

SembCorp Logistics Ltd



**(Incorporated in the Republic of Singapore)
Company Registration No. 197100166M**

**COMPETITION LAW COMPLIANCE POLICY
– SINGAPORE –**

1. STATEMENT OF POLICY

This Competition Law Compliance Policy ('Policy') has been adopted by the Board ('Board') of SembCorp Logistics Ltd ('SembLog'). This Policy sets out SembLog's procedures to ensure compliance with Singapore Competition Laws as contained in the Competition Act, Act 46 of 2004 ('Act'), regulations, guidelines and other relevant notices (collectively 'Competition Laws').

This Policy contains SembLog's procedures for compliance with the Competition Laws, including illustrations of permissible and prohibited activities, scripts for discussions with clients involving subjects covered by the Competition Laws and guidance on how SembLog should manage its relationships vis-à-vis its distributors, suppliers and such other third parties.

Attached to this Policy are the following Appendices:

- (i) APPENDIX A – A brief explanation of the Competition Laws in Singapore as contained in the Act and such regulations, guidelines and practice notes issued by the Competition Commission of Singapore ('CCS').
- (ii) APPENDIX B – Approach Taken in Analysis
- (iii) APPENDIX C - What To Do If The CCS Investigates

Violations of the provisions of the Act are subject to damages, injunctive relief, enforcement orders and financial penalties of up to 10% of your business turnover over a maximum three years by the CCS. Any violation of this Policy by you can affect your employment at SembLog. Therefore, it is essential for you to be familiar with these materials.

2. CHECKLIST OF REDFLAG ACTIVITIES

This section identifies a series of activities that could be viewed as illegal, those which are questionable, and those which are not illegal.

This section is intended as an easy guide for all employees. Note that the examples provided are illustrations only and not intended to be exhaustive. When you have doubts as to a transaction, you **MUST** clear the particular transaction with the Compliance Officer.

2.1 Column One (1) – Illegal Activities

Some activities are inherently unreasonable and, therefore, automatically illegal. This includes price fixing or sharing markets through dividing the territory or customers.

Other types of activities will be deemed illegal if these have the object or effect of engaging in anti-competitive activities or have the effect of abusing dominance without any exemption or justification. These include allowing for exclusivity arrangements, providing preferences to certain parties, and providing loyalty discounts and rebates without economic justifications.

You CANNOT engage in such activities.

2.2 Column Two (2) – Questionable Activities

Some activities are questionable and may, if the object or effect was clearly to abuse or engage in anti-competitiveness, be prohibited.

You MUST consult the Compliance Officer for clearance to engage in such activities.

2.3 Column Three (3) – Permissible Activities

Some activities are clearly commercial in nature and not anti-competitive or an abuse of dominance.

You CAN engage in such activities.

1. Price-Fixing Between Competitors - Agreements that restrict price competition are illegal. These include agreements between competitors on the prices which they will charge their customers, or which they will pay to suppliers.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Contacting a competitor to ask whether, if you were to raise your prices / fees / commission rates for warehousing or transportation or supply of services or goods, they would do the same.	-	Tracking competitor price movements informally through customers who inform you during negotiations for a better deal or through other public methods.
Discussing a supply of services arrangement with a competitor in order to get a feel for the selling prices in the market.	Suggesting that you and a competitor increase leverage with a supplier of non-key items by purchasing jointly.	You offer customers upfront discounts or better rates in relation to the volume of products to be warehoused or services to be supplied.
You have a dominant market	Agreeing resale prices with a	Recommending resale prices

position in relation to a particular product and you fix resale prices with a supplier or distributor of your products.	supplier or distributor of your products.	or conditions of resale to a distributor of your products provided that no pressure is exerted on the distributor to adhere to the recommendations.
Making an announcement of price changes in advance of the effective date (and retracting it when other companies do not follow suit).	Making an announcement of price changes in advance of the effective date just to gauge market pricing.	Making an announcement of price changes in advance of the effective date for information.
You have a dominant market position in relation to a particular product and want to offer an extra discount to customers if they will deal exclusively or substantially with you.	-	Entering into exclusive distribution agreements, so long as there are no adverse competitive effects, and the contracts are short-term contracts.
Any exchange of price information with your competitors, if there is a stabilising effect on prices.	-	-
2. Bid Rigging - The decision to submit a bid or not to submit a bid as well as the price or other trading conditions of a bid submitted should be determined independently by SembLog.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Contacting a competitor to discuss the details of the bid being submitted for a tender that has been called, regardless of who called for the tender, and whether it is an open or closed tender.	Always agreeing with a single party that you will submit any bid for projects together.	Partnering with another party and submitting an exclusive bid, based on complementary skills sets.
Telling a competitor that you will refrain from bidding for a deal currently offered if the competitor would refrain from bidding in the next deal offered.	Discussing the possible advantages of making a joint bid.	-
-	Telling a competitor that SembLog is submitting a bid without providing additional information for a particular tender.	-

