F. #2016R00481

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA — PLEA AGREEMENT

- against - — Cr. No. 20-363

SARGEANT MARINE INC.,

Defendant.

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The United States of America, by and through the United States Department of Justice, Criminal Division, Fraud Section (the "Fraud Section"), and the United States Attorney's Office for the Eastern District of New York (the "Office") and Sargeant Marine Inc. (the "Defendant" or the "Company"), by and through its undersigned attorneys, and through its authorized representative, pursuant to authority granted by the Defendant's Board of Directors, hereby submit and enter into this plea agreement (the "Agreement"), pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure. The terms and conditions of this Agreement are as follows:

TERM OF THE DEFENDANT'S OBLIGATIONS UNDER THE AGREEMENT

1. Except as otherwise provided in Paragraph 12 below in connection with the Defendant's cooperation obligations, the Defendant's obligations under the Agreement shall last and be effective for a period beginning on the date on which the Information is filed and ending three years from the date on which the Information is filed (the "Term"). The Defendant agrees, however, that, in the event the Fraud Section and the Office determine, in their sole discretion, that the Defendant has failed specifically to perform or to fulfill completely each of the Defendant's obligations under this Agreement, extensions of the Term may be imposed by the

Fraud Section and the Office, in their sole discretion, for up to a total additional time period of one year. Any extension of the Term extends all terms of this Agreement for an equivalent period.

THE DEFENDANT'S AGREEMENT

2. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the Defendant agrees to waive its right to grand jury indictment and its right to challenge venue in the United States District Court for the Eastern District of New York, and to plead guilty to a criminal Information charging the Defendant with one count of conspiracy to commit offenses against the United States, in violation of Title 18, United States Code, Section 371, that is, to violate the anti-bribery provisions of the Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, Title 15, United States Code, Section 78dd-2, related to conduct by the Defendant in Brazil and the United States (the "Information"). The Defendant further agrees to persist in that plea through sentencing and, as set forth below, to cooperate fully with the Fraud Section and the Office in their investigation into the conduct described in this Agreement and other conduct related to the conduct described in this Agreement and the Statement of Facts attached hereto as Attachment A (the "Statement of Facts").

3. The Defendant understands that, to be guilty of this offense, the following essential elements of the offense must be satisfied:

a. An unlawful agreement between two or more persons to violate the FCPA existed; specifically, being a domestic concern, to make use of the mails and means and instrumentalities of interstate commerce corruptly or to do any other act in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value, to a foreign official, and to

a person, while knowing that all or a portion of such money and thing of value would be and had been offered, given, and promised to a foreign official, for the purpose of: (i) influencing acts and decisions of such foreign official, foreign political party and official thereof in his, her or its official capacity; (ii) inducing such foreign official, foreign political party and official thereof, to do and omit to do acts in violation of the lawful duty of such official and party; (iii) securing any improper advantage; and (iv) inducing such foreign official, foreign political party and official thereof to use his, her or its influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist the Company and others in obtaining and retaining business for and with, and directing business to, the Company and others, contrary to Title 15, United States Code, Section 78dd-2;

b. the Defendant knowingly and willfully joined that conspiracy;

c. one of the members of the conspiracy knowingly committed or caused to be committed, in the Eastern District of New York or elsewhere in the United States, at least one of the overt acts charged in the Information; and

d. the overt acts were committed to further some objective of the conspiracy.

4. The Defendant understands and agrees that this Agreement is between the Fraud Section, the Office and the Defendant 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 Fraud Section and the Office will bring this Agreement and the nature of the conduct, the nature and quality of the cooperation and remediation of the Defendant, its direct or indirect affiliates, subsidiaries, and joint ventures, to the attention of

other law enforcement, regulatory, and debarment authorities, as well as those of Multilateral Development Banks ("MDBs"), if requested by the Defendant.

5. The Defendant agrees that this Agreement will be executed by an authorized corporate representative. The Defendant further agrees that a resolution duly adopted by the Defendant's Board of Directors, in the form attached to this Agreement as Attachment B ("Certificate of Corporate Resolutions"), authorizes the Defendant to enter into this Agreement and take all necessary steps to effectuate this Agreement, and that the signatures on this Agreement by the Defendant and its counsel are authorized by the Defendant's Board of Directors, on behalf of the Defendant.

6. The Defendant agrees that it has the full legal right, power, and authority to enter into and perform all of its obligations under the Agreement.

7. The Fraud Section and the Office enter into this Agreement based on the individual facts and circumstances presented by this case, including:

a. the Defendant did not receive voluntary disclosure credit pursuant to the FCPA Corporate Enforcement Policy in the Department of Justice Manual ("JM") 9-47.120, or pursuant to the United States Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines"), because it did not voluntarily self-disclose to the Fraud Section and the Office the conduct described in the Statement of Facts, attached to this Agreement as Attachment A;

b. the Defendant received full credit for its cooperation with the Fraud Section's and the Office's investigation pursuant to the FCPA Corporate Enforcement Policy, JM 9-47.120 by, among other things: (i) conducting a thorough internal investigation, (ii) meeting requests from the Fraud Section and the Office promptly, (iii) proactively identifying issues and facts that would likely be of interest to the Fraud Section and the Office, (iv) making

factual presentations to the Fraud Section and the Office, (v) producing relevant documents to the Fraud Section and the Office, and (vi) voluntarily making foreign-based employees available for interviews in the United States;

c. the Defendant provided to the Fraud Section and the Office all relevant facts known to it, including information about the individuals involved in the misconduct, which assisted the Fraud Section and the Office's prosecution of individuals in this case;

d. the Defendant engaged in extensive remedial measures, including: no longer operating in Brazil, Venezuela, Ecuador or Chile; separating an employee involved in the conduct at issue; and providing compliance training to current employees;

e. the Defendant made specific enhancements to the Company's internal controls and compliance program, including a new anti-corruption policy, a new employee manual, and new third party due diligence and onboarding procedures;

f. based on the Defendant's remediation, the state of its compliance program, including ensuring that its compliance program will satisfy the minimum elements set forth in Attachment C to this Agreement (Corporate Compliance Reporting), the Company's risk profile, including the small size of the Company's ongoing operations, and the Defendant's agreement to report to the Fraud Section and the Office as set forth in Attachment D to this Agreement (Reporting Requirements), the Fraud Section and the Office determined that an independent compliance monitor is unnecessary;

g. the nature and seriousness and pervasiveness of the offense conduct, which included executives at the highest level of the Company, including payment of bribes to high-level government officials in Brazil over a period of years, and conduct in multiple jurisdictions;

h. the Defendant has no prior criminal history;

i. the Defendant has agreed to continue to cooperate with the Fraud Section and the Office in any ongoing investigation as described in Paragraph 12 below; and

j. the Fraud Section and the Office, with the assistance of a forensic accounting expert, conducted an ability to pay analysis, considering a range of factors outlined in the Justice Department's Inability to Pay Guidance, including but not limited to (i) the factors outlined in 18 U.S.C. § 3572 and the United States Sentencing Guidelines (the "Guidelines" or "USSG") § 8C3.3(b); (ii) the Company's current financial condition arising from the recent sale of its joint venture interest; and (iii) the Company's alternative sources of capital, including from potential loans against guaranteed future assets. Based on that analysis, the Fraud Section and the Office determined that a criminal fine greater than $16,600,000 would substantially threaten the continued viability of the Company;

k. accordingly, after considering (a) through (j) above, due to the seriousness of the offense and the fact that employees at the highest levels of the Company were responsible for the misconduct, the ability of the Fraud Section and the Office to prosecute culpable individual wrongdoers, the significant cooperation and remediation undertaken by the Company, the fact that a criminal fine greater than $16,600,000 would substantially jeopardize the continued viability of the Company, and the other considerations outlined above, the Fraud Section and the Office have determined that a guilty plea and a criminal fine of $16,600,000 is sufficient but not greater than necessary to achieve the purposes described in 18 U.S.C. § 3553.

