in bribes.

69. VIMPELCOM also had particularly severe deficiencies in its general compliance function and its anticorruption compliance policies and procedures. When VIMPELCOM entered the Uzbek market, it had no Chief Compliance Officer ("CCO"). To the extent that compliance was considered by VIMPELCOM, it was the responsibility of the legal department and was thought of as a "completeness check" that legal formalities were followed. When VIMPELCOM later did designate a CCO, whose formal title was the Head of Department of Compliance with Obligations and Disclosure of Information and Corporate Law, the junior executive selected had no background in compliance and was given no staff or support. Furthermore, all of VIMPELCOM's compliance duties were expected to take a small fraction of the executive's time. In fact, there was no dedicated compliance function at VIMPELCOM until 2013, and CCO was not a senior management group position until 2014.

70. During the duration of the conspiracy, certain high-level VIMPELCOM management knew of the FCPA, yet VIMPELCOM had little to no anticorruption compliance program, much less a program that was regularly and appropriately evaluated for effectiveness and provided appropriate incentives. VIMPELCOM's only anticorruption policy was encapsulated in two, high-level paragraphs in VIMPELCOM's code of conduct, which required consultation with the legal department "before providing anything of value to a government official." In fact, VIMPELCOM's legal department did no internal FCPA review of transactions.

When corruption issues were identified in the above-mentioned cases, the subsequent “FCPA review” was seen as a “check list and a confirmation from [outside counsel].” As demonstrated above, certain VIMPELCOM management withheld crucial information in such situations in Uzbekistan from outside counsel and overly restricted the scope of FCPA opinions such that the advice given was of no value. Indeed, VIMPELCOM did not have a specific anti-corruption policy until February 2013. Training on the FCPA during the course of the corruption conspiracy, to the extent it existed at all, was inadequate and ad hoc. In short, rather than implement and enforce a strong anti-corruption ethic, VIMPELCOM sought ways to give itself plausible deniability of illegality while proceeding with business transactions known to be corrupt.

V. Scheme to Falsify Books and Records

71. Due to VIMPELCOM’s failure to implement effective internal accounting controls, VIMPELCOM, acting through certain executives and others, disguised on its books and records over \$114 million in bribe payments made for the benefit of Foreign Official in exchange for VIMPELCOM and Unitel’s ability to enter and conduct business in the Uzbek telecommunications market.

72. Although all of VIMPELCOM’s and Unitel’s bribes to Foreign Official were funneled through Shell Company, it was part of the scheme that certain VIMPELCOM management and others used a variety of non-transparent transactions with different purported business purposes, described above, so that the payments would be inaccurately recorded as legitimate transactions.

a. The bribe related to the partnership agreement in which Shell Company first purchased and then sold an indirect equity interest in Unitel was falsely recorded in

VIMPELCOM's consolidated books and records as the receipt of loan proceeds in 2007 to be repaid in 2009 and secured by shares in a VIMPELCOM subsidiary.

b. The bribe related to the acquisition of 3G frequencies in 2007 was falsely recorded in VIMPELCOM's consolidated books and records as the acquisition of an intangible asset, namely 3G frequencies, and as consulting expenses.

c. The bribe in 2008 was falsely recorded in VIMPELCOM's consolidated books and records as "submission and support documentation packages seeking assignment of 24 channels to Unitel" and treated as an acquisition of an intangible asset and consulting services.

d. The bribe related to consultancy services associated with the acquisition of 4G frequencies in 2011 was falsely recorded in VIMPELCOM's consolidated books and records as "consulting services" and treated as consulting services and as an acquisition of an intangible asset, namely 4G frequencies.

73. The bribes made through purported reseller transactions in 2011 and 2012 were falsely recorded in VIMPELCOM's consolidated books and records as "professional services" expenses. VIMPELCOM also created, and caused to be created, false and backdated records to further conceal these improper payments. For example, each bribe payment was concealed by false contracts that were intended to create the appearance of legitimacy. Some of these contracts included provisions prohibiting unlawful payments, including payments that would violate the FCPA, even though certain VIMPELCOM and Unitel executives knew that the payments called for by the contracts were, in fact, bribes to Foreign Official in violation of the FCPA. At times, VIMPELCOM and Unitel executives also created false service acceptance acts, invoices, and other back-up documentation to justify supposedly legitimate business services when, in truth and in fact, those executives knew that no such work was actually performed to

justify the generous payments made to Shell Company. Certain VIMPELCOM and Unitel executives also accepted plagiarized work product to falsely substantiate consulting work that was never performed.