3. Dividing Territory / Customers / Products & Services - SembLog's decisions on dealing in / with or refusing to deal in / with a particular location / customer / product must be made independently and unilaterally and without communication with competitors, customers or other parties.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Agreeing with competitors to keep your sales to only certain countries or regions, if they keep their sales to other countries or regions respectively.	-	Agreeing with your distributors to market in certain territories and not others.
Agreeing with competitors to designate customers, say by each company dealing with a different set of customers to the exclusion of others is prohibited.	-	Offering certain customers better trading terms given their better credit rating and timeliness in payments.
Consulting with competitors before deciding which customers to deal with or whether to take on a customer.		Deciding not to enter into an agreement with a customer or supplier or such other party because of poor profit margins arising from that contract or there being little potential for growth.
-	-	Deciding not to enter into an agreement with a customer or supplier or such other party because of poor credit rating of the counter-party.
4. Boycotting – SembLog cannot agree with any other person not to sell to a particular buyer, or not to buy from a particular manufacturer, producer, or seller.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Agreeing with competitors not to deal with certain to designated customers.	-	-

5. Bundling / Tying – Bundling or tying occurs when SembLog conditions the sale of one product or service on the customer's purchase of a second product. This is often known as a 'tie' or 'bundling' arrangement. A 'tie' can be written or oral.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Bundling commercially unconnected products / services and insisting that they be sold / purchased together.	Bundling products or services as a package because it results in greater economies of scale.	Bundling commercially connected goods such as warehousing services and other logistics services (eg freight and transportation).
Refusing to provide warehousing services to a customer, unless the customer also takes freight services, even though the customer has no requirement for this.	Forcing the sale of two commercially unconnected products or services on the basis that it is warranted by the need to maintain safety on the premises.	Providing a customer with warehousing, freight and other logistics and documentation services as a package to choose from and explaining the economic benefits of taking more than one service, but without forcing any two or more items to be taken together.
-	Requiring a customer to sell its products to you in return for a better price for the raw materials that you sell that customer.	-
6. Price Discrimination And Differing Conditions – SembLog must not offer comparable products at different prices at about the same time to customers that compete with each other, if the price difference hurts the disfavored customer's ability to compete.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Providing for rebates to encourage long-term relationships which are unrelated to either the amount of business or term of years of the contract.	-	Offering customers discounts or better rates related to the volume of products / services supplied.
Charging customers differing pricing without economic justifications.	-	Charging customers different prices depending on the volume of goods stored, transported, purchased or sold.

-	-	Charging customers different prices depending on the distances the goods need to be transported and or the special requirements that must be taken to protect the goods.
-	Providing better rates for long time customers who warehouse their goods with you on a continuing basis.	Providing better terms for longer-term contracts.
7. Exclusivity Arrangements – Exclusive arrangements are not automatically prohibited. However, where there are foreclosure effects, and where the agreements are long-term agreements, then there could be anti-competition concerns.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Requiring a customer to only engage SembLog for its entire logistics services.	-	Requiring exclusive dealings where the contract is short term. [Note that the scope of short term will vary according to the specific category.]
Entering into a long-term contract with a corporate to use SembLog for all its logistics requirements, without an opportunity for renegotiations.	-	Providing short-term promotional rates for exclusively using SembLog for all its logistics services.
-	-	Entering into exclusive supply of products / services agreement where the counter-party is the Government or a statutory body.
8. Trade Associations - Trade associations are often used as vehicles for statistical exchange programs, whereby data concerning costs, production volumes, prices, inventories, and the like are published to contribute to an understanding of the economics of an industry. Such programs are legal so long as certain guidelines and precautions are followed.		
Illegal Activities	Questionable Activities	Permissible Activities
Cannot Participate	Consult Compliance Officer	Can Participate
Discussing at a trade association meeting current or future product prices, terms of sale, product or marketing plans, business relations with suppliers or customers, price trends, new products, or	Joining a trade association.	Legitimate trade association activity, such as communicating with government agencies, engaging in certain cooperative research and analysis, and promoting

market shares.		industry products.
Agreeing to comply with standard terms containing minimum fees and or commissions to be charged for services rendered to a customer.	-	Agreeing to comply with standard terms containing terms ensuring quality and legal requirements are met.
Discussing at a trade association meeting who is responsible for what in a competitor's organisation.	-	Attending trade association meetings generally. As a cautionary step, it is good to review the agendas in advance with the Compliance Officer if possible.