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

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

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

c. to appear, through its duly appointed representatives, as ordered for all court appearances, and obey any other ongoing court order in this matter, consistent with all applicable U.S. and foreign laws, procedures, and regulations;

d. to commit no further crimes;

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

f. to pay the applicable fine and special assessment;

g. to cooperate fully with the Fraud Section and the Office as described in Paragraph 12;

h. to implement a compliance program as described in Paragraph 9 and Attachment C; and

i. to report to the Fraud Section and the Office annually during a term of three years, beginning on the date of sentencing, regarding remediation and implementation of the compliance measures described in Attachment C, prepared in accordance with Attachment D of this Agreement.

9. The Defendant represents that it has implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the FCPA and other applicable anti-corruption laws throughout its operations, including those of its affiliates, agents, and joint ventures, and those of its contractors and subcontractors whose responsibilities include interacting with foreign officials or other activities carrying a high risk of corruption, including, but not limited to, the minimum elements set forth in Attachment C.

10. In order to address any deficiencies in its internal accounting controls, policies, and procedures, the Defendant represents that it has undertaken, and will continue to undertake

in the future, in a manner consistent with all of its obligations under this Agreement, a review of its existing internal accounting controls, policies, and procedures, regarding compliance with the FCPA and other applicable anti-corruption laws. Where necessary and appropriate, the Defendant agrees to modify its existing compliance programs, including internal controls, compliance policies, and procedures in order to ensure that they maintain: (a) an effective system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance program that incorporates relevant internal accounting controls, as well as policies and procedures designed to effectively detect and deter violations of the FCPA and other applicable anti-corruption laws. The compliance programs, including the internal accounting controls systems, will include, but not be limited to, the minimum elements set forth in Attachment C.

11. Except as may otherwise be agreed by the parties in connection with a particular transaction, the Defendant agrees that in the event that, during the Term of the Agreement, it undertakes any change in corporate form, including if it sells, merges, or transfers business operations that are material to the Defendant's consolidated operations, or to the operations of any subsidiaries or affiliates involved in the conduct described in the Statement of Facts, as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, transfer, or other change in corporate form, it shall include in any contract for sale, merger, transfer, or other change in corporate form a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement. The purchaser or successor in interest must also agree in writing that the Fraud Section's and the Office's ability to declare a breach under this Agreement is applicable in full force to that entity. The Defendant agrees that the failure to include these provisions in the transaction will make any such

transaction null and void. The Defendant shall provide notice to the Fraud Section and the Office at least 30 days prior to undertaking any such sale, merger, transfer, or other change in corporate form. If the Fraud Section and the Office notify the Defendant prior to such transaction (or series of transactions) that they have determined that the transaction or transactions have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined in the sole discretion of the Fraud Section and the Office, the Defendant agrees that such transaction or transactions will not be consummated. In addition, if at any time during the Term of the Agreement the Fraud Section and the Office determine in their sole discretion that the Defendant has engaged in a transaction or transactions that have the effect of circumventing or frustrating the enforcement purposes of this Agreement, they may deem them a breach of this Agreement pursuant to Paragraphs 25 to 28 of this Agreement. Nothing herein shall restrict the Defendant from indemnifying (or otherwise holding harmless) the purchaser or successor in interest for penalties or other costs arising from any conduct that may have occurred prior to the date of the transaction, so long as such indemnification does not have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined by the Fraud Section and the Office.

12. The Defendant shall, subject to applicable law and regulations, cooperate fully with the Fraud Section and the Office in any and all matters relating to the conduct described in the Agreement and the Statement of Facts and other conduct under investigation by the Fraud Section and the Office or any other component of the Department of Justice at any time during the Term until the later of the date upon which all investigations and prosecutions arising out of such conduct are concluded, or the end of the Term. At the request of the Fraud Section and the Office, the Defendant shall also cooperate fully with other domestic or foreign law enforcement

and regulatory authorities and agencies, as well as the MDBs in any investigation of the Defendant, its affiliates, or any of its present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement and the Statement of Facts and any other conduct under investigation by the Fraud Section and the Office or any other component of the Department of Justice. The Defendant's cooperation pursuant to this Paragraph is subject to applicable laws and regulations, as well as valid claims of attorney-client privilege or attorney work product doctrine; however, the Defendant must provide to the Fraud Section and the Office a log of any information or cooperation that is not provided based on an assertion of law, regulation, or privilege, and the Defendant bears the burden of establishing the validity of any such assertion. The Defendant agrees that its cooperation pursuant to this Paragraph shall include, but not be limited to, the following:

a. The Defendant shall truthfully disclose all factual information not protected by a valid claim of attorney-client privilege or work product doctrine with respect to its activities, those of its subsidiaries and affiliates, and those of its present and former directors, officers, employees, agents, and consultants, including any evidence or allegations and internal or external investigations, about which the Defendant has any knowledge or about which the Fraud Section and the Office may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation of the Defendant to provide to the Fraud Section and the Office, upon request, any document, record or other tangible evidence about which the Fraud Section and the Office may inquire of the Defendant.

b. Upon request of the Fraud Section and the Office, the Defendant shall designate knowledgeable employees, agents or attorneys to provide to the Fraud Section and the

Office the information and materials described in Paragraph 12(a) above on behalf of the Defendant. It is further understood that the Defendant must at all times provide complete, truthful, and accurate information.

c. The Defendant shall use its best efforts to make available for interviews or testimony, as requested by the Fraud Section and the Office, present or former officers, directors, employees, agents and consultants of the Defendant. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation under this Paragraph shall include identification of witnesses who, to the knowledge of the Defendant, 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 Fraud Section and the Office pursuant to this Agreement, the Defendant consents to any and all disclosures, subject to applicable law and regulations, to other governmental authorities, including United States authorities and those of a foreign government, as well as the MDBs, of such materials as the Fraud Section and the Office, in their sole discretion, shall deem appropriate.

13. In addition to the obligations in Paragraph 12, during the Term, should the Defendant learn of any evidence or any allegations of conduct that may constitute a violation of the FCPA anti-bribery provisions had the conduct occurred within the jurisdiction of the United States, the Defendant shall promptly report such evidence or allegation to the Fraud Section and the Office. Thirty days prior to the end of the Term, the Defendant, by the Chief Executive Officer of the Defendant and the Chief Financial Officer of the Defendant, will certify, in the form of executing the document attached as Attachment E to this Agreement, to the Fraud

Section and the Office that the Defendant has met its disclosure obligations pursuant to this Paragraph. Each certification will be deemed a material statement and representation by the Defendant to the executive branch of the United States for purposes of 18 U.S.C. §§ 1001 and 1519, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

14. The Defendant agrees that any fine imposed by the Court will be due and payable as specified in Paragraph 22 below, and that any restitution imposed by the Court will be due and payable in accordance with the Court's order. The Defendant further agrees to pay to the Clerk of the Court for the United States District Court for the Eastern District of New York the mandatory special assessment of $400 (pursuant to 18 U.S.C. § 3013(a)(2)(B)) within 10 business days from the date of sentencing.

