

Anti-Corruption & Trade Glossary

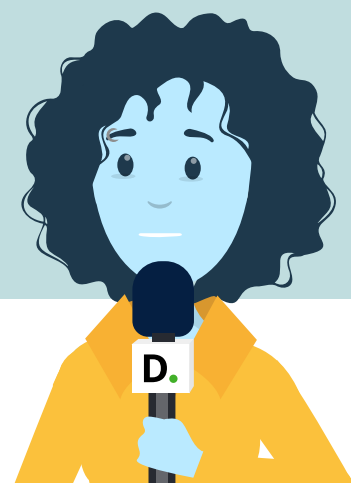


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Anything of Value

Anything having any value or benefit, whether tangible or intangible, including, but not limited to:

- Cash and cash equivalents
- Gifts (including, but not limited to, gifts or courtesies forming part of a local custom; wedding, funeral and personal gifts; jewelry) or other goods or services, including providing pro-bono services
- Political contributions
- Donations to charities or foundations at the behest of, or to support, a Government Official or his/her family
- Entertainment (including, but not limited to, meals, golf/green fees, and tickets to venues and events including events sponsored by the US Firms)
- Travel and travel-related expenses
- Accommodations and hospitalities
- Ownership rights or interests in joint ventures or other entities
- Inflated or excessive contract prices with affected Third Parties
- Discounted pricing rates
- Interests in real estate
- Loans
- Offers of employment (including temporary employment or internships) or scholarships



Corrupt Intent

An intent to influence a Government Official with something of value, with an expectation of receiving a business benefit in return.

Countries Subject to Comprehensive Sanctions

Countries or territories as to which transactions and dealings by US Persons are generally prohibited.

Economic Sanctions

Restrictions against trade, business dealings or other activity with certain countries, groups, companies, industries, or individuals determined to be a threat to US foreign policy and national security.

Economic Sanctions regulate transactions involving US Persons, including:

- Transactions involving US Persons, wherever located, even if they are employed by a non-US Person outside the geographical boundaries of the United States
- Transactions involving US-origin items or non-US items with more than a de minimis level of US content
- Transactions occurring in the United States
- Transactions occurring outside of the United States, even if done by a non-US Person (for example, a transaction between two foreign entities), that have a connection to the United States. For example, a transaction done in US dollars that is routed through a US bank, or transactions done by a foreign subsidiary of a US entity

The US Department of the Treasury maintains the most updated list of all Sanctions Programs and Country Information. There may be local sanctions regulations that Non-US practitioners may be subject. Refer to specific policies for additional information.

Export

The term “export” is broadly defined and includes the following:

- The physical shipment or transmission of Export Controlled Items and Services outside of the United States, even temporarily, whether as part of the provision of professional services or otherwise
- The transfer, or release, of intangible items, such as software, technical data, technology, to any Non-US Person (including in the United States) by any means, including but not limited to electronic mail, verbal (i.e., spoken), fax, telephone, electronic access, visual, and/or network access, whether as part of a presentation or the provision of professional services or otherwise; and
- The provision of defense services to a Non-US Person, whether in the United States or abroad

Export Controlled Items and Services

Export control regulations are administered pursuant to federal law, and govern the export of certain commodities, hardware, software, technical Data, technology, and defense services. Two important sets of regulations are the International Traffic in Arms Regulations (“ITAR”), which are administered by the US Department of State, and the Export Administration Regulations (“EAR”), which are administered by the US Department of Commerce. There are other laws and regulations that impact exports as well, for example those promulgated by the Department of Energy, and Nuclear Regulatory Commission, and US economic sanctions, which target, restrict and in some cases, prohibit, transactions by US Persons with certain designated Non-US Persons, countries and industry sectors.

Export controlled items include any hardware, software, technical data, technology, or defense services that are subject to item-specific controls in either the ITAR or EAR, including any items, articles or services listed in the (“CCL”) or (“USML”).

Foreign Corrupt Practices Act (FCPA)

The Foreign Corrupt Practices Act is a US law aimed at prohibiting bribery of Foreign Officials (i.e., non-US government officials), as defined below. Specifically, the FCPA prohibits any US Person or Entity from corruptly providing or offering to provide, directly or indirectly, Anything of Value to induce the Foreign Official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.