2.4 Examples Of Permissible And Impermissible Statements

Poorly written documents are often a decisive factor in litigation, especially on potentially critical issues such as intent. You should be aware of the significance of the words you choose in writing memoranda, correspondence, and other documents that will be retained in SembLog's files.

An excellent guide is to avoid saying or writing anything which you would not be willing to repeat.

The Table below sets out various examples that are intended to assist SembLog employees in understanding what are matters that cannot be said and what can be said under Competition laws. These examples are for illustrative purposes only and are not exhaustive.

Things You Cannot Say - X	Things You Can Say - ✓
We will not be able to provide you with freight services unless you purchase other particular products or services from one of our business units that will allow us to reach our internal profitability rates.	We will not be able to provide you with freight services unless you use us for the entire freight leg and permit us to use our tracking systems. This is to ensure our efficient fulfillment of the freight and ensure that your products reach you in a timely fashion and in good order.
We can only offer you this [] package if we can lock up your [] business; otherwise we can't meet our profitability requirements.	We would be glad to establish a customer relationship with you with respect to any of the broad range of products that the SembLog provides through its various SBUs. Our objective is to establish a long-term, mutually beneficial relationship and to offer a broad range of SembLog products and services; and, subject to credit commitment standards, SembLog would hope to provide other services and build larger, more profitable relationships with you.
We prefer to do business with customers that	SembLog is a full service logistics provider. As

purchase a variety of services from us.	such, many customers prefer one-stop shopping. It is your choice, however, whether to seek any products or services from us.
If you want to continue to use the Base's warehousing requirements and the jetty for loading and unloading your products from the barges, you MUST use our equipment and our designated staff to operate these machineries.	We would strongly recommend that in using the Base's jetty for loading and unloading your products from the barges, you use our equipment and our designated staff to operate these machineries. This will ensure greater safety given the small area to maneuver.

2.5 Additional Words And Phrases To Avoid

A wide variety of words and phrases may have adverse and unintended anti-competition implications in the context of corporate documents:

- (i) **'Guilt complex' expressions** - eg, 'destroy after reading,' 'for your eyes only,' and 'do not duplicate.'
- (ii) **'Power' words** - eg, 'dominate,' 'control,' 'monopolise,' 'stabilise,' and 'capture.'
- (iii) **Expressions of anticompetitive intent** - eg, 'aim to destroy competition,' 'signal our competitors,' 'avoid destructive or disruptive marketing and sales policies,' 'stabilize the market,' 'industry-wide price movement,' and similar statements
- (iv) **Conclusory words on anti-competition subjects** - eg, 'monopoly,' 'package deal,' 'market,' and 'market share.' The terms 'market' and 'market share' are particularly bothersome, because the outcome of anti-competition litigation frequently turns on how broadly or narrowly the 'relevant market' is defined. Therefore, casual use of the terms 'market' and 'market share' may lock the Company into an unfavorable market definition that does not reflect actual economic conditions. Accordingly, whenever possible, the terms 'trade area,' 'business,' 'territory' or 'sales' should be used instead of 'market.'
- (v) **'Non-competitive' words** - eg, 'agree,' 'promise,' 'go along with competitors,' 'matching competitor's bid,' 'unethical competition,' and 'captive' customers or markets.
- (vi) **'Overly competitive' expressions** - eg, 'exploit a competitor's weakness' or 'cut him off at the knees.' Be especially wary of words and images from sports and the military.
- (vii) **Words disparaging competitors** - eg, 'puny competitors,' 'ineffective,' or 'weak.' Similarly, words exaggerating the Company's success should be avoided.

3. CONSEQUENCES OF NON-COMPLIANCE WITH THIS PROTOCOL

Violations of the provisions of the Competition Act are subject to financial penalties of up to 10% of your business turnover over a maximum period of three years, injunctive relief, enforcement orders and damages by the CCS. Therefore, it is essential for you to be familiar with these materials.