THE UNITED STATES' AGREEMENT

15. In exchange for the guilty plea of the Defendant and the complete fulfillment of all of its obligations under this Agreement, the Fraud Section and the Office agree that they will not file additional criminal charges against the Defendant or any of its direct or indirect subsidiaries relating to any of the conduct described in the Statement of Facts or the Information filed pursuant to this Agreement. The Fraud Section and the Office, however, may use any information related to the above referenced conduct against the Defendant: (a) in a prosecution for perjury or obstruction of justice; (b) in a prosecution for making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code. This Agreement does not provide any protection against prosecution for any future conduct by the Defendant or any of its direct or indirect subsidiaries. In addition, this Agreement does not

provide any protection against prosecution of any individuals, regardless of their affiliation with the Defendant. The Defendant agrees that nothing in this Agreement is intended to release the Defendant from any and all of the Defendant's tax liabilities and reporting obligations for any and all income not properly reported and/or legally or illegally obtained or derived.

FACTUAL BASIS

16. The Defendant is pleading guilty because it is guilty of the charges contained in the Information. The Defendant admits, agrees, and stipulates that the factual allegations set forth in the Information and the Statement of Facts are true and correct, that it is responsible for the acts of its officers, directors, employees, and agents described in the Information and the Statement of Facts, and that the Information and the Statement of Facts accurately reflect the Defendant's criminal conduct. The Defendant stipulates to the admissibility of the Statement of Facts in any proceeding by the Fraud Section and the Office, including any trial, guilty plea, or sentencing proceeding, and will not contradict anything in the attached Statement of Facts at any such proceeding.

THE DEFENDANT'S WAIVER OF RIGHTS, INCLUDING THE RIGHT TO APPEAL

17. 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. The defendant agrees that, effective as of the date the defendant signs this Agreement, it will not dispute the Statement of Facts set forth in this Agreement, and that the Statement of Facts shall be admissible against the

defendant in any criminal case involving the Fraud Section and the defendant or the Office and the defendant, as: (a) substantive evidence offered by the government in its case-in-chief and rebuttal case; (b) impeachment evidence offered by the government on cross-examination; and (c) evidence at any sentencing hearing or other hearing. In addition, the defendant also agrees not to assert any claim under the Federal Rules of Evidence (including Rule 410 of the Federal Rules of Evidence), the Federal Rules of Criminal Procedure (including Rule 11 of the Federal Rules of Criminal Procedure), or the United States Sentencing Guidelines (including USSG § 1B1.1(a)) that the Statement of Facts set forth in this Agreement should be suppressed or is otherwise inadmissible as evidence (in any form). 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 Fraud Section and the Office have fulfilled all of their obligations under this Agreement and the Court has imposed the agreed-upon sentence, the Defendant nevertheless withdraws its guilty plea.

18. The Defendant is satisfied that the Defendant's attorneys have rendered effective assistance. The Defendant understands that by entering into this Agreement, the Defendant surrenders certain rights as provided in this Agreement. The Defendant understands that the rights of criminal defendants include the following:

a. the right to plead not guilty and to persist in that plea;

b. the right to a jury trial;

c. the right to be represented by counsel – and if necessary have the court appoint counsel – at trial and at every other stage of the proceedings;

d. the right at trial to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses; and

e. pursuant to Title 18, United States Code, Section 3742, the right to appeal the sentence imposed.

Nonetheless, the Defendant knowingly waives the right to appeal or collaterally attack the conviction and any sentence within the statutory maximum described below (or the manner in which that sentence was determined) on the grounds set forth in Title 18, United States Code, Section 3742, or on any ground whatsoever except those specifically excluded in this Paragraph, in exchange for the concessions made by the Fraud Section and the Office in this Agreement. The Agreement does not affect the rights or obligations of the Fraud Section and the Office as set forth in Title 18, United States Code, Section 3742(b). The Defendant also knowingly waives the right to bring any collateral attack challenging either the conviction or the sentence imposed in this case. The Defendant hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, Title 5, United States Code, Section 552, or the Privacy Act, Title 5, United States Code, Section 552a. The Defendant waives all defenses based on the statute of limitations and venue with respect to any prosecution related to the conduct described in the Information and the Statement of Facts including 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) the Defendant violates the Agreement; or (c) the plea is later withdrawn, provided such prosecution is brought within one year of any such

vacation of conviction, violation of the Agreement, or withdrawal of plea plus the remaining time period of the statute of limitations as of the date that this Agreement is signed. The Fraud Section and the Office are free to take any position on appeal or any other post-judgment matter. The parties agree that any challenge to the Defendant's sentence that is not foreclosed by this Paragraph will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) this waiver. Nothing in the foregoing waiver of appellate and collateral review rights shall preclude the Defendant from raising a claim of ineffective assistance of counsel in an appropriate forum.

PENALTY

19. 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 pecuniary gain or gross pecuniary loss resulting from the offense, whichever is greatest (Title 18, United States Code, Section 371 and Title 18, United States Code, Sections 3571(c) and (d)); five years' probation (Title 18, United States Code, Section 3561(c)(1)); a mandatory special assessment of $400 per count (Title 18, United States Code, Section 3013(a)(2)(B)); and restitution in the amount of any victims' losses as ordered by the Court. In this case, the parties agree that the gross pecuniary gain resulting from the offense is $38,045,679. Therefore, pursuant to 18 U.S.C. § 3571(d), the maximum fine that may be imposed is twice the gross gain, or approximately $76,091,358 per offense.

SENTENCING RECOMMENDATION

20. 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 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. The Defendant also understands that if the Court accepts this Agreement, the Court is bound by the sentencing provisions in Paragraph 19.

21. The Fraud Section, the Office and the Defendant agree that a faithful application of the Sentencing Guidelines to determine the applicable fine range yields the following analysis:

a. The 2018 USSG are applicable to this matter.

b. Offense Level. Based upon USSG § 2C1.1, the total offense level is 40, calculated as follows:

(a)(2)	Base Offense Level	12
(b)(1)	Multiple Bribes	+2
(b)(2)	Value of Benefit more than $25m	+22
(b)(3)	Elected Official	+4
TOTAL		40

c. Base Fine. Based upon USSG § 8C2.4(a)(1), the base fine is $150,000,000.

d. Culpability Score. Based upon USSG § 8C2.5, the culpability score is 4, calculated as follows:

(a)	Base Culpability Score	5
(b)(5)	10 or more employees and high level personnel	+1
(g)(2)	Cooperation and Acceptance	-2
TOTAL		4

Calculation of Fine Range:

Base Fine (USSG §§ 8C2.4(a), (e))	$150,000,000
Multipliers (USSG § 8C2.6)	0.80 (min)/1.6 (max)
Fine Range (USSG § 8C2.7)	$120,000,000 (min)/ $240,000,000 (max)

22. Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the Fraud Section, the Office and the Defendant agree that the following represents the appropriate disposition of the case:

a. Disposition. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the Fraud Section, the Office and the Defendant agree that the appropriate disposition of this case is as set forth

above, and agree to recommend jointly that the Court, at a hearing to be scheduled at an agreed upon time, impose a sentence requiring the Defendant to pay a criminal fine, as noted below. Specifically, the parties agree, based on the application of the United States Sentencing Guidelines, that the appropriate total criminal penalty is $90,000,000 (the "Total Criminal Fine"). This reflects a 25 percent discount off of the bottom of the applicable Sentencing Guidelines fine range for the Defendant's full cooperation and remediation.

b. The Defendant has represented, and the Fraud Section and the Office have independently verified, that the Defendant has an inability to pay a criminal fine in excess of $16,600,000 over a period of eight months. Accordingly, the Defendant agrees to pay $3,100,000 no later than seven (7) business days after the entry of judgment of the Defendant's sentence by the Court, and an additional $13,500,000 no later than eight (8) months after the entry of judgment of the Defendant's sentence by the Court.

c. The Defendant shall not seek or accept directly or indirectly reimbursement or indemnification from any source with regard to the fine, penalty, forfeiture, or disgorgement amounts that Defendant pays pursuant to the Agreement or any other agreement entered into with an enforcement authority or regulator concerning the facts set forth in the Statement of Facts. The Defendant further acknowledges that no tax deduction may be sought in connection with the payment of any part of this fine.

d. Mandatory Special Assessment. The Defendant shall pay to the Clerk of the Court for the United States District Court for the Eastern District of New York within 10 days of the date of sentencing the mandatory special assessment of $400.

