IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES OF AMERICA	§	
	§	
v.	§	**CRIMINAL NO.:**
	§	
PANALPINA, INC.	§	
	§	
Defendant.	§	

PLEA AGREEMENT

Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the United States of America, by and through the United States Department of Justice, Criminal Division, Fraud Section ("Department of Justice" or the "Department"), and the defendant Panalpina, Inc. ("Panalpina U.S." or "Defendant"), through its undersigned attorneys, and pursuant to the authority granted by the Board of Directors, hereby enter into this Plea Agreement ("Agreement"). The terms and conditions of this Agreement are as follows:

The Defendant's Agreement

1. Panalpina U.S. agrees to waive indictment and plead guilty to a two-count criminal Information to be filed in the Southern District of Texas charging Defendant with conspiracy to commit an offense against the United States, in violation of Title 18, United States Code, Section 371, that is to violate the books and records provisions of the Foreign Corrupt Practices Act ("FCPA"), as

amended, Title 15, United States Code, Sections 78m(b)(2)(A), 78m(b)(5), and 78ff(a) (Count One), and with aiding and abetting the violation of the books and records provision of the FCPA, Title 15, United States Code, Sections 78m(b)(2)(A), 78m(b)(5), and 78ff(a) (Count Two). Defendant further agrees to persist in that plea through sentencing and, as set forth below, to cooperate fully with the Department in its investigation into all matters related to the conduct charged in the Information.

2. Panalpina U.S. understands and agrees that this Agreement is between the Department and Panalpina U.S., and does not bind any other division or section of the Department of Justice or any other federal, state, local, or foreign prosecuting, administrative, or regulatory authority. Nevertheless, the Department will bring this Agreement and the cooperation of Panalpina U.S. and its direct or indirect affiliates to the attention of other prosecuting authorities or other agencies, if requested.

3. Panalpina U.S. agrees that this Agreement will be executed by an authorized corporate representative. Panalpina U.S. further agrees that the Certificate of Corporate Resolutions attached as Attachment A was duly adopted by the Board of Directors of Panalpina U.S. and represents that the signatures on

this Agreement by Panalpina U.S. and its counsel are authorized by the Board of Directors of Panalpina U.S.

4. Panalpina U.S. represents that it has the full legal right, power, and authority to enter into and perform all of its obligations under this Agreement.

5. The parties agree to recommend to the Court that any fine imposed by the Court be paid to the Clerk of the Court for the United States District Court for the Southern District of Texas ("Clerk of the Court") in four equal annual installments. The first payment shall be due within ten (10) business days of the sentencing of Panalpina U.S. The second payment shall be due on the one-year anniversary of the sentencing of Panalpina U.S. The third payment shall be due on the two-year anniversary of the sentencing of Panalpina U.S., and the fourth payment shall be due on the three-year anniversary of the sentencing of Panalpina U.S. Defendant further agrees to pay the Clerk of the Court the mandatory special assessment of $400 per count within ten (10) business days from the date of sentencing. Defendant acknowledges that no tax deductions may be sought in connection with the payment of the fine.

6. Panalpina U.S. agrees that if any of its direct or indirect affiliates or subsidiaries issues a press release or hold a press conference in connection with this Agreement, it shall first consult the Department to determine whether (a) the

text of the release or proposed statements at any press conference are true and accurate with respect to matters between the Department and Defendant; and (b) the Department has no objection to the release or statement at any press conference concerning this matter. Statements at any press conference concerning this matter shall be consistent with the press release.

7. Panalpina U.S. agrees that in the event it sells, merges, or transfers all or substantially all of the Defendant's business operations as they exist as of the date of this Agreement, whether such sale(s) is/are structured as a stock or asset sale, merger, or transfer, they shall include in any contract for sale, merger, or transfer a provision fully binding the purchaser(s) or any successor(s) in interest thereto to the obligations described in this Agreement.

8. Defendant agrees to abide by all terms and obligations of this Agreement as described herein, including but not limited to the following:

a. to plead guilty as set forth in this Agreement;

b. to abide by all sentencing stipulations contained in this Agreement;

c. to appear, through duly appointed representatives, as ordered for all Court appearances;

d. to obey any ongoing Court order in this matter;

e. to commit no further crimes;

f. to be truthful at all times with the Court;

g. to fulfill the obligations to implement a compliance and ethics program designed to detect and prevent violations of the FCPA, other anti-corruption laws, and all applicable foreign bribery laws, as described in Attachment C; and

h. to pay the applicable fine and special assessment.

9. During the term of this Agreement and at the request of the Department, Panalpina U.S. further agrees to cooperate with the Department and with any other federal, state, local, or foreign law enforcement agency subject to and consistent with any applicable laws and regulations, including Article 271 of the Swiss Penal Code (the "Blocking Statute"). This cooperation includes, but is not limited to, the obligation to:

a. Truthfully disclose all factual information, that is not protected by the attorney-client privilege or work product doctrine, with respect to its activities and those of its present and former directors, employees, agents, consultants, contractors and subcontractors, and subsidiaries concerning all matters relating to corrupt payments and related false books and records and inadequate internal controls, about which Panalpina U.S. has any knowledge or about which

the Department may inquire. This obligation of truthful disclosure includes the obligation of Panalpina U.S. to provide to the Department, upon request, any document, record, or other tangible evidence relating to such corrupt payments, false books and records, or inadequate internal controls about which the Department may inquire of Panalpina U.S.

b. Upon request of the Department, with respect to any issue relevant to its investigation of corrupt payments in connection with the operations of Panalpina U.S., related false books and records, and internal controls, Panalpina U.S. shall designate knowledgeable employees, agents, consultants, or attorneys to provide to the Department the information and materials described in Paragraph 9(a) above that are not protected by the attorney-client privilege or work product doctrine. It is further understood that Panalpina U.S. must at all times provide complete, truthful, and accurate information.

c. With respect to any issue relevant to the Department's investigation of corrupt payments, related false books and records, and internal controls in connection with the operations of Panalpina U.S., or its parent and/or any of its present or former subsidiaries or affiliates, Panalpina U.S. shall use its best efforts to make available, as requested by the Department, present or former directors, employees, agents, consultants, or attorneys of Panalpina U.S., as well as

the directors, employees, agents, consultants, or attorneys of contractors and subcontractors, for interviews or testimony about the matters described in Paragraph 9(a) above that are not protected by the attorney-client privilege or the work product doctrine. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with federal law enforcement authorities. Cooperation under this paragraph will include identification of witnesses who, to the knowledge of Panalpina U.S., 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 Department pursuant to this Agreement, Panalpina U.S. consents to any and all disclosures consistent with applicable law and regulation to other governmental authorities, including United States authorities and those of a foreign government, of such materials as the Department, in its sole discretion, shall deem appropriate.

The United States' Agreement

10. In exchange for the corporate guilty plea of Defendant and the complete fulfillment of all of its obligations under this Agreement, and in exchange for the agreement of its parent company, Panalpina World Transport (Holding) Ltd. ("PWT"), to assume all of the obligations set forth in the Deferred Prosecution

Agreement, the Department agrees that it will not file additional criminal charges against Defendant, its parent company, PWT, or any of their wholly-owned or controlled subsidiaries or affiliates, relating to the conduct set forth in the Information or Statement of Facts, or conduct disclosed by PWT or Panalpina U.S. or otherwise known to the Department prior to the date on which this Agreement was signed, or relating to undisclosed conduct of a similar scale and nature that took place prior to the signing of this Agreement and was not discovered by PWT's or Panalpina U.S.'s internal investigations, notwithstanding reasonable efforts by PWT and Panalpina U.S.

11. This Agreement does not provide any protection against prosecution for any corrupt payments or false accounting in the future by Panalpina U.S., PWT, or any of their affiliates, subsidiaries, directors, officers, employees, agents, or consultants, regardless of whether disclosed by Panalpina U.S. or PWT. This Agreement also will not close or preclude the investigation or prosecution of any natural persons, including any officers, directors, employees, agents, or consultants of Defendant who may have been involved in any of the matters set forth in the Information, Statement of Facts, or in any other matters.

12. The Department further agrees to bring facts relating to the nature of the charges, the conduct underlying this Agreement, and Panalpina U.S.'s

cooperation and remediation to the attention of governmental and other debarment authorities, as requested.

Factual Basis

13. Defendant is pleading guilty because it is guilty of the charges contained in the Information. Defendant admits, agrees, and stipulates that the factual allegations set forth in the Information are true and correct, that it is responsible for the acts of its present and former directors, officers, employees, subsidiaries, agents, and consultants as set forth in the Information, and that the Information accurately reflects its criminal conduct. The parties further stipulate and agree to the Statement of Facts attached hereto and incorporated herein as Attachment B.