ATTACHMENT B

CERTIFICATE OF CORPORATE RESOLUTIONS

WHEREAS, VimpelCom Ltd. (the “Company”) has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney’s Office for the Southern District of New York (the “Offices”) regarding issues arising in relation to certain improper payments to a foreign official to facilitate obtaining and retaining business for the Company; and

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a certain agreement with the Offices; and

WHEREAS, the Company’s Group General Counsel, Scott G. Dresser, together with outside counsel for the Supervisory Board of the Company and outside counsel for the Company, have advised the Supervisory Board of the Company’s rights, possible defenses, the Sentencing Guidelines’ provisions, and the consequences of entering into such agreement with the Offices;

Therefore, the Supervisory Board has RESOLVED that:

1. The Company (a) acknowledges the filing of the two-count Information charging the Company with one count of conspiracy to commit offenses against the United States in violation of Title 18, United States Code, Section 371, that is, to violate the anti-bribery and books and records of the Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Sections 78dd-1, 78m(b)(2)(A), 78m(b)(5), and 78ff(a), and one count of violation of the internal controls provisions of the of the FCPA, Title 15, United States Code, Sections 78m(b)(2)(B), 78m(b)(5), and 78ff(a), (b) waives indictment on such charges and enters into a deferred prosecution agreement with the Offices; and (c) agrees to accept a total criminal penalty against the Company of \$460,326,398.40, and to pay such penalty with respect to the

conduct described in the Information in the manner described in the Agreement;

2. The Company accepts the terms and conditions of this Agreement, including, but not limited to, (a) a knowing waiver of its rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) a knowing waiver for purposes of this Agreement and any charges by the United States arising out of the conduct described in Attachment A of any objection with respect to venue and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Southern District of New York; and (c) a knowing waiver of any defenses based on the statute of limitations for any prosecution relating to the conduct described in Attachment A or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement;

3. The Group General Counsel of Company, Scott G. Dresser, is hereby authorized, empowered and directed, on behalf of the Company, to execute the Deferred Prosecution Agreement substantially in such form as reviewed by this Board of Directors at this meeting with such changes as the Group General Counsel of Company, Scott G. Dresser, may approve;

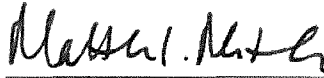
4. The Group General Counsel of Company, Scott G. Dresser, is hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of the Group General Counsel of Company, Scott G. Dresser,

which actions would have been authorized by the foregoing resolutions are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: 11 February 2014

By:



Deputy General Counsel, Litigation
VimpelCom Ltd.

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, VimpelCom Ltd. (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 new or to modify existing internal controls, compliance code, policies, and procedures in order to ensure that it maintains:

(a) a system of internal accounting controls designed to ensure that the Company makes and keeps fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance program that includes policies and procedures designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements 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 VimpelCom Ltd. (the “Company”), on behalf of itself and its subsidiaries and affiliates, with respect to the Monitor and the Department of Justice (the “Department”), are as described below:

1. The Company will retain the Monitor for a period of three (3) years (the “Term of the Monitorship”), unless the early termination provision of Paragraph 3 of the Deferred Prosecution 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 privacy and national security 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 privacy and national security laws and regulations). 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, subject to applicable local laws, including data privacy and national security laws and regulations. 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 and in accordance with applicable law, including applicable data privacy, confidentiality, national security, and labor laws and regulations.

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 (including relevant data privacy, confidentiality, national security and labor laws and regulations), 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 thirty (30) calendar days of being retained, and the Company and the Department shall provide comments within thirty (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 thirty (30) calendar days prior to commencing a review, and the Company and the Department shall provide comments within twenty (20) calendar 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 one hundred twenty (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 one hundred twenty (120) 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. 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 one hundred and twenty (120) calendar days after receiving the Monitor's initial report, the Company shall adopt and implement all recommendations in the report, unless, within sixty (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 one hundred and twenty (120) 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 forty-five (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 one hundred and twenty (120) 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 two hundred-forty (240) 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 one hundred-twenty (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 ninety (90) calendar days after receiving the Monitor's follow-up report, the Company shall adopt and implement all recommendations in the report, unless, within thirty (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 ninety (90) 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 thirty (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 ninety (90) 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 pursuant to the same procedures described in Paragraphs 16-18, except that the second follow-up review shall commence no later than one hundred-eighty (180) calendar days after the issuance of the follow-up report, and the Monitor shall issue a written follow-up report within ninety (90) calendar days of commencing the second follow-up review. Following the second follow-up review, 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. The final follow-up review and report shall be completed and delivered to the Department no later than thirty (30) days before the end of the Term.

Monitor's Discovery of Misconduct

20. Should the Monitor, during the course of his or her engagement, discover that:

- corrupt or otherwise suspicious payments (or transfers of property or interests) 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
- false books and records may have been maintained by the Company

either (a) after the date on which this Agreement was signed or (b) that have not been adequately dealt with by the Company (collectively “improper activities”), the Monitor shall promptly report such improper activities to the Company’s Group General Counsel, Chief Compliance Officer, and/or Audit Committee for further action. If the Monitor believes that any improper activities may constitute a violation of law, the Monitor also shall report such improper activities to the Department. The Monitor should disclose improper activities in his or her discretion directly to the Department, and not to the Company, only if the Monitor believes that disclosure to the Company would be inappropriate under the circumstances, and in such case should disclose the improper activities to the Group General Counsel, Chief Compliance Officer, and/or the Audit Committee of the Company as promptly and completely as the Monitor deems appropriate under the circumstances. The Monitor shall address in his or her reports the appropriateness of the Company’s response to all improper activities, whether previously disclosed to the Department or not. Further, in the event that 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, if the Monitor believes that such withholding is without just cause, the Monitor shall disclose that fact to the Department. The Company shall not take any action to retaliate against the Monitor for any such disclosures or for any other reason. The Monitor shall report material criminal or regulatory violations by the Company or any other entity discovered in the course of performing his or her duties, in the same manner as described above.

Meetings During Pendency of Monitorship

21. The Monitor shall meet with the Department within thirty (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.