23. This Agreement is presented to the Court pursuant to Fed. R. Crim. P. 11(c)(1)(C). The Defendant understands that, if the Court rejects this Agreement, the Court

must: (a) inform the parties that the Court rejects the Agreement; (b) advise the Defendant's counsel that the Court is not required to follow the Agreement and afford the Defendant the opportunity to withdraw its plea; and (c) advise the Defendant that if the plea is not withdrawn, the Court may dispose of the case less favorably toward the Defendant than the Agreement contemplated. 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.

24. The Defendant, the Fraud Section and the Office waive the preparation of a Pre-Sentence Investigation Report ("PSR") and intend to seek a sentencing by the Court immediately following the Rule 11 hearing in the absence of a PSR. The Defendant understands that the decision whether to proceed with the sentencing proceeding without a PSR is exclusively that of the Court. In the event the Court directs the preparation of a PSR, the Fraud Section and the Office will fully inform the preparer of the PSR and the Court of the facts and law related to the Defendant's case.

BREACH OF AGREEMENT

25. If the Defendant (a) commits any felony under U.S. federal law; (b) provides in connection with this Agreement deliberately false, incomplete, or misleading information; (c) fails to cooperate as set forth in Paragraphs 12 and 13 of this Agreement; (d) fails to implement a compliance program as set forth in Paragraph 9 of this Agreement and Attachment C; (e) commits any acts that, had they occurred within the jurisdictional reach of the FCPA, would be a violation of the FCPA; or (f) otherwise fails specifically to perform or to fulfill completely each of the Defendant's obligations under the Agreement, regardless of whether the Fraud Section and the Office become aware of such a breach after the Term, the Defendant shall thereafter be subject to prosecution for any federal criminal violation of which the Fraud Section and the

Office have knowledge, which may be pursued by the Fraud Section, the Office or any other United States Attorney's Office. Determination of whether the Defendant has breached the Agreement and whether to pursue prosecution of the Defendant shall be in the Fraud Section and the Office's sole discretion. Any such prosecution may be premised on information provided by the Defendant or its personnel. Any such prosecution relating to the conduct described in the Information and the attached Statement of Facts or relating to conduct known to the Fraud Section and the Office prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Defendant, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term of the Agreement plus one year. Thus, by signing this Agreement, the Defendant agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term of the Agreement plus one year. The Defendant gives up all defenses based on the statute of limitations, any claim of pre-indictment 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. In addition, the Defendant agrees that the statute of limitations as to any violation of federal law that occurs during the term of the cooperation obligations provided for in Paragraph 12 of the Agreement will be tolled from the date upon which the violation occurs until the earlier of the date upon which the Fraud Section and the Office are made aware of the violation or the duration of the Term plus five years, and that this period shall be excluded from any calculation of time for purposes of the application of the statute of limitations.

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

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

any provision of this Agreement shall be in the sole discretion of the Fraud Section and the Office.

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

PUBLIC STATEMENTS BY THE DEFENDANT

29. The Defendant expressly agrees that it shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for the Defendant make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by the Defendant set forth above or the facts described in the Information and the Statement of Facts. Any such contradictory statement shall, subject to cure rights of the Defendant described below, constitute a breach of this Agreement, and the Defendant thereafter shall be subject to prosecution as set forth in Paragraphs 25 to 28 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the Information or the Statement of Facts will be imputed to the Defendant for the purpose of determining whether it has breached this Agreement shall be at the sole discretion of the Fraud Section and the Office. If the Fraud Section and the Office determine that a public statement by any such person contradicts in whole or in part a statement contained in the Information or the Statement of Facts, the Fraud Section and the Office shall so notify the Defendant, and the Defendant may avoid a breach of this Agreement by publicly repudiating such statement(s) within five business days after notification. The Defendant shall be permitted to raise defenses

and to assert affirmative claims in other proceedings relating to the matters set forth in the Information and the Statement of Facts provided that such defenses and claims do not contradict, in whole or in part, a statement contained in the Information or the Statement of Facts. This Paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of the Defendant in the course of any criminal, regulatory, or civil case initiated against such individual, unless such individual is speaking on behalf of the Defendant.

30. The Defendant agrees that if it or any of its direct or indirect subsidiaries or affiliates over which the Defendant exercises control issues a press release or holds any press conference in connection with this Agreement, the Defendant shall first consult the Fraud Section and the Office to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Fraud Section, the Office and the Defendant; and (b) whether the Fraud Section and the Office have any objection to the release or statement.

[INTENTIONALLY LEFT BLANK]

COMPLETE AGREEMENT

31. This document, including its attachments, states 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 SARGEANT MARINE INC.:

Date: 9/21/20

By: J David Ginter

Joseph David Ginter
Chief Financial Officer
Sargeant Marine Inc.

Date: 9/21/20

By: _____

Thomas Hanusik
Kelly Currie
Tiffany Wynn
Crowell & Moring LLP
Outside counsel for Sargeant Marine Inc.

FOR THE U.S. DEPARTMENT OF JUSTICE:

SETH D. DuCHARME
Acting United States Attorney
Eastern District of New York

Mark E. Bini

Mark E. Bini
Assistant U.S. Attorney

DANIEL S. KAHN
Acting Chief, Fraud Section
Criminal Division
U.S. Department of Justice

Derek J. Ettinger
Trial Attorney

Date: 09/21/2020

COMPANY OFFICER'S CERTIFICATE

I have read the plea agreement between Sargeant Marine Inc. (the "Defendant") and the United States of America, by and through the United States Department of Justice, Criminal Division, Fraud Section, and the United States Attorney's Office for the Eastern District of New York (the "Agreement") and carefully reviewed every part of it with outside counsel for the Defendant. I understand the terms of the Agreement and voluntarily agree, on behalf of the Defendant, to each of its terms. Before signing the Agreement, I consulted outside counsel for the Defendant. Counsel fully advised me of the rights of the Defendant, of possible defenses, of the United States Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed the terms of the Agreement with the Board of Directors. I have advised and caused outside counsel for the Defendant to advise the Board of Directors fully of the rights of the Defendant, of possible defenses, of the United States Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in the Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing the Agreement on behalf of the Defendant, in any way to enter into the Agreement. I am also satisfied with outside counsel's representation in this matter. I certify that I am the

Chief Financial Officer for the Defendant and that I have been duly authorized by the Defendant to execute the Agreement on behalf of the Defendant.

Date: 9/21/20

SARGEANT MARINE INC.

By: J David Ginter

Joseph David Ginter
Chief Financial Officer
Sargeant Marine Inc.

CERTIFICATE OF COUNSEL

I am counsel for Sargeant Marine Inc. (the "Defendant") in the matter covered by the plea agreement between the Defendant and the United States of America, by and through the Department of Justice, Criminal Division, Fraud Section, and the United States Attorney's Office for the Eastern District of New York (the "Agreement"). In connection with such representation, I have examined relevant documents and have discussed the terms of the Agreement with the Board of Directors. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of the Defendant has been duly authorized to enter into the Agreement on behalf of the Defendant and that the Agreement has been duly and validly authorized, executed, and delivered on behalf of the Defendant and is a valid and binding obligation of the Defendant. Further, I have carefully reviewed the terms of the Agreement with the Board of Directors and the officers of the Defendant. I have fully advised them of the rights of the Defendant, of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into the Agreement. To my knowledge, the decision of the Defendant to enter into the Agreement, based on the authorization of the Board of Directors, is an informed and voluntary one.