Defendant's Waiver of Rights, Including Right to Appeal

14. Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410 limit the admissibility of statements made in the course of plea proceedings or plea discussions in both civil and criminal proceedings, if the guilty plea is later withdrawn. The Defendant expressly warrants that it has discussed these rules with its counsel and understands them. Solely to the extent set forth below, the Defendant voluntarily waives and gives up the rights enumerated in Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410.

Specifically, the Defendant understands and agrees that any statements that it makes in the course of its guilty plea or in connection with the Agreement are admissible against it for any purpose in any U.S. federal criminal proceeding if, even though the Department has fulfilled all of its obligations under this Agreement and the Court has imposed the agreed-upon sentence, the Defendant nevertheless withdraws its guilty plea.

15. The Defendant represents to the Court that it is satisfied that its undersigned attorneys have rendered effective assistance. The Defendant understands that by entering into this Agreement, it surrenders certain rights as provided in this Agreement. The Defendant understands that the rights of a defendant include the following:

a. If the Defendant persisted in a plea of not guilty to the charges, the Defendant would have the right to a speedy jury trial with the assistance of counsel. The trial may be conducted by a judge sitting without a jury if the Defendant, the United States, and the court all agree.

b. At a trial, the United States would be required to present witnesses and other evidence against the Defendant. The Defendant would have the opportunity to confront those witnesses and its attorney would be allowed to cross-examine them. In turn, the Defendant could, but would not be required to,

present witnesses and other evidence on its own behalf. If the witnesses for the Defendant would not appear voluntarily, it could require their attendance through the subpoena power of the court.

c. At a trial, no inference of guilt could be drawn from the Defendant's refusal to present evidence. However, if the Defendant desired to do so, it could present evidence on its behalf.

16. Defendant knowingly, intelligently, and voluntarily waives its right to appeal the conviction in this case. Defendant similarly knowingly, intelligently, and voluntarily waives the right to appeal the sentence imposed by the Court. In addition, Defendant knowingly, intelligently, and voluntarily waives the right to bring a collateral challenge pursuant to Title 28, United States Code, Section 2255, challenging either the conviction or the sentence imposed in this case, except for a claim of ineffective assistance of counsel. Defendant waives all defenses based on venue. The Defendant waives all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed in the event that: (a) the conviction is later vacated for any reason; (b) Defendant violates this Agreement; or (c) the plea is later withdrawn. The Department is free to take any position on appeal or any other post-judgment matter.

Penalty

17. The statutory maximum sentence that the Court can impose for a violation of Title 18, United States Code, Section 371 is a fine of $500,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest, Title 18, United States Code, Sections 3571(c)(3) and (d); five years' probation, Title 18, United States Code, Section 3561(c)(1); and a mandatory special assessment of $400, Title 18, United States Code, Section 3013(a)(2)(B). The statutory maximum sentence for a violation of Title 15, United States Code, Sections 78m(b)(2)(B) and (b)(5), is a fine not exceeding $25,000,000, Title 15, United States Code, Section 78ff(a), or twice the gross gain or gross loss resulting from the offense, whichever is greatest, Title 18 United States Code, Section 3571(d); five years' probation, Title 18, United States Code, Section 3561(c)(1); and a mandatory special assessment of $400, Title 18, United States Code, Section 3013(a)(2)(B). The statutory maximum sentences for multiple counts can be aggregated and run consecutively.

Sentencing Factors

18. The parties agree that pursuant to *United States v. Booker*, 543 U.S. 220 (2005), the Court must determine an advisory sentencing guideline range pursuant to the United States Sentencing Guidelines ("USSG" or "Sentencing

Guidelines"). The Court will then determine a reasonable sentence within the statutory range after considering the advisory sentencing guideline range and the factors listed in Title 18, United States Code, Section 3553(a). The parties' agreement herein to any guideline sentencing factors constitutes proof of those factors sufficient to satisfy the applicable burden of proof.

19. Pursuant to Section 1B1.2(a) of the Sentencing Guidelines, including Application Note 1, the Department and Panalpina U.S. agree that the applicable fine under this Agreement shall be calculated pursuant to USSG Section 2C1.1, and that such an application of the Sentencing Guidelines to determine the applicable fine range yields the following analysis:

a. The 2009 USSG are applicable to this matter.

b. Base Offense. Based upon USSG § 2C1.1, the total offense level is 36, calculated as follows:

(a)(2) Base Offense Level	12
(b)(1) Specific Offense Characteristic (More than one bribe)	+2
(b)(2) Specific Offense Characteristic (Value of Bribe Paid between $20 million and $50 million, based on transactions with U.S. nexus, pursuant to USSG 2C1.1, App. Note 7, Background)	+22
TOTAL	36

c. Base Fine. Based upon USSG § 8C2.4(a)(1), the base fine is $45,500,000 (fine corresponding to the Base Offense level as provided in Offense Level Table).

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

(a)	Base Culpability Score	5
(b)(1)	The organization had 5,000 or more employees and tolerance of the offense by substantial authority personnel was pervasive throughout the organization.	+5
(g)	The organization fully cooperated in the investigation and clearly demonstrated recognition and affirmative acceptance of responsibility for its criminal conduct.	-2
	TOTAL	8

e. Calculation of Fine Range. Based upon USSG § 8C2.7, the fine range is calculated as follows:

Base Fine	$45,500,000
Multipliers	1.6 – 3.2
Fine Range	$72,800,000 – $145,600,000

Sentencing Recommendation

20. Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the Department and Panalpina U.S. have agreed to a specific sentence in this case.

21. Fine. Assuming Panalpina U.S. accepts responsibility as explained above, the parties will recommend the imposition of a fine in the amount of $70,560,000 payable to the Clerk of the Court for the United States District Court for the Southern District of Texas. The parties further agree that this amount shall be paid according to the payment terms set forth in Paragraph 5.

22. Mandatory Special Assessment. Defendant shall pay to the Clerk of the Court for the United States District Court for the Southern District of Texas within (10) business days of the time of sentencing the mandatory special assessment of $400 per count, for a total of $800.

23. Organizational Probation. The parties agree that a three (3) year term of organizational probation is appropriate in this case and shall include, as conditions of probation, the maintenance of a corporate compliance program and annual reporting as described in Attachment C and any other conditions ordered by the Court.

24. The parties have agreed that the disposition described herein represents an appropriate disposition of the case based upon the following factors:

a. By entering a guilty plea and fulfilling the obligations under this Agreement, Defendant has demonstrated recognition and affirmative acceptance of responsibility for its criminal conduct;

b. By entering into a Deferred Prosecution Agreement PWT has, among other things, agreed to: implement a compliance and ethics program designed to detect and prevent violations of the FCPA, other anti-corruption laws, and all applicable foreign bribery laws throughout its operations, including those of Panalpina U.S., and its other subsidiaries, affiliates, and successors as described in Attachment C; and provide annual written reports to the Department as also described in Attachment D.

25. Court Not Bound. The Defendant understands and agrees that this Agreement contemplates a guilty plea by Panalpina U.S. pursuant to Rule 11(c)(1)(C) and that, if the Court rejects this Agreement, the Court must:

a. inform the parties that the Court rejects the Agreement;

b. advise Panalpina U.S.'s counsel that the Court is not required to follow the Agreement and afford the Defendant the opportunity to withdraw the plea; and

c. advise Panalpina U.S. that if the plea is not withdrawn, the Court may dispose of the case less favorably toward Panalpina U.S. than the Agreement contemplated.

26. The Defendant further understands that if the Court refuses to accept any provision of this Agreement, neither party shall be bound by the provisions of the Agreement.

Waiver of Presentence Investigation and Consolidation of Plea and Sentencing

27. The parties agree, subject to the Court's approval, to waive the requirement for a presentence report, pursuant to Federal Rule of Criminal Procedure 32(c)(1)(A), based on a finding by the Court that the record contains information sufficient to enable the Court to meaningfully exercise its sentencing power. However, the parties agree that in the event the Court orders the preparation of a presentence report prior to sentencing, such order will not affect the agreement set forth herein. Additionally, if the Court directs the preparation of a presentence report, the Department will fully inform the preparer of the presentence report and the Court of the facts and law related to Defendant's case.

28. The parties further agree to request that the Court combine the entry of the plea and sentencing into one proceeding. However, the parties agree that in the event the Court orders that the entry of the guilty plea and sentencing hearing(s) occur at separate proceedings, such an order will not affect the agreement set forth herein.

Breach of Agreement

29. If Defendant breaches the terms of this Agreement, or commits any new criminal offense between signing this Agreement and sentencing, the Department is relieved of its obligations under this Agreement, but Defendant may not withdraw its guilty plea. Whether Defendant has breached any provision of this Agreement shall be determined solely by the Department.