Foreign Official

Covers a very broad range of non-US persons and includes:

- An officer or employee of a non-US government or any department, agency, state-owned or state-controlled enterprise or instrumentality thereof, or of a public international organization
- Any person acting in an official capacity for, or on behalf of, any such government or department, agency, state-owned or state-controlled enterprise or instrumentality, or for or on behalf of, any such public international organization
- Any non-US political party, any official of a non-US political party, or any candidate for non-US political office

A Foreign Official includes not only a person who performs traditional governmental or administrative functions, but also any member of a royal family, or provincial or tribal government, or an employee of an entity controlled by the government or in which a governmental body has an ownership interest – even a minority interest. Such an employee could still qualify as a Foreign Official even if he or she performs business-related functions as an employee of such entity engaged in commercial, rather than governmental, activities.

Examples of Foreign Officials include, but are not limited to, the following:

- Any officer or employee of a non-US government – including, but not limited to, any non-US military personnel – or any of its departments, agencies, incorporated entities, or political subdivisions – including, but not limited to, wholly or partly state-owned and state-controlled enterprises
- Any managing director, officer, or employee of any legal entity or joint venture that is controlled – qualitatively or quantitatively – or significantly owned by a non-US government – including, but not limited to, any non-US military personnel – or any of its departments, agencies, political subdivisions, or incorporated entities – including, but not limited to, state-owned and state-controlled enterprises
- Any officer or employee of any public international organization – including, but not limited to, the Organization for Economic Cooperation and Development, the United Nations, The World Bank, the International Monetary Fund, and non-US donor banks
- Any person that represents, or acts on behalf of, or in an official capacity for, any non-US government or any of its departments, agencies, political subdivisions, or incorporated entities – including, but not limited to, state-owned and state-controlled enterprises – even if in an honorary capacity
- Any non-US political party, party official, or candidate for non-US political office
- Any member of a royal family, or provincial or tribal government
- Any member of a non-US legislative or judicial body

Non-US Person

Includes:

- Any person who is neither a citizen or lawful permanent resident – for example, a green card holder – of the United States, or any person who is not a protected individual under US law – for example, certain persons with refugee status, or
- Any foreign corporation, business association, partnership, trust, society, or any other entity or group that is not incorporated or organized to do business in the United States. Such entities include international organizations, non-US governments, and any agency or subdivision of a non-US government – for example, diplomatic missions. Non-US Person also includes foreign citizens who are employees of the US Firms – unless such persons are dual US-foreign citizens, US lawful permanent residents, or protected individuals under US immigration law – including the India Subsidiaries and the Mexico and Germany Subsidiaries. Non-US Persons can be located anywhere in the world, including within the borders of the United States. Non-US Persons may still be able to work on engagements involving Export Controlled Items and Services, for items subject to the EAR, a Non-US Person's most recent country or countries of nationality are considered when determining if US export authorization is required prior to exports to Non-US Persons wherever located. For defense articles, technical data or defense services subject to the ITAR, all countries which a Non-US Person has previously held or currently holds citizenship are considered when determining if US export authorization is required prior to exports to Non-US Persons, wherever located

Please note that the definitions of who constitutes a Non-US Person are different for the purposes of export controls and US economic sanctions contexts. Refer to the appropriate definitions within each policy.

Other Anti-Corruption Laws

Any foreign, state or local law, other than the FCPA, the purpose or objective of which is to prevent or prohibit bribery or other forms of corruption – such as the UK Bribery Act, which prohibits bribery of public officials and commercial bribery.

Partners

Partners, principals, and managing directors of the US Firms.

Personnel

Partners, principals and all other employees of the US Firms, whether operating inside or outside the United States.