4. TRAINING

Training is required on a periodic basis for all relevant employees, and at least as follows:

- (i) Once a year for all employees
- (ii) When there is a change in the Competition laws, rules and guidelines.

In any event, all new employees **MUST** attend training on Competition law concerns when they first join SembLog.

5. MONITORING AND ENFORCEMENT

5.1 Monitoring

SembLog's compliance efforts are designed to ensure prompt detection of any potential problems, to prevent violations, and to minimise SembLog's exposure to liability.

To ensure compliance, the Compliance Officer, or his designees may conduct unannounced audits from time to time. These audits may include both the review of selected files and random interviews with supervisory and field personnel. The Compliance Officer or his designees may also request to attend such meetings with customers and suppliers, including third party suppliers, as he deems appropriate.

On an on-going basis, all agreements to be signed in Singapore must be vetted and cleared by your legal department before the agreement is signed.

Your full cooperation is essential to the success of the compliance program generally, and audits and other monitoring efforts in particular.

5.2 What To Do If You Spot A Problem

SembLog relies on you to uncover and report to the Compliance Officer any potential anti-competition problems.

If you have a concern or a problem you believe may implicate the anti-competition laws or any other matter discussed in this booklet, please discuss the problem with the Compliance Officer immediately.

The reporting of an anti-competition concern will never result in any negative action directed toward you simply because you filed a report. On the contrary, the failure to report a violation may result in disciplinary action being taken against you, because prompt reporting and resolution of anti-competition problems can save the Company substantial sums of money.

6. DOCUMENT RETENTION

In the normal course of business, the SembLog's practice is to purge files regularly. There are occasions, however, when regular document retention procedures should be put on hold:

As part of the Document Retention Policy, SembLog regularly purges files. Such regular document retention procedures **MUST** be put on hold in the following instances:

- (i) SembLog should not destroy documents once it is served with a subpoena, document request, or other formal request for documents in a CCS investigation proceeding, or if SembLog agrees to cooperate voluntarily with CCS.
- (ii) If SembLog learns, either directly or indirectly, that it is under investigation by the CCS, or is about to become involved in Competition law litigation, it should immediately suspend record disposal in any areas of the business that may be subject to the investigation or litigation and consult legal counsel immediately.

Before destroying any documents relevant to an investigation or actual or potential litigation, you should first consult with the Compliance Officer. Willful destruction of documents that have been subpoenaed or called for by other compulsory process could result in criminal liability or otherwise adversely affect SembLog.

7. WHAT TO DO WHEN THE CCS INVESTIGATES OR THERE IS A DAWN RAID

It is SembLog's policy to cooperate with every reasonable request of the CCS and such other regulatory authorities. But an employee should not engage in substantive conversations with government enforcement officials under any circumstances until SembLog's legal counsel and or Compliance Officer can be present.

Any investigator seeking an interview, data or documents should be told that SembLog will cooperate, but that first:

- The Compliance Officer and or legal counsel must be consulted, and
- The Compliance Officer and or legal counsel **MUST** be present at any interview or production of information.

An investigator should only be able to demand immediate access to documents or other records under the authority of a court order (ie, under a search warrant). If an investigator does obtain documents from you under such circumstances, you have a right to make copies or an index of everything taken. Even in these circumstances, you should make every effort to consult the Compliance Officer, especially if confidential SembLog records are involved.

The following steps in particular should be noted (reference should also be had to Appendix C of this Policy):

7.1 What To Do In Practice: During An Inspection

- (i) Alert nominated personnel and specifically the Compliance Officer
- (ii) Verify CCS authority and identities
- (iii) Alert legal advisers
- (iv) Identify scope of inspection and location(s), including reviewing the warrant, if there is one
- (v) Escort officials
- (vi) Provide complete documents, ensuring a set is maintained to minimize disruption to business whilst bearing in mind that some documents are protected by legal professional privilege

7.2 What To Do In Practice: After An Inspection

After the on-site inspection, the following steps will need to be considered:

- (i) **De-briefing:** The SembLog team will need to review with the legal advisers all the documentation requested by the CCS, together with the questions raised by the CCS officials.
- (ii) **Press:** A press release should be prepared and, only if the story has become public, be prepared to release it. When the story is public, it may also be appropriate to engage PR consultants to help in dealing with the press.
- (iii) **Staff morale:** If the investigation is in the public arena then the speculation will be greater and the stories swirling in the press will be filled with speculation and misinformation. This will heighten the sense of exposure and uncertainty amongst staff. It is therefore important that the firm effectively manage the dissemination of appropriate information to staff.
- (iv) **Review documents inspected:** A complete note should be made of all documents viewed, copied or considered in any way by the investigating team.
- (v) **Confirm confidentiality:** Once the documentation review has been completed, SembLog should confirm to the CCS all documents and information which contain business secrets. Also, if any issue remains outstanding concerning legal privilege, then this should also be dealt with.