30. In the event of a breach of this Agreement by Defendant:

a. Defendant shall be fully subject to prosecution for any crimes, including perjury and obstruction of justice;

b. the Department will be free to use against Defendant, directly and indirectly, in any criminal or civil proceeding any of the information or materials provided by Defendant pursuant to this Agreement, as well as the admitted Statement of Facts in Attachment B;

c. should the Department elect to pursue any criminal charge or any civil or administrative action that was not filed as a result of this Agreement, then:

d. Defendant agrees that any applicable statute of limitations is tolled between the date of Defendant's signing of this Agreement and the discovery by the Department of any breach by Defendant plus one year;

e. Defendant expressly acknowledges and incorporates by reference the Tolling Agreement dated January 24, 2008 and the Tolling Agreement Extensions dated January 24, 2009 and October 28, 2010, entered into by PWT and the Department; and

f. Defendant waives all defenses based on the statute of limitations, any claim of preindictment delay, or any speedy trial claim with respect to any such prosecution or action, except to the extent that such defenses existed as of the date of the signing of this Agreement.

Complete Agreement

31. This document contains the full extent of the agreement between the parties. There are no other promises or agreements, express or implied. Any modification of this Agreement shall be valid only if set forth in writing in a supplemental or revised plea agreement signed by all parties.

AGREED:
FOR THE
DEPARTMENT OF JUSTICE:

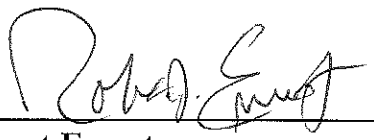
DENIS J. McINERNEY
Chief
Fraud Section, Criminal Division

By: _____
Stacey K. Luck
Senior Trial Attorney
Fraud Section, Criminal Division

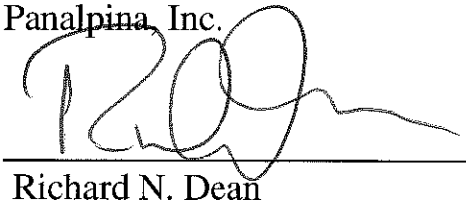
_____
Adam G. Safwat
Assistant Chief

United States Department of Justice
Criminal Division
1400 New York Ave., N.W.
Washington, D.C. 20005
(202) 514-5650

FOR PANALPINA, INC.:



Robert Ernest
Corporate Secretary
Area Head of Legal Services USA
Panalpina, Inc.



Richard N. Dean
Douglas M. Tween
Baker & McKenzie LLP
Counsel for Panalpina, Inc.

OFFICER'S CERTIFICATE

I have read this Agreement and carefully reviewed every part of it with counsel for Panalpina, Inc. I understand the terms of this Agreement and voluntarily agree, on behalf of Panalpina, Inc., to each of its terms. Before signing this Agreement on behalf of Panalpina, Inc., I consulted with the attorney for Panalpina, Inc. The attorney fully advised me of the rights of Panalpina, Inc., of possible defenses, the sentencing guidelines provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed this Agreement with the Board of Directors of Panalpina Inc. I have advised, and caused outside counsel for Panalpina, Inc. and PWT to advise, the Board fully of the rights of Panalpina, Inc. and PWT, of possible defenses, 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 to enter into this Agreement. I am also satisfied with the attorneys' representation in this matter.

I certify that I am an officer of Panalpina, Inc. and that I have been duly authorized by Panalpina, Inc. to execute this Agreement on behalf of Panalpina, Inc.

Date: 10/26/2018

PANALPINA, INC.

By: _____

Robert Ernest
Corporate Secretary
Area Head of Legal Services USA
Panalpina, Inc.

CERTIFICATE OF COUNSEL

We are counsel for Panalpina World Transport (Holding) Ltd. ("PWT") and Panalpina, Inc. ("Panalpina U.S.") (collectively "Panalpina") in the matter covered by this Agreement. In connection with such representation, we have examined relevant Panalpina documents and have discussed this Agreement with the Board of Directors of Panalpina U.S. Further, we have carefully reviewed every part of this Agreement with the Board of Directors and General Counsel of PWT. We have fully advised them of Panalpina's rights, of possible defenses, the sentencing guidelines provisions, and of the consequences of entering into this Agreement. Based on our review of the foregoing materials and discussions, we are of the opinion that Panalpina's representative has been duly authorized to enter into this Agreement on behalf of Panalpina. This Agreement has been duly and validly authorized, executed, and delivered on behalf of Panalpina and is a valid and binding obligation of Panalpina U.S. To our knowledge, Panalpina U.S. and PWT's decision to enter into this Agreement is an informed and voluntary one.

Date: 10/27/10

Richard N. Dean
Douglas M. Tween
Baker & McKenzie LLP
Counsel for Panalpina, Inc. and Panalpina World Transport (Holding) Ltd.

ATTACHMENT A

CERTIFICATE OF CORPORATE RESOLUTIONS

A copy of the executed Certificate of Corporate Resolutions is annexed hereto as "Attachment A."

PANALPINA, INC.
CERTIFICATE OF CORPORATE RESOLUTIONS

Unanimous Written Consent in Lieu of a Meeting
of the
Board of Directors

Pursuant to Section 708(b) of the New York Business Corporation Law, the undersigned, being all of the directors of Panalpina, Inc., a New York corporation (the "Company"), do hereby adopt the following resolutions by written consent:

WHEREAS, the Company has been engaged in discussions with the United States Department of Justice (the "Department") and the United States Securities and Exchange Commission (the "Commission") in connection with issues relating to certain unlawful payments to foreign officials made in the course of rendering freight forwarding services and obtaining business for the Company; and

WHEREAS, in order to fully resolve such discussions, it is proposed that the Company enter into certain agreements with the Department and the Commission; and

WHEREAS, the Company's external legal counsel, Baker & McKenzie LLP, has advised the Company's Board of Directors of the Company's rights, possible defenses, relevant provisions of the United States Sentencing Guidelines, and the consequences of entering into such agreements with the Department and the Commission;

NOW, THEREFORE, BE IT RESOLVED, that the following actions be and hereby are approved, ratified and confirmed in all respects:

1. The Company approves of and agrees to (a) consent to the filing in the United States District Court for the Southern District of Texas of an Information charging it with conspiring to violate the books and records provisions of the Foreign Corrupt Practices Act (the "FCPA"), and aiding and abetting violations of the books and records provision of the FCPA; (b) waive indictment on such charges and enter into a Plea Agreement with the Department; (c) consent to enter a plea of guilty as to all

charges in the Information; (d) abide by the terms of the Plea Agreement, including the maintenance of a compliance program and periodic reporting to the Department for a period of three years; and (e) accept a monetary penalty against the Company of US$70,560,000, which shall be paid to the Clerk of the Court for the Southern District of Texas;

2. The Company approves of and agrees to enter into a Consent Agreement and Final Judgment with respect to the investigation conducted by the Commission, which, among other things: (a) permanently restrains and enjoins the Company from violations of the anti-bribery provisions of the Securities Exchange Act of 1934 ("Exchange Act"); (b) permanently restrains and enjoins the Company from aiding and abetting violations of the books and records and internal controls provisions of the Exchange Act; and (c) orders the Company to pay disgorgement in the amount of US$11,329,369;

3. The Company's President & Managing Director USA, Lucas Kuehner, or the Corporate Secretary & Area Head of Legal Services USA, Robert Ernest, or his delegate, on behalf of the Company, and Baker & McKenzie LLP, as legal counsel to the Company, are hereby authorized, empowered, and directed, on behalf of the Company, to negotiate, approve, accept, execute, and deliver the Plea Agreement with the Department and the Consent Agreement and Final Judgment with the Commission in the forms approved by the Board on September 10, 2010 with such revisions as the Company's President & Managing Director USA or the Corporate Secretary & Area Head of Legal Services USA, or his delegate, and Baker & McKenzie LLP, shall approve;

4. The Company's President & Managing Director USA, Lucas Kuehner, or the Corporate Secretary & Area Head of Legal Services USA, Robert Ernest, or his delegate, and Baker & McKenzie LLP, as legal counsel to the Company, shall execute and deliver all such documents or instruments and take any and all actions as may be necessary or appropriate, including but not limited to appearing before the United States District Court for the Southern District of Texas, Houston Division to enter a plea of guilty on behalf of the Company and approving the forms, terms, or provisions of any agreement or other documents to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of the President & Managing Director USA, Lucas Kuehner, or the Corporate Secretary & Area Head of Legal Services USA, Robert Ernest, and Baker & McKenzie LLP, as legal counsel to the Company, which would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby ratified, confirmed, approved, and adopted as actions on behalf of the Company.

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent this 10th day of September 2010.

Lucas Kuehner, Director

Hans Moller, Director

Robert Ernest, Director

ATTACHMENT B

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of (a) the Deferred Prosecution Agreement between the United States Department of Justice, Criminal Division, Fraud Section (the "Department") and Panalpina World Transport (Holding) Ltd. ("PWT"), and (b) the Plea Agreement between the Department and Panalpina, Inc. ("Panalpina U.S.") (hereinafter, collectively referred to as the "Agreements"). The parties hereby agree and stipulate that the following information is true and accurate.