Date: 9/21/2020

By: _____

Thomas Hanusik
Kelly Currie
Tiffany Wynn
Counsel for Sargeant Marine Inc.

ATTACHMENT A

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Plea Agreement (the "Agreement") between the United States Department of Justice, Criminal Division, Fraud Section (the "Fraud Section"), the United States Attorney's Office for the Eastern District of New York (the "Office") (collectively, the "United States"), and the defendant Sargeant Marine Inc. ("SMI," the "Company" or the "defendant"). SMI hereby agrees and stipulates that the following facts and conclusions of law are true and accurate. SMI admits, accepts and acknowledges that it is responsible for the acts of its officers, directors, employees and agents as set forth below. The following facts establish beyond a reasonable doubt the charges set forth in the criminal Information attached to this Agreement:

I. Relevant Entities and Individuals

1. SMI was an asphalt company incorporated and based in Boca Raton, Florida. SMI was a "domestic concern," as that term is used in the Foreign Corrupt Practices Act ("FCPA"), Title 15, United States Code, Section 78dd-2(h)(1).

2. Asphalt Trading, the identity of which is known to the United States and the defendant, was a company incorporated in the Bahamas and based in the United States that was one of a group of companies related to the defendant. Asphalt Trading provided asphalt-related services to customers, including Petrobras and PDVSA (defined below). Asphalt Trading's principal place of business was in Boca Raton, Florida. Asphalt Trading was a "domestic concern," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

3. SMI Affiliate, the identity of which is known to the United States and the defendant, was a company incorporated in Switzerland that was one of a group of companies related to the defendant. SMI Affiliate was incorporated after lending institutions withheld lines of credit from Asphalt Trading in or about 2012.

4. Joint Venture, the identity of which is known to the United States and the defendant, was an asphalt trading joint venture between the defendant and a European energy trading company.

5. Swiss Asphalt Company, the identity of which is known to the United States and the defendant, was a company incorporated in Switzerland that was in the asphalt business and, at times, a competitor to the defendant. In or about and between 2012 and 2015, Asphalt Trading entered into various contracts with Swiss Asphalt Company to purchase and sell asphalt.

6. Petróleo Brasileiro S.A. - Petrobras ("Petrobras") was a Brazilian state-owned and state-controlled oil company headquartered in Rio de Janeiro, Brazil, that operated to refine, produce and distribute oil, oil products, gas, biofuels and energy. The Brazilian government directly owned more than 50 percent of Petrobras's common shares with voting rights. Petrobras was controlled by Brazil and performed government functions. Petrobras was an "instrumentality" of a foreign government, and Petrobras's officers and employees were "foreign officials," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

7. Petroleos de Venezuela S.A. ("PDVSA") was the Venezuelan state-owned and state-controlled oil company. PDVSA and its subsidiaries and affiliates were responsible for exploration, production, refining, transportation and trade in energy resources

in Venezuela. Among other products, PDVSA supplied asphalt to companies around the world and also provided funding for various operations of the Venezuelan government. PDVSA and its wholly-owned subsidiaries were "instrumentalities" of the Venezuelan government, and PDVSA's officers and employees were "foreign officials," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

8. Empresa Publica de Hidrocarburos del Ecuador ("Petroecuador") was the state-owned oil company of Ecuador. Petroecuador was wholly-owned and controlled by the government of Ecuador and performed a function that Ecuador treated as its own. Petroecuador was an "instrumentality" of the Ecuadorian government, and Petroecuador's officers and employees were "foreign officials," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2)(A).

9. Daniel Sargeant ("Sargeant") was a citizen of the United States who worked primarily in the United States as an executive and part owner of SMI, Asphalt Trading and SMI Affiliate from approximately 2006 through 2016. In or about and between 2012 and 2016, Sargeant was an executive and one of the chief decision-makers at SMI, Asphalt Trading and SMI Affiliate. From in or about February 2016 through the present, Sargeant was an executive at Joint Venture. Sargeant's responsibilities in these roles included seeking, approving and overseeing contracts with Petrobras, PDVSA and Petroecuador for SMI, Asphalt Trading and SMI Affiliate. Sargeant was a "United States person," a "domestic concern," an employee of a "domestic concern" and an agent of a "domestic concern," as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-2(h)(1) and 78dd-2(i).

10. Asphalt Trading Executive, an individual whose identity is known to the United States and the defendant, was a citizen of the United States. From approximately 2006 through May 2012, Asphalt Trading Executive worked in the United States as an executive of Asphalt Trading and SMI. Asphalt Trading Executive remained a part owner of Asphalt Trading through approximately July 2015. Asphalt Trading Executive's responsibilities included seeking, approving and overseeing contracts for SMI and Asphalt Trading with Petrobras and PDVSA. Asphalt Trading Executive was a "United States person," a "domestic concern," an employee of a "domestic concern" and an agent of a "domestic concern," as those terms are used in the FCPA, Title 15, United States Code, Sections 78dd-2(h)(1) and 78dd-2(i).

11. Asphalt Trading Employee, an individual whose identity is known to the United States and the defendant, was a citizen of the United States who worked in the United States for SMI-related companies from approximately 2006 through 2018. Asphalt Trading Employee's responsibilities included seeking contracts for SMI, Asphalt Trading and related companies with Petrobras, PDVSA and Petroecuador. Asphalt Trading Employee was a "domestic concern," an employee of a "domestic concern" and an agent of a "domestic concern," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

12. SMI Employee, an individual whose identity is known to the United States and the defendant, was a citizen of Venezuela and legal permanent resident of the United States as of at least 2017. SMI Employee worked at SMI in or about and between 2012 and 2018. SMI Employee's responsibilities included seeking contracts for SMI, Asphalt Trading and related companies with PDVSA. SMI Employee was an employee of a

"domestic concern" and an agent of a "domestic concern," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

13. Intermediary #1, an individual whose identity is known to the United States and the defendant, was a citizen of Brazil who worked in Brazil and the United States as an agent for Asphalt Trading from approximately the end of 2009 through at least early 2016. Intermediary #1's responsibilities included seeking contracts for SMI and Asphalt Trading with Petrobras. Intermediary #1 was an agent of a "domestic concern," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

14. Intermediary #2 and Intermediary # 3, individuals whose identities are known to the United States and the defendant, were citizens of Brazil who resided in Rio de Janeiro, Brazil. Intermediary #2 and Intermediary #3 were businesspeople who were involved in arranging the payment of bribes to foreign officials by companies that wished to do business with Petrobras. Intermediary #2 and Intermediary #3 were hired to act as agents on behalf of SMI and Asphalt Trading to secure business with Petrobras by paying bribes to Petrobras and other government officials. Intermediary #2 and Intermediary #3 were agents of a "domestic concern," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

15. Petrobras Official #1, an individual whose identity is known to the United States and the defendant, was a citizen of Brazil and a high-ranking executive at Petrobras from approximately in or about 2004 through in or about 2012. Petrobras Official #1 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

16. Petrobras Official #2, an individual whose identity is known to the United States and the defendant, was a citizen of Brazil and an executive at Petrobras with responsibility over asphalt contracts beginning in or about September 2010 to December 2015. Petrobras Official #2 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

17. Brazilian Politician #1, an individual whose identity is known to the United States and the defendant, was a citizen of Brazil and a member of the Brazilian Congress until 2012. Brazilian Politician #1 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

18. Brazilian Politician #2, an individual whose identity is known to the United States and the defendant, was a citizen of Brazil and a minister in the Brazilian government until approximately 2014. Brazilian Politician #2 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

19. Intermediary #4, an individual whose identity is known to the United States and the defendant, was a citizen of Venezuela and a naturalized United States citizen as of approximately 2014 who worked as an agent for SMI, Asphalt Trading, SMI Affiliate and Joint Venture. Intermediary #4 was a "domestic concern" and an agent of a "domestic concern," as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

20. PDVSA Official #1, an individual whose identity is known to the United States and the defendant, was a dual citizen of Spain and Venezuela with responsibility over asphalt contracts for PDVSA in or about and between 2011 and March

2015. PDVSA Official #1 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

21. PDVSA Official #2, an individual whose identity is known to the United States and the defendant, was a citizen of Venezuela and a supervisor at PDVSA of PDVSA Official #1 in or about and between 2011 and 2015. PDVSA Official #2 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd- 2(h)(2).