7.3 Review compliance procedures

Part of a post-inspection review should include a general review of compliance procedures. It may be some time since these procedures were reviewed and this will afford an opportune occasion to re-visit them. For example, some staff may need refresher compliance training and other staff may have joined SembLog since the last training programme was instituted.

8. COMPLIANCE OFFICER

The Compliance Officer has overall responsibility for ensuring compliance with this Policy. Information on possible violations of this Policy should be reported to him.

SembLog employees have a duty to make such reports, and both the identity of the reporting employees and the substance of any reports will be treated as confidential and maybe subject to legal professional privilege.

9. CONSULTATION

While pursuing opportunities for cross marketing, you must be sensitive to any situation that involves offering a client both an SembLog product or service and consult with your legal department as appropriate. If you have any questions concerning the applicability of these rules to a specific situation, you may contact the Compliance Officer or your local in-house legal contact, as follows:

Ms Helen Tay
Legal Department
SembCorp Logistics Ltd
Tel: (65) 6462 8921 / (65) 6462 8410

10. AMENDMENTS AND VARIATIONS TO POLICY

This Policy may be amended and varied from time to time, such amendments to be binding on all employees whether or not such amendments or variations were issued specifically to them.

11. CONCLUSION

Compliance with all applicable anti-competition and trade regulation laws is mandatory. If in doubt about the legality of any proposed course of conduct, seek guidance from the Compliance Officer.

APPENDIX A

OVERVIEW OF COMPETITION LAWS IN SINGAPORE

1 What Are Anti-Competition Laws?

Anti-competition laws are designed to promote competition and free enterprise. The concept behind these laws is that competition in any industry or business will lead to maximum efficiency and the lowest possible prices or highest cost effectiveness for consumers.

The Act prohibits:

- (i) anti-competitive arrangements;
- (ii) abuse of dominant position; and
- (iii) mergers and acquisitions that substantially lessen competition in Singapore (this is not discussed further in this Policy as the relevant laws are not in force as yet).

2 Anti-Competitive Arrangements

Anti-competitive arrangements are those that are intended to prevent, restrict or distort competition in Singapore, or which in fact do so. Such arrangements will cover not only agreements, but also decisions which are made by associations, as well as parties acting in concert. The Competition Act prohibits such arrangements. Anti-competitive arrangements will be regarded as being anti-competitive only where there is an appreciable effect on the market. An appreciable effect is generally presumed where the undertaking has a market share of 25% or more in the particular market (or 20% or more if the undertaking enters into an agreement with a competitor).

The ambit of this prohibition is very wide, with the following specific types of arrangements identified as being likely to be caught by this restriction:

- (i) directly or indirectly fixing the purchase or selling prices or any other trading conditions;
- (ii) limiting or controlling production, markets, technical development or investment;
- (iii) arrangements for the sharing of markets or sources of supply;
- (iv) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage; and
- (v) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

These are only specific types of anti-competitive arrangements mentioned by the Act. Forms of anti-competitive arrangements that do not fall within the specific types enumerated above could still be caught within the general prohibition.

3 Abuse Of Dominant Position

The Act prohibits any conduct which amounts to the abuse of a dominant position in any market in Singapore. Dominance is presumed where an undertaking has 60% of the market share. This is not to say that if the undertaking has a lesser share, there can never be dominance.

The Act enumerates certain forms of conduct as being likely to fall within this general prohibition. These are:

- (i) predatory behaviour towards competitors;
- (ii) limiting production, markets or technical development to the prejudice of consumers;
- (iii) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage; or
- (iv) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of the contracts.

What should be noted is that where a dominant player uses the dominance that it has to control the market or to gain a bigger share in the market in ways that are anti-competitive and which work against long-term economic efficiency, then the behaviour would be regarded as an abuse of dominance.

4 Who Enforces Competition Laws?

The CCS enforces the Competition Laws.