Should the Department pursue the prosecution(s) that is/are contemplated by the Agreements, PWT and Panalpina U.S. agree that they will neither contest the admissibility of, nor contradict, this Statement of Facts in any such proceeding.

If this matter were to proceed to trial, the Department would prove beyond a reasonable doubt, by admissible evidence, the facts alleged below and set forth in the criminal Information filed in this matter. This evidence would establish the following:

Overview

1. At all times relevant to this matter, PWT operated through a network of subsidiaries and affiliates (collectively "Panalpina") as an international freight forwarding and logistics company with business operations throughout the world. Among other things, Panalpina provided end-to-end transportation services for intercontinental air freight and ocean freight shipments. Panalpina also provided customs clearance services which involved overseeing the import and export of the goods and items it shipped. A primary component of Panalpina's operation focused on its oil and gas industry customers that were conducting exploration and drilling operations, on and offshore, in countries around the world. Panalpina operated on six continents, had offices in over 80 countries, branches in more than 38 U.S. states, and as of the end of 2007 employed more than 15,000 people. Panalpina served its oil and gas industry customers, among other customers, through this extensive network of subsidiaries and affiliates.

2. Panalpina engaged in a long-standing practice of paying bribes to "foreign officials" as that term is defined in the Foreign Corrupt Practices Act of 1977, as amended, Title 15, United States Code, Sections 78dd-1 *et seq.* (hereinafter, the "FCPA"), for its own benefit and, as an agent, on behalf of its customers. Between in or around 2002 and in or around 2007, Panalpina made thousands of improper payments to foreign officials in at least seven (7) countries,

including Angola, Azerbaijan, Brazil, Kazakhstan, Nigeria, Russia, and Turkmenistan. In certain isolated instances, some improper payments continued as late as June 2009.

3. In total, between in or around 2002 and in or around 2007, Panalpina paid bribes to foreign officials valued at approximately $49 million. Approximately $27 million of that total related to, and was paid on behalf of, customers that were U.S. issuers or "domestic concerns" as that term is defined by the FCPA.

4. The reasons for the payment of the bribes and the schemes used to pay the bribes varied from jurisdiction to jurisdiction and from transaction to transaction, but in certain instances, particularly in Nigeria, the improper payments were paid to foreign customs officials on behalf of its customers to avoid the customs process altogether, to avoid the assessment of proper duties, and/or to avoid penalties for items improperly imported. Panalpina, on behalf of its customers, paid these bribes for various reasons, such as to cause officials to overlook insufficient, incorrect, or false documentation and/or to circumvent the local laws and inspections in order to ship contraband (primarily unauthorized food and clothing, but also included pharmaceuticals, explosives, and hazardous chemicals).

5. In addition, in some instances, the bribes were paid by Panalpina for its own benefit. For example, in isolated instances Panalpina paid bribes to secure contracts from government entities. In other instances, Panalpina paid bribes to avoid tax audits or tax assessments.

6. To pay the bribes, typically, the local Panalpina entity, where the item or good was being shipped, would pay the bribe locally to the foreign official in cash on behalf of its customer. The local Panalpina entity would then invoice the customer, either directly or through an affiliated Panalpina entity, for the amount of the improper payment along with other legitimate fees associated with the service. Panalpina inaccurately characterized these improper cash payments in a variety of ways, including "local processing fees," "interventions," and "special" charges, when, in fact, the payments were bribes paid to foreign government officials in order to secure an improper benefit for its customers. Many of Panalpina's customers understood these invoices to be bills for bribes paid on their behalf.

7. Panalpina's longstanding violations of the FCPA resulted from a variety of factors, including: (1) an inadequate compliance structure; (2) a corporate culture that tolerated and/or encouraged bribery; (3) involvement of senior corporate management in Switzerland who tolerated the improper payments; (4) involvement of management in the United States and other countries who

encouraged the improper payments; and (5) in some instances, pressure from Panalpina's customers to have services performed as quickly as possible and to secure preferential treatment in obtaining services.

8. A description of the various Panalpina entities' practice of making improper payments, including those in violation of the anti-bribery and books and records provisions of the FCPA, is set forth below.

Relevant Panalpina Entities

9. At all relevant times, PWT was a global holding company located in Basel, Switzerland, and was a "person" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-3(f)(1).

10. Panalpina U.S. was a New York corporation, with its principal place of business in Morristown, New Jersey. Panalpina U.S. was a wholly-owned subsidiary of PWT. Between in or around 2002 and in or around 2007, Panalpina U.S. had 38 branches in several states, including Texas, New Jersey and Michigan. Panalpina U.S.'s primary base of operations for its oil and gas customers was Houston, Texas. Panalpina U.S. was a "domestic concern" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-2(h)(1). Panalpina U.S. provided services to numerous U.S. entities that were issuers as defined by the FCPA, Title 15, United States Code, Section 78dd-1(a). Panalpina U.S.'s issuer-customers were required to make and keep books, records, and accounts which, in

reasonable detail, accurately and fairly reflected the transactions and disposition of the issuer's assets.

11. Panalpina Transportes Mundiais, Navegação e Transitos, S.A.R.L. ("Panalpina Angola"), an Angolan corporation, with its principal place of business in Luanda, Angola, was a majority-owned subsidiary and agent of PWT.

12. Panalpina Azerbaijan LLC ("Panalpina Azerbaijan"), an Azerbaijani corporation, with its principal place of business in Baku, Azerbaijan, was a wholly-owned subsidiary and agent of PWT.

13. Panalpina Limitada ("Panalpina Brazil"), a Brazilian corporation, with its principal place of business in São Paulo, Brazil, was a wholly-owned subsidiary and agent of PWT.

14. Panalpina Kazakhstan LLP ("Panalpina Kazakhstan"), a Kazakh corporation, with its principal place of business in Almaty, Kazakhstan, was a wholly-owned subsidiary and agent of PWT.

15. Panalpina World Transport (Nigeria) Limited ("Panalpina Nigeria"), a Nigerian corporation, with its principal place of business in Lagos, Nigeria, was a majority-owned subsidiary and agent of PWT until in or around 2008.

16. Panalpina World Transport Limited (Russia) ("Panalpina Russia"), a Russian corporation, with its principal place of business in Moscow, Russia, was a wholly-owned subsidiary and agent of PWT.

17. Panalpina World Transport Limited (Turkmenistan) ("Panalpina Turkmenistan"), a Turkmen corporation, with its principal place of business in Turkmenbashi, Turkmenistan, was a wholly-owned subsidiary and agent of PWT.

Relevant Panalpina U.S. Issuer-Customers

18. Customer A was a global energy and petrochemical company with its headquarters in The Hague, The Netherlands. Customer A operated throughout the world through a number of subsidiaries and affiliates. Customer A and its subsidiaries and affiliates, including a Nigerian subsidiary, are collectively referred to herein as "Customer A." Customer A's American Depository Receipts were registered with the U.S. Securities and Exchange Commission (the "SEC") pursuant to Section 12(b) of the Securities and Exchange Act, Title 15, United States Code, Section 781 ("the Exchange Act") and were publicly traded on the New York Stock Exchange. Accordingly, Customer A was an "issuer" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a). By virtue of its status as an issuer within the meaning of the FCPA, Customer A was required to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflected the transactions and disposition of its assets.

19. Customer B was an operator of offshore service and supply vessels designed to support all phases of offshore energy exploration, development and production throughout the world. Customer B was a Delaware corporation with its

headquarters in New Orleans, Louisiana. Customer B operated throughout the world through a number of subsidiaries and affiliates. Customer B and its subsidiaries and affiliates, including its Nigerian subsidiary, are collectively referred to herein as "Customer B." Customer B issued and maintained a class of publicly traded securities that were registered pursuant to Section 12(b) of the Exchange Act, Title 15, United States Code, Section 78l, and publicly traded on the New York Stock Exchange. Accordingly, Customer B was an "issuer" within the meaning of the FCPA, Title 15, United States Code, Section 78dd-1(a). By virtue of its status as an issuer within the meaning of the FCPA, Customer B was required to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflected the transactions and disposition its assets.

Panalpina's Bribery in Specific Countries

20. As described below, Panalpina paid bribes on behalf of customers and for the direct benefit of Panalpina.

Nigeria

21. Between in or around 2002 and in or around 2007, Panalpina Nigeria used approximately 160 different terms to capture the methods used by the company to pay bribes in Nigeria relating to the customs process. To name just a few, these terms included, "CPC Processing," "Customs Intervention," "Evacuations," "Export Formalities," "Local Handling," "Manifest," "Operational

Expenses," "Pre-releases," "Special Handling," "TI Bond Assessment," and "TI Bond Cancellation." All of the terms were used internally at Panalpina to discuss improper payments. The terms were also used externally to invoice customers for the improper payments that were paid on behalf of the customers.