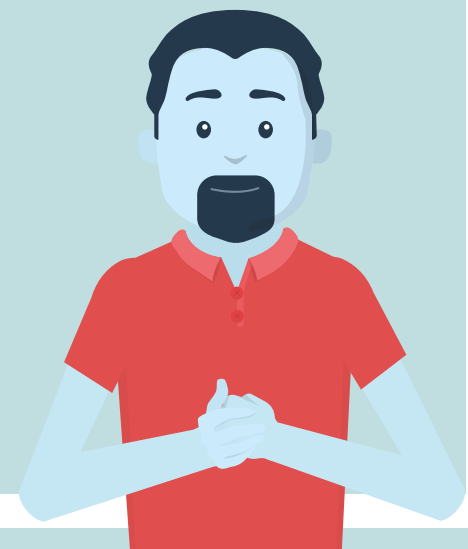
Pre-approval process

Submission of facts and circumstances to Anti-Corruption and Trade in regards to expenses that include a Foreign Official or a US Public Official prior to event occurring or expense being charged.

Public Servant

Public Servant is an Indian anti-corruption law term. A Public Servant is defined as any person who discharges a duty in “which the State, the public or the community at large has an interest,” and has been held to include all employees of the government, as well as government-owned corporations, and even employees of private banks. It includes, in each case as to India:

- Government employees, including any person in the pay of the government or remunerated by a fee or commission paid by the government
- Officers in the military, navy, or air force
- Judges
- Arbitrators empowered by a court
- Officers of Courts of Justice (including a liquidator, receiver, or commissioner)
- Members of any panchayat or any person in the pay of a local authority
- Prison officials
- Police
- Revenue and taxation authorities
- State, municipal, or local officials
- Officers of cooperative societies receiving financial aid from the government
- University employees
- Employees of the Public Service Commission, or any other commission or board
- Employees of public sector banks
- Any person in the service or pay of a corporation established by a central or state Act, or a government company – that is, one in which at least 51% of the share capital is held by the central government or a state government



Software Development

The development of a system functional design, logic flow, algorithms, application programs and operating systems.

Third Party Risk Management Gateway

The easy-to-use portal that facilitates Deloitte's third party risk assessment process. Each third party relationship must be entered in the TPRM Gateway to receive the appropriate risk due diligence reviews.

US Person or Entity (FCPA context)

In the FCPA context, US Persons include:

- Any individual who is a citizen, national or resident of the US; or
- Any entity, including such entity's branches and subsidiaries outside the US and all of their respective officers, managing directors, employees and agents, that: 1) is organized under the laws of the US, or of any state, territory or instrumentality thereof; or 2) has its principal place of business in the US; or 3) is publicly traded on a US securities exchange or is otherwise required to file reports with the US Securities and Exchange Commission – for example, a company with American Depositary Receipts traded on a US securities exchange; or
- Any non-US national or entity, including such entity's officers, managing directors, employees and third parties, that commits an act in the US in furtherance of a violation of the FCPA

Please note that the definitions of who constitutes a US Person are different in the FCPA, export controls and sanctions contexts.

US Persons (Economic Sanctions context)

In the context of US Economic Sanctions, US Persons include:

- All individuals, regardless of location in the world, who are US citizens or US permanent residents
- All individuals, regardless of nationality, who are physically present in the United States
- All entities incorporated in the United States
- All entities, regardless of domicile or place of incorporation, that are physically present in the United States

Please note that the definitions of who constitutes a US Person are different in the FCPA, export controls and sanctions contexts.



US Persons (Export Controls context)

In the context of Export Controls, US Persons include:

- US citizens, US permanent residents, or certain protected individuals (e.g., certain persons with refugee status)
- Any corporation, business association, partnership, society, trust, or other entity, organization, or group that is incorporated to do business in the United States, including foreign branches
- Any government (federal, state, or local) entity

Please note that the definitions of who constitutes a US Person are different in the FCPA, export controls and sanctions contexts.

US Public Official

An elected or appointed official, or any other official or employee, of any US federal, state or local legislature, executive branch agency, or other government agency, commission, board, authority, public fund, or any other governmental or quasi-governmental entity. Examples include all holders of US federal, state or local offices and employees thereof; includes, but is not limited to:

- Officials and employees of the US federal Executive Branch including the US President and Vice President, and officials and employees of the Executive Office of the President
- Members and staff of the US House of Representatives and Senate
- Officials and employees of executive branch agencies such as the Securities Exchange Commission and Internal Revenue Service
- Other federal, state and local government or quasi-government agencies, as well as other public entities such as local school boards and commissions, public hospitals and utility providers
- Faculty, Administrators and staff at public universities, colleges and other schools