5 What Are The Penalties For Violating Competition Laws?

The CCS can take the following courses of action where an anti-competitive act is found:

- (i) Impose a financial penalty if the infringement took place deliberately or negligently. The amount of the financial penalty is not a fixed amount, but the Act provides for a ceiling pegged to 10% of the turnover of the business of the offender in Singapore. This maximum amount may be imposed for each year where the infringement took place, up to a maximum of three years.
- (ii) Issue directives and directions to the offender. This would include requiring the offender to modify or unwind arrangements that are anti-competitive, or to dissolve a merger or to require the merged entity to enter into contracts that would inhibit its ability to behave in an anti-competitive manner.
- (iii) Impose fines and imprisonment for non-compliance with directions and requests from the CCS investigating officers.

APPENDIX B APPROACH TAKEN IN ANALYSIS

To determine whether an activity has violated the Act, the following approach is adopted:

1. Determine market share.
2. Determine whether the market share is reflective of market power and consequently dominance.
3. If there is market power and so dominance, identify the specific activities which would be viewed as being an abuse of dominance under Section 47.
4. If there is no market power, then consider whether any agreements or arrangements the undertakings enter into would viewed as being anti-competitive under Section 34.
5. Consider whether any of the exemptions under the Act apply to that activity, arrangement or agreement.
6. Consider whether there are economic justifications for the specific activity, arrangement or agreement.
7. If there are no exemptions nor economic justifications, consider steps to modify the activity, arrangement or agreement, and suggest steps to take moving forward.

The attached table below provides a quick method of checking if there has been a violation of the Act.

Assessment Of Competitiveness

[illegible]

APPENDIX C

What To Do If The CCS Investigates

1. If There Is A Search Warrant

- 1.1 Review the Warrant if the search is without notice. You do not need to let the persons into your premises, if there is no Warrant and no notice was previously provided to you.
- 1.2 If notice has been previously provided to you, let them in.
- 1.3 Notify company in-house counsel and or Compliance Officer.
- 1.4 Ask them to wait until in-house counsel and or Compliance Officer arrives.
- 1.5 Comply with their instructions on making DOCUMENTS available; they have a right to take what the warrant specifies.
- 1.6 Do not volunteer information: tell them where documents are but do not answer substantive questions about business activities without counsel present.
- 1.7 Watch where they search and make careful note of the offices and files they check; do not get in their way, but observe what they are doing.
- 1.8 Request a copy of everything they take; they will also give you a receipt.
- 1.9 Make certain counsel debriefs everyone involved immediately after the search.

2. If You Are Served With A Subpoena

- 2.1 Take it and read it.
- 2.2 Do not argue with the investigator.
- 2.3 Do not respond to any questions about your business without counsel present.
- 2.4 Notify Counsel immediately.

3. If CCS Wants To Visit Your Home Or Office

- 3.1 Advise the investigator that you will be happy to meet but only after consulting with in-house counsel and setting up a proper appointment.
- 3.2 The investigator is looking for the element of surprise; do not let him talk you into answering 'just a few background questions'.

- 3.3 Do not be concerned that you look guilty if you ask to have in-house counsel present; all the investigator can do if you do not answer his questions is serve you with a subpoena – and he will do that anyway.
- 3.4 Never submit to a spontaneous interview; you must be prepared by reviewing your records and meeting with in-house counsel.
- 3.5 You should always have a record of the interview; if you do not have in-house counsel present.
- 3.6 If you submit to an interview and leave out details or facts, or lie, you can be charged with providing false statement.

4 If You Are Asked Questions About An Investigation By A Colleague, Customer, Or Competitor

- 4.1 Advise them forcefully that you cannot talk about any aspect of the investigation, except with in-house counsel.
- 4.2 Do not allow yourself to speculate with others about the investigation or provide any explanation.
- 4.3 Discussions with colleagues about the investigation enhance the suspicion of the CCS investigators.
- 4.4 Such discussions can be obstruction of justice where the parties try to develop a consistent story or 'remind' each other of certain facts.

5 If You Have Documents Relevant To The Investigation, And The Investigation Has Started, Do Not Destroy Or Alter Any Document – Ever

- 5.1 The company WILL put a hold on DOCUMENT retention policies when an investigation begins – so maintain your documents.
- 5.2 Do not destroy any documents that you are instructed to save (paper or electronic).
- 5.3 Do not make your own decisions about document destruction: ask in-house counsel.
- 5.4 Do not write on, alter, cross out or change a document in any way – even handwritten notes. This is not the time or place to 'clarify' or 'expand upon' what you wrote.
- 5.5 Obstruction of justice is punishable.