22. The bribes paid by Panalpina relating to the customs process were paid to officials in the Nigerian Customs Service ("NCS"), a Nigerian government agency within the Ministry of Finance of the Federal Republic of Nigeria. The NCS was responsible for assessing and collecting duties and tariffs on goods imported into Nigeria. The NCS was an agency and instrumentality of the Government of Nigeria and its employees were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A).

23. Although the terms that were used to describe the bribes varied, the improper payments could be grouped into categories: (1) Pancourier; (2) Temporary Import Permits payments; (3) "special" and other bribe payments; and (4) recurring payments to government officials. Each of these categories is discussed below in greater detail. The largest number of individual payments fell into the "special" category. Panalpina Nigeria paid thousands of the "special" payments on behalf of customers that ranged in value from *de minimis* amounts to

several thousands of dollars per transaction.[1] The overall largest category of payments, accounting for the largest amount of bribes, related to securing Temporary Importation Permits on behalf of its customers. Those bribes ranged in value from $5,000 to over $75,000 per transaction.

24. In total, between in and or around 2002 and in or around 2007, Panalpina Nigeria paid over $30 million in improper payments to Nigerian government officials. Most of the payments were paid to NCS officials.

25. The following is a brief description of the four primary categories of payments and a description of a payment made to Nigerian government officials to secure a government contract.

Nigeria: Pancourier Payments

26. Pancourier was the trade name of Panalpina's "express courier service" for shipments into Nigeria. Pursuant to Nigerian law, to import items into Nigeria, goods were required to be accompanied by paperwork reflecting the nature of the item being shipped, the value of the item, and the weight. The item also was subject to an inspection process to confirm the information on the paperwork was accurate.

27. Panalpina advertised its Pancourier service as a door-to-door courier service that would expedite the delivery of goods and equipment. In fact,

[1] For purposes of this Statement of Facts payments made in local currencies have been converted to U.S. dollars.

Panalpina's Pancourier service was a system whereby Panalpina Nigeria paid regular improper payments in cash to NCS officials to avoid the customs process altogether or otherwise secure preferential, expedited customs clearance services from the local officials.

28. Panalpina Nigeria's customers that wanted preferential, expedited clearance or that sought to import goods or contraband into Nigeria without complying with Nigerian customs law routinely shipped commercial products into Nigeria through Pancourier instead of the normal Panalpina shipping process. Panalpina Nigeria charged its customers a premium for this service and explained that no government receipt or paperwork would be available from NCS for the goods that were imported. Further, Panalpina typically billed its customers for two separate charges. The first charge was based on the weight of the shipment, the second charge was a "special" fee. Typically, the "special fee" was described on the invoices as a "local processing fee (LPF)" and/or "administrative/transport fees." The fees were lump sum payments often valued at $5,000 or more per invoice.

29. Between in or around 2002 and in or around 2007, Panalpina Nigeria made hundreds of improper payments on behalf of its customers through the expedited Pancourier service.

Nigeria: "Special" and Other Improper Payments

30. In Nigeria, in addition to the Pancourier service, Panalpina also offered its standard freight forwarding and shipping service. For standard Panalpina freight forwarding and shipping, once the goods arrived at their destination, a Panalpina Nigeria employee would ensure that the goods cleared customs. The clearance process typically required the submission of documents, an inspection of the product being shipped, and the payment of any customs and other fees associated with the importation of that product.

31. The goods shipped by Panalpina frequently encountered delays in clearing customs for various reasons, including insufficient or missing documentation or delays caused by the legally required inspection process. Due to the customers' perceived urgency of their projects for which some goods were being shipped, Panalpina Nigeria's customers often sought to avoid local customs and import laws and processes. In order to circumvent these legally mandated processes, or to obtain other improper advantages for its customers, Panalpina Nigeria made improper cash payments to local government officials, including NCS employees, in order to, among other things, expedite customs clearance, avoid the required cargo inspections, avoid fines, duty payments, and tax payments, or to circumvent permit requirements or other legal requirements.

32. The term "special" in combination with a variety of other terms, such as "special handling," "special intervention," and "special charge," was typically used by Panalpina Nigeria to refer to the cash payments that were paid to NCS officials to secure the expedited processing of customs paperwork or otherwise obtain an improper advantage for its customers.

33. The terms "intervention" or "evacuation" typically were used by Panalpina Nigeria to refer to cash payments that were paid to NCS officials to avoid the Nigerian regulations and to resolve a problem or dispute that involved an immigration or customs matter due to incomplete, inaccurate, or late documentation.

34. The term "pre-release" was a legitimate Nigeria customs process that could be utilized to secure an expedited release of goods from the NCS. The process typically required a pre-inspection and the completion of paperwork prior to the item being shipped to Nigeria. By paying bribes to the NCS officials, Panalpina Nigeria secured improper "pre-releases" on behalf of its clients without complying with the legal and regulatory requirements associated with this regime or paying the appropriate customs duties.

35. Between in or around 2002 and in or around 2007, Panalpina Nigeria paid thousands of improper payments on behalf of its customers to resolve the types of customs and immigration matters described above.

Nigeria: Temporary Import Permits Payments

36. Another service offered by Panalpina Nigeria involved obtaining Temporary Import Permits ("TIPs") for oil and gas industry customers that imported rigs, ships, workboats, and other vessels into Nigerian waters. Under Nigerian law, customs duties generally were required to be paid for vessels imported into Nigeria. During the relevant time, the customs duties assessed to permanently import a vessel into Nigerian waters were approximately 10-11% of the total value of the vessel. In the alternative, under Nigeria law, companies were allowed to import vessels on a temporary basis and no customs duties would be assessed. If temporarily importing a vessel, the company only had to post a bond with the Nigerian government in the event there was an accident during operations. Assuming no adverse events occurred, the bond would be returned to the company once the vessel was exported.

37. Vessels could be imported on a temporary basis, and not be assessed customs duties, only if the vessel was considered a high valued piece of special equipment that was not available for sale in Nigeria, was being imported only temporarily, and was intended to be exported. If these requirements were met, a company, through a customs agent, could apply for a TIP. Nigerian law also allowed companies, through a customs agent, to apply for up to two or three six-

month extensions (known as "TIP extensions") and no customs duties would be assessed for the extensions.

38. Significantly, items imported under a TIP (or TIP extensions) could not remain in Nigeria longer than the period allowed for by the TIP or TIP extensions. Upon the expiration of the TIP (and related TIP extensions), the owner/operator could either choose to permanently import the rig, ship, or other vessel (known as "nationalizing" the vessel) or export the vessel and re-import it and obtain a new initial TIP. The failure to export the rig, ship, or other vessel after the TIP expired could result in Nigerian penalties of up to six-times the cost of the vessel.

39. Panalpina Nigeria, as a customs agent, could apply for TIPs and TIP extensions on behalf of its customers. Panalpina Nigeria provided this service to many of its oil and gas industry customers that owned and/or operated oil rigs, ships, barges, and other vessels. These customers included international oil and gas companies, oil and gas drilling contractors, vessel fleet owners, and engineering companies. Each of these companies either directly or indirectly imported rigs, ships, or other vessels to support their off-shore drilling operations in Nigerian waters. Panalpina Nigeria routinely made improper payments to NCS officials to secure both initial TIPs and TIP extensions on behalf of its customers. The purpose of the improper payments for the initial TIPs included speeding up the

process of obtaining the permits or, at times, to cause the NCS officials to overlook defects in the paperwork. The purpose of the improper payments for the TIP extensions typically was to overlook defects in the paperwork, to overlook the fact that the customers had not properly moved their rig consistent with local rules, or to extend the TIP beyond the legally authorized time period.

40. Panalpina Nigeria also made improper payments to NCS officials on behalf of its customers to secure a new initial TIP after the original TIP, and related TIP extensions, expired. This process was commonly referred to as "TIP recycling" or the "paper process." The purpose of the payments associated with the paper process was to avoid complying with the regulations that required the export/re-import of a vessel or the nationalization of a vessel upon the expiration of the TIP. The primary benefit to the customers that resulted was the money saved from not having to remove the vessel from Nigerian waters or, in the alternative, the cost associated with permanently importing the rig (which was approximately 10% of the rig value). However, by not exporting the rig and then re-importing the rig, companies also avoided inspections of the vessel and avoided having to post appropriate bonds to the Nigerian government.

41. To obtain the new initial TIP through the TIP paper process scheme, Panalpina Nigeria and its customers routinely created false and fictitious documents that indicated that the vessels were exported out of Nigerian waters and

re-imported when, in fact, the vessels never moved. Panalpina Nigeria employees then provided bribes to customs officials, including members of the NCS, the Port Authority, and other government employees to overlook the defects in the paperwork. Panalpina referred to these payments as "interventions" or "special handling fees" among other terms.