22. PDVSA Official #3, an individual whose identity is known to the United States and the defendant, was a citizen of Venezuela and an analyst at PDVSA who was involved in asphalt contracts for PDVSA in or about and between 2011 and 2016. PDVSA Official #3 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

23. PDVSA Official #4, an individual whose identity is known to the United States and the defendant, was a citizen of Venezuela and an employee of PDVSA who was involved in asphalt contracts for PDVSA in or about and between 2011 and 2018. PDVSA Official #4 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

24. Intermediary #5, an individual whose identity is known to the United States and the defendant, was a citizen of Ecuador, Spain and the United States. Intermediary #5, along with a close relative, provided consulting services, incorporated consulting businesses and opened bank accounts in the United States and elsewhere that were used to facilitate the payment of bribes to Ecuadorian officials for companies including SMI.

Intermediary #5 was a "domestic concern" as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(1).

25. Petroecuador Official #1, an individual whose identity is known to the United States and the defendant, was a citizen of Ecuador and served as a senior manager at Petroecuador from approximately in or about 2010 through 2017. Petroecuador Official #1 was a "foreign official," as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2).

II. The Bribery Schemes

26. In or about and between 2010 and 2018, SMI, through certain of its employees and agents, knowingly and willfully conspired and agreed with others to corruptly offer and pay bribes to, and for the benefit of, foreign officials in Brazil, Venezuela and Ecuador, including Petrobras Official #1, Petrobras Official #2, Brazilian Politician #1, Brazilian Politician #2, PDVSA Official #1, PDVSA Official #2, PDVSA Official #3, PDVSA Official #4 and Petroecuador Official #1, to secure an improper advantage in order to obtain and retain business from Petrobras, PDVSA and Petroecuador. As a result of the bribery schemes, SMI and its affiliated companies earned profits in excess of $38 million.

A. The Brazil Bribery Scheme

27. In or about and between 2010 and 2015, SMI, through certain of its employees and agents, including Sargeant, Asphalt Trading Executive, Asphalt Trading Employee, Intermediary #1, Intermediary #2 and Intermediary #3, knowingly and willfully conspired and agreed with others to corruptly offer and pay bribes to, and for the benefit of, government officials in Brazil, including Petrobras Official #1, Petrobras Official #2, Brazilian Politician #1 and Brazilian Politician #2, to secure an improper advantage in order

to obtain and retain business with Petrobras and to win millions of dollars in contracts from Petrobras.

28. To facilitate the bribery scheme and to conceal the true nature of the bribe payments, SMI and its co-conspirators, among other things, created fake consulting contracts and fake invoices, made payments from the United States to offshore bank accounts held in the name of shell companies that were controlled by Intermediary #2 and Intermediary #3, and caused bribe payments to be made in cash and through other means.

29. In furtherance of the scheme, the co-conspirators, including Sargeant, Asphalt Trading Executive, Asphalt Trading Employee, Intermediary #1 and Intermediary #3, used U.S.-based email accounts to communicate with each other and other individuals about the scheme.

1. SMI and Its Employees and Agents Agreed to Bribe Brazilian Officials to Obtain and Retain Business from Petrobras

30. In or about January 2010, Sargeant, Asphalt Trading Executive, Asphalt Trading Employee and Intermediary #1 traveled to Brazil to identify an agent with connections to Petrobras Official #1 who could help them win business from Petrobras, but were unsuccessful.

31. In or about June 2010, Intermediary #1 was introduced to Intermediary #2, a "lobbyist" who was known for paying bribes and for his connections to Petrobras.

32. In or about July 2010, Asphalt Trading Executive returned to Brazil to meet with Intermediary #2, and hired Intermediary #2 to corruptly assist SMI with winning business from Petrobras. At this time, Asphalt Trading Executive told Sargeant that Intermediary #2 would pay bribes to Petrobras Official #1.

33. Intermediary #2 believed that a competitor of SMI was winning contracts from Petrobras because that competitor was favored by a particular Brazilian politician and was likely paying bribes to that politician. In an effort to win that business from Petrobras for SMI, Intermediary #2 arranged a dinner with Petrobras Official #1 and Brazilian Politician #1, a powerful member of the Brazilian Congress at the time.

34. At the dinner, Intermediary #2 told Petrobras Official #1 and Brazilian Politician #1 that if they assisted SMI with winning business from Petrobras, they would be paid bribes on the resulting contracts. Petrobras Official #1 and Brazilian Politician #1 agreed to the scheme, and Petrobras Official #1 directed his subordinates in the asphalt department to give business to SMI.

35. Around the same time, Intermediary #2 contacted Intermediary #1 and began negotiating the amount of payment he would receive from SMI, a portion of which Intermediary #2 would pass to the Brazilian officials as bribes. Intermediary #1 ultimately received authorization from Asphalt Trading Employee, who received authorization, in turn, from Asphalt Trading Executive, to pay Intermediary #2 and Intermediary #3 (who worked with Intermediary #2) money in association with any Petrobras contracts they obtained. These corrupt payments were disguised on SMI's books as "commissions" associated with the contracts.

36. During the negotiations, Intermediary #1, Intermediary #3 and other members of the conspiracy communicated using a U.S.-based email account to which members of the conspiracy had the password and login information to, among other things, negotiate bribe payments. When one member of the conspiracy wanted to communicate using this method, they would draft an email using the account and save it in the drafts

folder. That co-conspirator would then tell another member of the conspiracy to log in and check the drafts folder in the account. In this way, the co-conspirators were able to communicate remotely without actually transmitting emails outside of the email account.

37. On or about August 9, 2010, Sargeant sent an email to Asphalt Trading Executive informing him of the "good news" that Asphalt Trading's ships had completed two shipments of asphalt to Petrobras. Asphalt Trading Executive sent an email in response stating, "Wow guess last Brazil trip with crooks paid off. Should go again before contract next year gets hot and heavy."

38. In or about September 2010, Petrobras Official #2 began working in the asphalt department at Petrobras. Thereafter, SMI, through certain agents and employees, including Intermediary #1, Intermediary #2 and Intermediary #3, began offering and paying bribes to Petrobras Official #2.

2. SMI and Its Agents and Employees Used Offshore Bank Accounts and Shell Companies to Facilitate and Conceal the Bribe Payments

39. To facilitate the bribery scheme and to conceal the bribe payments SMI made to Brazilian government officials including Petrobras Official #1, Petrobras Official #2, Brazilian Politician #1, Brazilian Politician #2 and Asphalt Trading Company entered into a fake consulting agreement with a shell company controlled by Intermediary #2 and Intermediary #3.