42. The improper cash payments to Nigerian government officials for the initial TIPs, the TIP extensions, and the TIP recycling ranged from $5,000 to $75,000 per transaction for each rig, ship, and other vessel. Between in or around 2002 and in or around 2007, Panalpina Nigeria paid over a hundred improper payments on behalf of their customers for the TIPs and TIP extensions, and recorded the payments as official payments to the NCS.

Nigeria: Recurring Payments to Government Officials

43. Panalpina Nigeria made improper payments to a wide variety of Nigerian officials, including, but not limited to, NCS officials, Port Authority officials, Maritime Authority officials, Police officials, Department of Petroleum officials, Immigration Authority officials, and National Authority for Food and Drug Control officials. Most of these improper payments were tied to specific transactions, however, Panalpina Nigeria also provided certain officials weekly or monthly allowances to ensure the officials would provide preferential treatment to Panalpina and its customers. Between in or around 2002 and in or around 2007,

Panalpina Nigeria made hundreds of improper weekly and monthly payments to Nigerian government officials.

Nigeria: Payment to Secure a Nigerian Government Contract

44. Beginning in or around November 2003 and continuing until in or around August 2005, Panalpina agreed to pay $50,000 to a National Petroleum Investment Management Services official (the "NAPIMS Official") to receive preferential treatment in its attempt to secure a logistics contract for a joint venture project operated by a major oil company and the Nigerian government-owned National Petroleum Corporation ("NNPC"). NNPC is the state-owned oil company, and NAPIMS is a component of NNPC that supervises and manages Nigeria's investment in the oil and gas industry.

45. NNPC was an agency and instrumentality of the Government of Nigeria and its employees were "foreign officials," within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A). As a part of its oversight function, NAPIMS officials had the authority to approve or disapprove logistics contracts awarded for joint ventures projects. NAPIMS employees were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A).

46. In or around May 2005 and continuing until in or around August 2005, Panalpina Nigeria, Panalpina U.S., and Switzerland-based employees

discussed and authorized a $50,000 cash payment to the NAPIMS Official to secure the logistics contracts. Panalpina Nigeria caused the $50,000 payment to be made to the NAPIMS Official in cash and then sent invoices from Nigeria to its affiliated entities, including Panalpina U.S., to be reimbursed for the payment.

Angola

47. Between in or around 2002, and continuing until in or around 2008, Panalpina Angola paid approximately $4.5 million in bribes to Angolan government officials. The improper payments generally related to two categories of payments: (1) customs and immigration matters for its customers, and (2) to secure contracts for Panalpina Angola with the Angolan government. The following is a brief description of both categories of payments.

Angola: Customs and Immigration Payments

48. In Angola, the terms "Special Intervention" or "SPIN" were typically used by Panalpina Angola and its customers to refer to improper cash payments paid to Angolan government officials responsible for customs and immigration matters. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A).

49. The purpose of the payments was to cause such officials to: overlook incomplete or inaccurate documentation; avoid levying proper customs duties; or avoid imposition of fines relating to the failure of Panalpina Angola, or its

customer, to comply with legal requirements. Although the customers were frequently invoiced for a "SPIN" payment, these payments were also referred to as "agency fees," "special arrangement fees," and "emergency" payments. In each instance, the customer was advised that this was a cash payment and no receipt or government paperwork supported the payment.

50. Between in or around 2002 and in or around 2007, Panalpina Angola paid hundreds of SPIN payments to Angolan government officials. The value of the payments ranged from *de minimis* amounts to $25,000 per transaction.

Angola: Payments to Secure Contracts

51. Beginning in or around December 2006, and continuing until in or around March 2008, Panalpina Angola paid over $300,000 to Angolan government officials responsible for Angolan oil and gas operations to secure two separate logistics contracts. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A). The Angolan government officials assigned to particular government-monitored projects had the authority to approve or disapprove the retention of logistics companies to provide services for those projects.

52. Beginning in or around December 2006, Panalpina Angola made at least three separate payments to Angolan government officials responsible for Angolan oil and gas operations valued at $40,000, $40,000, and $75,000, to secure

a two-year exclusive logistics contract. Panalpina Angola used a portion of its profits from the contract to pay such Angolan government officials.

53. Beginning in or around 2006, and continuing until in or around March 2008, Panalpina Angola made quarterly payments valued at $30,000 to another Angolan government official responsible for Angolan oil and gas operations contracts to secure a separate exclusive logistics contract. To generate cash to pay this official, Panalpina Angola invoiced an Angolan government-controlled entity for a non-existent employee (referred to as the "ghost employee") who was allegedly dedicated to the Angolan entity to work on the logistics for the particular project. Panalpina Angola used the money that was paid for the ghost employee to make cash payments to the Angolan government official.

54. In 2008, the schemes were discovered by Panalpina's counsel during the course of the internal investigation. Thereafter, the payments were stopped.

Azerbaijan

55. Between in or around 2002 and in or around 2007, Panalpina Azerbaijan paid approximately $900,000 in bribes to Azeri government officials responsible for assessing and collecting duties and tariffs on imported goods. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A). The purpose of many of the bribes paid to the Azeri government officials was to cause these

officials to overlook incomplete or inaccurate documentation; avoid levying proper customs duties; or avoid imposition of fines relating to the failure of Panalpina, or its customer, to comply with legal requirements. In addition, Panalpina also made bribe payments to Azeri tax officials to secure preferential treatment from Azerbaijan tax officials for Panalpina Azerbaijan. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A).

Brazil

56. Between in and or around 2002 and in or around 2007, Panalpina Brazil paid over $1 million in bribes to Brazilian government officials responsible for assessing and collecting duties and tariffs on imported goods on behalf of its customers. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A). Panalpina Brazil made improper payments to these Brazilian government officials on behalf of its customers in order to expedite the customs clearance process and, where necessary, to resolve customs and import-related issues. Many of the improper payments made by Panalpina Brazil on behalf of its customers were in connection with shipments originating with Panalpina U.S. and were shipped from the United States to Brazil.

57. The purpose of many of the bribes paid to the Brazilian government officials was to cause officials to: expedite the customs clearance process; avoid the imposition of fines and penalties; circumvent Brazilian law requirements for customs declaration of courier shipments; permit shipments to be imported in Brazil without an import license; and allow exports from Brazil of goods originally imported without accurate and complete documentation.

Kazakhstan

58. Between in or around 2002 and in or around 2007, Panalpina Kazakhstan paid over $4 million in bribes to Kazakh government officials including, for example, payments to Kazakh government officials responsible for assessing and collecting duties and tariffs on imported goods and officials responsible for administering and enforcing Kazakhstan tax policy. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A). The purpose of many of the bribes paid to the Kazakh government officials was to cause officials to overlook incomplete or inaccurate documentation; avoid levying proper customs duties; and avoid imposition of fines relating to the failure of Panalpina, or its customer, to comply with legal requirements.

59. These payments were euphemistically referred to as "sunshine" or "black cash" by officers and employees of Panalpina. Ultimately, these cash

payments were invoiced to Panalpina's customers as various line items, including "expedited customs clearance" or "special handling." The payments ranged from several hundred dollars to $50,000 per transaction.

60. In addition to the customs-related payments, Panalpina Kazakhstan paid Kazakhstan officials responsible for administrating Kazakhstan tax policy in conjunction with its annual tax audits to minimize the duration and depth of the audits as well as to reduce proposed fines.

Russia

61. Between in or around 2002 and in or around 2007, Panalpina Russia paid over $7 million in bribes to Russian government officials responsible for assessing and collecting duties on imported goods. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A). The purpose of many of the bribes paid to the Russian government officials was to avoid delays, administrative fines, and other legal action as a result of missing, incomplete or erroneous documentation; to avoid problems arising out of the improper use of a temporary import permit; and to bypass the customs process in total.

Turkmenistan

62. Between in or around 2002 and in or around 2009, Panalpina Turkmenistan paid over $500,000 in cash bribes to: (i) Turkmen government

officials responsible for assessing and collecting duties and tariffs on imported goods in order to expedite the release of shipments and undocumented shipments and to circumvent the official Turkmen customs and immigration regulations; (ii) Turkmen government officials responsible for auditing, assessing, and collecting taxes on economic activity in Turkmenistan to minimize the duration of audits and investigations and to reduce proposed fines; and (iii) Turkmen government officials responsible for enforcing Turkmenistan labor, health, and safety laws, including through the use of audits and inspections, to minimize the duration of audits and investigations and to reduce the proposed fines. These officials were "foreign officials" within the meaning of the FCPA, Title 15, United States Code, Sections 78dd-2(h)(2)(A) and 78dd-3(f)(2)(A).

63. In or around June 2009, the improper payments were stopped after counsel discovered them during the course of the internal investigation.

Panalpina U.S.'s Assistance to its Issuer-Customers in Circumventing Books and Records Controls

64. Pursuant to the FCPA, issuers are required to keep accurate books, records, and accounts which reflect fairly the transactions entered into by companies and the disposition of their assets. Issuers are corporate entities that either are required to file reports with the SEC under Section 15(d) of the Exchange Act, Title 15, United States Code, Section 78f, or have securities registered with the SEC under Section 12 of the Exchange Act. Between in or

around 2002 and in or around 2007, Panalpina U.S. provided services to over 40 customers that were issuers. In total, Panalpina paid approximately $27 million in bribes to foreign officials on behalf of these issuer-customers.

65. An issuer may not knowingly circumvent internal controls or knowingly falsify any book, record, or account. Many of Panalpina U.S.'s issuer-customers knew, or were aware of facts indicating a high probability, that Panalpina was paying bribes on their behalf. Further, those issuer-customers with knowledge of the bribe payments failed to properly record the payments in their books and records.

66. Many of Panalpina's issuer-customers were aware of the bribes paid by Panalpina. Importantly, those issuer-customers with strong compliance programs or rigorous audit standards were either not offered services such as Pancourier, which included improper payments to government officials, or Panalpina paid bribes on the issuer-customer's behalf but would not invoice the issuer-customer for the payment.

67. Panalpina U.S., through the local Panalpina affiliates, knowingly and substantially assisted the issuer-customers in violating the FCPA's books and records provisions by masking the true nature of the bribe payments in the invoices submitted to the issuer-customers. By providing an invoice to the issuer-customer for what appeared to be a legitimate payment, the customer could use that invoice

as support for recording a particular charge as a legitimate service in its corporate books and records when, in fact, the invoice was for a bribe.

68. For example, Customer A employees in Nigeria specifically requested Panalpina Nigeria to provide false invoices with line items to mask the nature of the bribes. In or around early 2004, certain Customer A employees were explicitly advised that in Nigeria the term "local processing fee" on Pancourier invoices represented un-receipted bribes paid to NCS officials. Customer A wanted to continue to use the Pancourier service to ensure faster shipments, but wanted to hide the nature of the payments to avoid suspicion if anyone audited the invoices to determine if improper payments had been made. Concerns existed that the term "local processing fee" was too vague and could give rise to suspicions about the nature of the payments. For that reason, in or around August 2004, a Customer A employee met with Panalpina Nigeria employees in Nigeria and told them to re-submit its prior invoices that contained the term "local processing fee" and replace the term with "administration/transport charges." Panalpina Nigeria followed this instruction and, thereafter, Customer A paid a portion of its outstanding invoices and subsequent invoices that contained the term "administration/transport charges."

69. Customer B's employees in Nigeria authorized payments for bribes paid to secure "TIP interventions" and received and paid invoices from Panalpina

Nigeria as "back-up" for the payments despite the knowledge that the invoices did not accurately reflect the purpose of the payments.

Panalpina's Corporate Culture and Senior Management Knowledge

70. As described above, corruption occurred at all levels within Panalpina and within many countries. Prior to 2007 a culture of corruption within Panalpina emanated from senior level management in Switzerland who tolerated bribery as business as usual in various markets. This trickled down to other Panalpina employees who accepted bribery as a part of Panalpina's standard business practice.

71. High-level knowledge of undocumented payments reached the Committee of the Board of Directors. Board Member A (the "Board Member"), a Swiss citizen, was the longstanding PWT Chairman until in or around 2007. In March 2001, the Board Member was advised by PWT's outside auditor that a Panalpina entity in Central Asia was making undocumented payments. As a result of the initial outside audit report, during the 2001 PWT Board of Directors Committee meeting, PWT's outside auditor recommended the adoption of a basic "Code of Ethics" that included anti-bribery provisions. The Board Member actively resisted the outside auditor's proposal to implement the compliance code, and the Board of Directors declined to adopt one during the Board meeting or

during subsequent Board meetings over the next several years. As a result no compliance code was implemented at that time.

72. Further, in or around 2003 and in or around 2006, the Board Member commented during corporate meetings on Panalpina's practice of paying foreign government officials. For example, the Board Member stated: "payments to officials in order to accelerate official processes are locally used and can be limited but not entirely eliminated" and in late 2006 during a risk mapping meeting said: "some risks may sound dramatic if looked at by a person who is not familiar with Panalpina's business and common practice in certain countries."

73. In or around 2005, PWT eventually implemented a business code known as the Swiss Code of Best Practices, a corporate governance guideline devised by the Swiss Stock Exchange, and in late 2006 following the risk map review adopted a Code of Business Conduct. However, PWT subsequently failed until 2007 to enforce the Code of Business Conduct, train employees on compliance, regularly audit payments made to foreign officials, or otherwise attempt to ensure that Panalpina was not making improper payments in order to obtain or retain government business or to gain an improper advantage.

74. The general acceptance of paying bribes as "business as usual" permeated the corporate culture until 2007. Dozens of employees throughout the Panalpina organization were involved in various schemes to pay bribes to foreign

officials. This included certain Panalpina U.S. employees and former employees, such as managers and employees with direct responsibility for oil and gas industry customers. Many of the employees openly used the terms "apples," interventions," "special handling," and "evacuations" on a daily basis in conversations, written correspondence, and email exchanges. Most of the employees understood that these terms referred to cash payments provided to government officials in exchange for preferential treatment.

75. Knowledge of the payment of bribes and the improper nature of certain Panalpina practices was widely known within Panalpina. For example, on or about June 21, 2006, a Panalpina U.S. Global Account Manager for the Oil & Gas Business, sent an email to a Panalpina U.S. Vice President and Business Unit Manager ("Vice President"), a Panalpina U.S. Regional Procurement Manager, a former Panalpina U.S. Airfreight Export Manager and a Panalpina U.S. Account Manager. The email discussion was prompted by a customer's request for information about the cost difference between services provided via the Pancourier service and Panalpina U.S.'s standard freight forwarding service in Nigeria. The Global Account Manager wrote to the other senior Panalpina U.S. employees that he would explain to the customer that the "only difference" was "the extra cost for Pancourier to circumvent the Form M and inspection process," but that all of the duties would still be paid and paperwork submitted to customs. The proposed

explanation to be provided to the customer was purposefully misleading since the extra cost was actually associated with the bribes paid to the NCS officials. The other senior Panalpina U.S. employees on the email chain knew, or should have known, of the improper nature of the Pancourier service because the Global Account Manager ended the email with, "I am not sure what I will say if they point blank ask me if it [Pancourier] is still illegal."

76. Another senior Panalpina U.S. employee who was the Regional Head of the Oil & Gas Business Unit ("Senior Oil & Gas Employee") was intimately involved, aware, and authorized the use of bribe payments on behalf of Panalpina U.S.'s customers and oversaw and directed the use of false invoices for the benefit of customers. For example, on or about May 17, 2006, the Senior Oil & Gas Employee sent an email from Nigeria, to the Panalpina U.S. Vice President, located in Houston, Texas, explaining the process for paying and masking bribes in Nigeria. The employee wrote, "FCPA – I can tell you how I manage this issue if you need. This is significant as [issuer-customer] is under ongoing scrutiny by the American government. Functionally, for us, it means knowing how to bill charges." The Senior Oil & Gas Employee further wrote that, "[i]t is simple really" and explained that what he had done for another American company in the past was to charge a "flat" fee for services to hide the "manipulation" payments that were paid to the government officials.

77. Moreover, one of Panalpina U.S.'s senior attorneys (the "Counsel"), who has since departed the Company, had knowledge that bribe payments were paid and did not divulge this information to certain customers when they began to question charges. For example, on or about November 23, 2005, the Counsel was advised by a Switzerland-based employee that a customer was questioning a $40,000 invoice for services provided in Nigeria. The employee explained that the $40,000 that was paid to the customs office was equal to "40% of the official customs duties = in lieu of those customs duties." Despite this knowledge, the Counsel continued to seek reimbursement from the customer for outstanding payments (although not related to this invoice) and further did not disclose to the customer his knowledge of the improper payment that was made to avoid the payment of the official customs duties.

78. Shortly thereafter, on or about June 28, 2006, the Counsel advised Panalpina U.S.'s Chief Executive Officer, who has since departed the Company, that due to some requests by certain Oil & Gas customers concerning Panalpina's ethics and compliance, the Counsel had created two compliance policies to be distributed internally; however, the Counsel noted that "Ok- keep in mind, there is a big difference between adoption of the policy and active enforcement. Mere adoption is a great defense in a government investigation."

79. On or about July 6, 2006, the Counsel attended a customer meeting to discuss the customer's questioning of a proposed $50,000 un-receipted cash payment to be made to a Nigerian customs official. The Counsel advised the customer and the customer's in-house counsel that the payment could be categorized as a "facilitating payment" under the FCPA to expedite customs services and raised with the customer some, but not all, "red flags" associated with the payment. Internally, the Counsel advised PWT employees in Switzerland that there were numerous factors that evidenced that the payment was, in fact, a bribe and not a facilitating payment. The Counsel explained: "First, the payments are made in cash. Second there is no receipt. Third, the size of the payment is troublesome." Further, the Counsel explained that he understood that the payment was "delivered to the customs officer in cash (note: this is a payment to the officer personally, not to an official department or agency)" and that Panalpina employees had "been informed that this sum is then re-distributed internally" to various customs employees.