40. In total, SMI and its affiliated companies, including Asphalt Trading and SMI Affiliate, paid more than $5 million into offshore bank accounts held in the names of shell companies controlled by Intermediary #1, Intermediary #2 and Intermediary #3 to pay the bribes to Brazilian government officials. Intermediary #1, Intermediary #2 and

Intermediary #3 then paid a portion of those corrupt payments to Brazilian government officials, either in cash or via shell company bank accounts controlled by the officials and their relatives. Some of the wire transfers that were made to effect the bribe payments passed through the Eastern District of New York.

41. For example, on or about September 15, 2010, a Dutch affiliate of SMI wired approximately $929,218 to a shell company bank account controlled by Intermediary #2 and Intermediary #3. Subsequently, on or about September 23, 2010, approximately $225,151 from the shell bank account controlled by Intermediary #2 and Intermediary #3 was sent to a shell company bank account held for the benefit of Brazilian Politician #1.

42. In or about July 2011, to continue to facilitate and conceal the bribery scheme, Asphalt Trading Company entered into a fake consulting agreement with another shell company that was controlled by Intermediary #2 and Intermediary #3. SMI and its co-conspirators made payments pursuant to the fake contract. For example, on or about March 31, 2012, a Dutch affiliate of SMI wired approximately $113,396 to a shell company bank account controlled by Intermediary #2 and Intermediary #3.

43. Subsequently, SMI and its affiliated companies began making corrupt payments to offshore bank accounts in the names of shell companies controlled by Intermediary #1. Intermediary #1, Intermediary #2 and Intermediary #3 then distributed the bribe payments to the Brazilian government officials, including by making payments from bank accounts located in Uruguay and Panama.

44. For example, on or about July 9, 2012, a shell company bank account controlled by Intermediary #1 wired approximately $56,546 to a shell company bank account

controlled by Intermediary #2 and Intermediary #3. Subsequently, on or about July 17, 2012, approximately $11,400 was wired from the shell company bank account controlled by Intermediary #2 and Intermediary #3 to a shell company bank account controlled by Petrobras Official #1.

45. On or about February 2, 2015, Intermediary #1 sent an email to employees at SMI Affiliate and Asphalt Trading Company, including Asphalt Trading Employee, providing a statement of account for the invoices related to one of the shell companies Intermediary #1 used to make the bribe payments in Brazil, and seeking help with outstanding payments.

46. As a result of the Brazilian bribery scheme, in or about and between 2010 and 2015, SMI and affiliated companies earned profits of approximately $26.5 million.

B. The Venezuela Bribery Scheme

47. In or about and between 2012 and 2018, SMI, through certain of its employees and agents, including Sargeant, Asphalt Trading Employee, SMI Employee and Intermediary #4, knowingly and willfully conspired and agreed with others to corruptly offer and pay bribes to, and for the benefit of, foreign officials in Venezuela, including PDVSA Official #1, PDVSA Official #2, PDVSA Official #3 and PDVSA Official #4, to secure improper advantages in order to obtain and retain business with PDVSA.

48. To facilitate the bribery scheme and to conceal the true nature of the bribe payments, SMI and its co-conspirators, among other things, created fake consulting contracts and fake invoices, made payments from the United States to offshore bank accounts held in the name of shell companies that were controlled by Intermediary #4, and caused bribe payments to be made into offshore shell company accounts.

49. In furtherance of the scheme, the co-conspirators, including Asphalt Trading Employee, SMI Employee and Intermediary #4, used U.S.-based email accounts and U.S.-based text messaging platforms to communicate with each other and PDVSA Official #1 about the scheme.

1. SMI and Its Employees and Agents Agreed to Bribe Venezuelan Officials to Obtain and Retain Business from PDVSA

50. Prior to 2012, PDVSA refused to sell asphalt to SMI or companies related to SMI. To circumvent this prohibition, SMI and Swiss Asphalt Company agreed that Swiss Asphalt Company would purchase asphalt from PDVSA at the request and direction of SMI, and then resell that asphalt to SMI at a small premium.

51. For Swiss Asphalt Company to obtain the contracts, SMI, through certain agents and employees, including Sargeant, SMI Employee, Asphalt Trading Employee and Intermediary #4, agreed to offer and pay bribes to PDVSA Official #1 and PDVSA Official #2.

52. To facilitate the bribe payments and to conceal the bribe payments, SMI and its co-conspirators caused SMI Affiliate to enter into fake consulting contracts with Intermediary #4.

53. Pursuant to the fake contracts, Intermediary #4 received commission payments, typically calculated on a per barrel basis, for any asphalt that Swiss Asphalt Company purchased from PDVSA and provided to SMI. Intermediary #4 in turn paid bribes to PDVSA Official #1, typically calculated on a per barrel basis, for the asphalt that PDVSA sold to Swiss Asphalt Company. PDVSA Official #1 also shared a portion of those bribe payments with PDVSA Official #2.

54. In or about and between 2013 and 2015, SMI and SMI Affiliate paid approximately $1.2 million into U.S. and offshore bank accounts in the names of shell companies controlled by Intermediary #4, and Intermediary #4 passed a portion of that money to PDVSA Official #1 and PDVSA Official #2.

55. For example, on or about January 6, 2014, Intermediary #4 submitted an invoice to SMI for consulting services totaling $19,497.60. On or about January 17, 2014, SMI caused a $19,497.60 wire payment to be made from a bank account it controlled in Miami, Florida, to a bank account controlled by Intermediary #4 in Miami, Florida. Subsequently, on or about January 21, 2014, Intermediary #4 caused approximately $47,788.20 to be paid from a bank account Intermediary #4 controlled in Miami, Florida to a bank account controlled by PDVSA Official #1 in Panama.

56. In approximately March 2015, PDVSA Official #1 stopped working at PDVSA and began working at a company that did business with PDVSA as a counter-party, buying and selling petrochemical products.

57. Also in approximately March 2015, SMI and its co-conspirators agreed to pay bribes to PDVSA officials, through Intermediary #4 and PDVSA Official #1, in exchange for receiving non-public information from PDVSA and to obtain a competitive advantage in obtaining and retaining business with PDVSA.

58. In furtherance of this scheme, among other things, PDVSA Official #1 and Intermediary #4 obtained non-public information from foreign officials, including PDVSA Official #3 and PDVSA #4, and provided it to Intermediary #4, who provided that information to SMI and SMI Affiliate.

59. To facilitate the scheme and to conceal the scheme and its participants, Asphalt Trading Employee, SMI Employee and PDVSA Official #1 used code names, including "Oil Trader," "Tony" and "Tony 2" to refer to PDVSA Official #1, PDVSA Official #3 and PDVSA Official #4. They also used the code word "Chocolates" to refer to the confidential information that was obtained through the corrupt bribery scheme.

60. For example, on or about September 19, 2013, SMI Employee sent an email to Intermediary #4 asking SMI Employee for internal, non-public information about PDVSA from PDVSA Official #1, and using the code name "Oiltrader" to refer to PDVSA Official #1.

61. On or about July 22, 2017, PDVSA Official #1 sent Intermediary #4 an email with the subject line "chocolates agosto 17," attaching an internal PDVSA document containing confidential information titled "CHOCOLATES 0807.xls."

62. To facilitate the bribe payments and to conceal the bribe payments, SMI and its co-conspirators caused Joint Venture to enter into a fake consulting agreement with Intermediary #4, pursuant to which Intermediary #4 received a $2,000 monthly retainer from which Intermediary #4 paid bribes to PDVSA Official #1, PDVSA Official #3 and PDVSA Official #4.