80. It was not until March 2007 that a revised Code of Conduct was disseminated to employees that specifically banned "intervention payments" on behalf of Panalpina's customers. Although many improper payments began to dissipate as the compliance program was rolled out, some improper payments

continued to be paid by employees up to and until June 2009, almost two-and-a-half years after the inception of the Department's investigation of Panalpina.

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address deficiencies in its internal controls, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act ("FCPA"), Title 15, United States Code, Sections 78dd-1, *et seq.*, and other applicable anti-corruption laws, Panalpina World Transport (Holding) Ltd., and its subsidiaries (collectively, "Panalpina" or the "Company") agree to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, Panalpina agrees to adopt new or to modify existing internal controls, policies, and procedures in order to ensure that it maintains: (a) a system of internal accounting controls designed to ensure that Panalpina makes and keeps fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance code, standards, and procedures designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements:

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

law counterparts (collectively, the "anti-corruption laws"), which policy shall be memorialized in a written compliance code.

2. Panalpina will ensure that its senior management provides strong, explicit, and visible support and commitment to its corporate policy against violations of the anti-corruption laws and its compliance code.

3. Panalpina will develop and promulgate compliance standards and procedures designed to reduce the prospect of violations of the anti-corruption laws and Panalpina's compliance code, and Panalpina will take appropriate measures to encourage and support the observance of ethics and compliance standards and procedures against foreign bribery by personnel at all levels of the company. These anti-corruption standards and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of Panalpina 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"), to the extent that agents and business partners may be employed under Panalpina's corporate policy. Panalpina shall notify all employees that compliance with the standards and procedures is the duty

of individuals at all levels of the company. Such standards and procedures shall include policies governing:

a. gifts;

b. hospitality, entertainment, and expenses;

c. customer travel;

d. political contributions;

e. charitable donations and sponsorships;

f. facilitation payments; and

g. solicitation and extortion.

4. Panalpina will develop these compliance standards and procedures, including internal controls, ethics, and compliance programs on the basis of a risk assessment addressing the individual circumstances of the Company, in particular the foreign bribery risks facing the Company, including, but not limited to, its geographical organization, 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.

5. Panalpina shall review its anti-corruption compliance standards and procedures, including internal controls, ethics, and compliance programs, no less than annually, and update them as appropriate, taking into account relevant developments in the field and evolving international and industry standards, and update and adapt them as necessary to ensure their continued effectiveness.

6. Panalpina will assign responsibility to one or more senior corporate executives of Panalpina for the implementation and oversight of Panalpina's anti-corruption policies, standards, and procedures. Such corporate official(s) shall have direct reporting obligations to independent monitoring bodies, including internal audit, 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.

7. Panalpina will ensure that it has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts to ensure that they cannot be used for the purpose of foreign bribery or concealing such bribery.

8. Panalpina will implement mechanisms designed to ensure that its anti-corruption policies, standards, and procedures are communicated effectively to all

directors, officers, employees, and, where appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors, officers, and employees, and, where necessary and appropriate, agents and business partners; and (b) annual certifications by all such directors, officers, and management employees, and, where necessary and appropriate, agents, and business partners, certifying compliance with the training requirements.

9. Panalpina will maintain, or where necessary establish, an effective system for:

a. Providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with Panalpina's anti-corruption compliance policies, standards, and procedures, including when they need advice on an urgent basis or in any foreign jurisdiction in which the company operates;

b. Internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where necessary and appropriate, agents and business partners, not willing to violate professional standards or ethics under instructions or pressure from hierarchical superiors, as well as for directors, officers, employees, and, where appropriate, agents and business partners, willing to report breaches of the law or professional standards or ethics concerning anti-

corruption occurring within the company, suspected criminal conduct, and/or violations of the compliance policies, standards, and procedures regarding the anti-corruption laws for directors, officers, employees, and, where necessary and appropriate, agents and business partners; and

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

10. Panalpina will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and Panalpina's anti-corruption compliance code, policies, and procedures by Panalpina's directors, officers, and employees. Panalpina shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, ethics, and compliance program and making modifications necessary to ensure the program is effective.

11. To the extent that the use of agents and business partners is permitted at all by Panalpina, it will institute appropriate due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

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

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

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

12. Where necessary and appropriate, Panalpina will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are reasonably calculated to prevent violations of the anti-corruption laws, which may, depending upon the circumstances, include: (a) anti-corruption representations and undertakings relating to compliance with the anti-corruption laws; (b) rights to conduct audits of the books and records of the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach of anti-corruption laws, and regulations or representations and undertakings related to such matters.

13. Panalpina will conduct periodic review and testing of its anti-corruption compliance code, standards, and procedures designed to evaluate and

improve their effectiveness in preventing and detecting violations of anti-corruption laws and Panalpina's anti-corruption code, standards and procedures, taking into account relevant developments in the field and evolving international and industry standards.

ATTACHMENT D

CORPORATE COMPLIANCE REPORTING

1. Due to Panalpina World Transport (Holding) Ltd.'s ("PWT"), and its subsidiaries and affiliates, including Panalpina, Inc. ("Panalpina U.S."), (collectively, "Panalpina" or the "Company"), history of compliance issues, participation in high-risk markets, and violations of the Foreign Corrupt Practices Act ("FCPA"), Title 15, United States Code, Sections 78dd-1, *et seq.*, and other applicable anti-corruption laws, Panalpina agrees that it will jointly self-report to the Department periodically as described below during the term of the PWT Deferred Prosecution Agreement, regarding: the implementation of the compliance activities described in Attachment C and additional undertakings described below.[1]

2. During the Term of the PWT Deferred Prosecution Agreement, Panalpina shall (a) submit an initial report, and (b) conduct and prepare at least three annual reviews and reports, as described below. The reports shall be transmitted to Deputy Chief-FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, 10th and Constitution Ave., N.W., Bond Building, Fourth Floor, Washington, D.C., 20530. Panalpina may extend the time period for the submission of a report with prior written approval of the Department.

---

[1] Pursuant to Paragraph 4 of the PWT Deferred Prosecution Agreement, the Agreement is effective for "a period beginning on the date it is accepted by the United States District Court for the Southern District of Texas, and ending three (3) years and seven (7) calendar days from that date (the 'Term')."

a. Initial Report. Panalpina shall submit to the Department a written report within 120 calendar days of the signing of this Agreement setting forth:

i. A description of its remediation efforts to date;

ii. Its proposals reasonably designed to improve the internal controls, policies, and procedures of Panalpina for ensuring compliance with the FCPA and other applicable anticorruption laws, and with the terms and conditions of the PWT Deferred Prosecution Agreement and the Panalpina U.S Plea Agreement, including detailed work plans;

iii. A description of the proposed scope of the subsequent reviews; and

iv. Information relating to the work completed pursuant to the Panalpina "Remaining Countries Investigations Plan" dated December 2, 2009 ("Panalpina Countrics Investigation Plan").[2]

b. Annual Reports. Panalpina shall undertake at least three follow-up reviews and prepare a report to further monitor and assess whether the policies and procedures of Panalpina are reasonably designed to detect and prevent

[2] The Panalpina Remaining Countries Investigation Plan contemplates the completion of investigations by PWT, in coordination with counsel, in four countries: Congo, Mexico, India, and Saudi Arabia. Prior investigations relating to conduct in Angola, Brazil, Kazakhstan, Russia, Nigeria, Azerbaijan, Turkmenistan, the United States, and Switzerland have been completed.

violations of the FCPA and other applicable anticorruption laws. The annual reports shall incorporate any comments provided by the Department on the initial report. The annual reports shall also include information relating to the work completed pursuant to the 2010 Panalpina Compliance Work Plan.[3]

c. The first follow-up report shall be submitted no later than one year after the Term of the Deferred Prosecution Agreement commences. The second follow-up report shall be submitted no later than two years after the Term of the Deferred Prosecution Agreement commences. The third report shall be submitted not later than three years after the Term of the Deferred Prosecution Agreement commences.

3. Should Panalpina discover credible evidence, not already reported to the Department, that questionable or corrupt payments or questionable or corrupt transfers of property or interests may have been offered, promised, paid, or authorized by any Panalpina entity or person, or any entity or person working directly for Panalpina, or that related false books and records have been maintained, Panalpina shall report such conduct to the Department in the course of periodic communications to be scheduled between Panalpina, its Compliance

[3] The 2010 Panalpina Compliance work plan contemplates compliance assessments to be conducted in 23 countries in 2010, and compliance assessments in approximately 12 to 20 additional countries in both 2011 and 2012.

Consultant, and the Department. The first such update call shall take place within 60 days after the signing of the Deferred Prosecution Agreement.