63. On or about February 11, 2016, SMI Employee sent an email to the director of SMI Affiliate, copying Asphalt Trading Employee and Sargeant, attaching a "Past Due Statement" from Intermediary #4 and stating: "Per information from Dan he has approved and giving [sic] you payment instructions for the attached invoice. Since we are very sensitive on time due to new activities are ready to start. Please advise me as soon as wire transfer goes out as I need to manage the situation."

64. As a result of the Venezuela bribery scheme, SMI and its affiliated entities earned profits of approximately $8.2 million.

2. SMI and Its Employees and Agents Agreed to Bribe Venezuelan Officials to Obtain Payment of Demurrage Fees

65. PDVSA was required to pay penalties (called demurrage fees) to Swiss Asphalt Company, which, in its role as a pass-through, it then remitted to SMI. To recover the amount of these penalties, SMI and its co-conspirators, including Intermediary #4 and PDVSA Official #1, agreed to pay, and paid, bribes to various PDVSA employees in exchange for their authorization of PDVSA's payment of demurrage fees to Swiss Asphalt Company.

66. In furtherance of the scheme, on or about August 18, 2014, PDVSA Official #1 forwarded an email to Intermediary #4 attaching an internal PDVSA email assessing the demurrage fees PDVSA owed in connection with various shipments.

C. The Ecuador Bribery Scheme

67. In or about 2014, SMI, through certain of its employees and agents, knowingly and willfully conspired and agreed with others to corruptly offer and pay bribes to, and for the benefit of, foreign officials in Ecuador, including Petroecuador Official #1, to secure an improper advantage in order to obtain and retain business with Petroecuador and win lucrative contracts with Petroecuador.

68. To facilitate the bribery scheme and to conceal the true nature of the bribe payments, SMI and its co-conspirators, among other things, created fake consulting contracts and fake invoices and made payments from bank accounts in the United States to

offshore bank accounts held in the name of shell companies that were controlled by Intermediary #5 and Intermediary #5's close relative.

69. In furtherance of the scheme, the co-conspirators, including Asphalt Trading Employee, SMI Employee and Intermediary #5, used U.S.-based email accounts to communicate with each other and other individuals about the scheme.

70. For example, in or about June 2014, SMI Employee received a call from Intermediary #5, who told SMI Employee that Petroecuador needed a supply of asphalt.

71. In or about June 2014, Intermediary #5 and Petroecuador Official #1 met with SMI Employee and Asphalt Trading Employee and explained the requirements of the project. They stated that an official request would be made through a tender from Petroecuador.

72. In or about June 2014, SMI Employee and Asphalt Trading Employee attended another meeting with Intermediary #5 at a restaurant in Florida. SMI Employee understood that there was a high probability the some of the money paid to Intermediary #5 would be passed to Petroecuador Official #1 as a bribe to obtain business for the benefit of SMI. At the meeting it was agreed that Intermediary #5 would receive a $2 per barrel commission if SMI won the tender.

73. To facilitate the bribery scheme and to conceal the bribe payments, on or about July 1, 2014, SMI Affiliate entered into a fake consulting agreement with an offshore shell company associated with Intermediary #5 and Intermediary #5's close relative. Intermediary #5 subsequently submitted approximately $471,881 in invoices for payment pursuant to the fake agreement.

74. For example, on or about November 20, 2014, Intermediary #5 sent an invoice for $188,752.85 to SMI Affiliate for payment.

75. After Intermediary #5 received payment on the invoices, Intermediary #5 wired a portion of the money to a bank account controlled by Petroecuador Official #1.

76. As a result of the bribery scheme, SMI earned profits of approximately $3.2 million.

ATTACHMENT B

CERTIFICATE OF CORPORATE RESOLUTIONS

I, Joseph David Ginter, do hereby certify that I am the Chief Financial Officer of Sargeant Marine, Inc. (the "Company"), a company incorporated in the State of Florida, and that the following are true, complete, and correct copies of resolutions adopted by written consent on September 14, 2020 by the Board of Directors of the Company:

WHEREAS, the Company has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section (the "Fraud Section") and the United States Attorney's Office for the Eastern District of New York (the "Office") regarding issues arising in relation to certain improper payments to foreign officials to assist in obtaining business for the Company; and

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

WHEREAS, the Company's outside counsel, Thomas A. Hanusik and Kelly T. Currie, have advised the Company's Board of Directors of its rights, possible defenses, the Sentencing Guidelines' provisions, and the consequences of entering into such agreement with the Fraud Section and the Office;

Therefore, the Board of Directors has RESOLVED that:

1. The Company acknowledges the filing of the one-count Information charging the Company with a violation of 18 U.S.C. §371;

2. The Company waives indictment on such charges and enters into a plea agreement with the Fraud Section and the Office (the "Plea Agreement");

3. The Company agrees to pay a fine of $16,600,000 with respect to the conduct described in the Information in the manner described in the Plea Agreement;

4. The Company admits the court's jurisdiction over the Company and the subject matter of such action and consents to the judgment therein;

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

6. Joseph David Ginter, Chief Financial Officer of the Company, and Kelly T. Currie, outside counsel for the Company, are hereby authorized, empowered and directed, on behalf of the Company, to execute the Plea Agreement substantially in such form as reviewed by this

Board of Directors, with such changes as Joseph David Ginter and/or Kelly T. Currie may approve;

7. Joseph David Ginter, Chief Financial Officer of the Company, and Kelly T. Currie, outside counsel for the Company, are hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions, including, but not limited to waiving indictment on behalf of the Company, appearing on behalf of the Company in any proceedings related to the Plea Agreement and the matters to which the Plea Agreement relates, execute and deliver any documents necessary to enter into the proposed settlement with the Fraud Section and the Office, enter a guilty plea before the United States District Court for the Eastern District of New York, and accept the sentence of the said court on behalf of the Company; and

8. All of the actions of Joseph David Ginter, Chief Financial Officer of the Company, and Kelly T. Currie, outside counsel for the Company, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: 9/21/20

By: J David Ginter
Chief Financial Officer
Sargeant Marine, Inc.

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address any deficiencies in its internal controls, compliance code, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act ("FCPA"), 15 U.S.C. §§ 78dd-1, *et seq.*, and other applicable anti-corruption laws, Sargeant Marine Inc. ("the Company"), on behalf of itself and its subsidiaries and affiliates, agrees to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, the Company agrees to adopt new, or to modify its compliance program, including internal controls, compliance policies, and procedures in order to ensure that it maintains: (a) an effective system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance program that incorporates relevant internal accounting controls, as well as policies and procedures designed to effectively detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Company's existing internal controls, compliance code, policies, and procedures:

Commitment to Compliance

1. The Company will ensure that its directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of the anti-corruption laws and its compliance code, and demonstrate rigorous adherence by example. The Company will also ensure that middle management, in turn, reinforce those

standards and encourage employees to abide by them. The Company will create and foster a culture of ethics and compliance with the law in its day-to-day operations at all levels of the company.

Policies and Procedures

2. The Company will develop and promulgate a clearly articulated and visible corporate policy against violations of the FCPA and other applicable foreign law counterparts (collectively, the "anti-corruption laws,"), which policy shall be memorialized in a written compliance code.

3. The Company will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of the anti-corruption laws and the Company's compliance code, and the Company will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against violation of the anti-corruption laws by personnel at all levels of the Company. These anti-corruption policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of the Company in a foreign jurisdiction, including but not limited to, agents and intermediaries, consultants, representatives, distributors, teaming partners, contractors and suppliers, consortia, and joint venture partners (collectively, "agents and business partners"). The Company shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company. Such policies and procedures shall address:

a. gifts;

b. hospitality, entertainment, and expenses;

c. customer travel;

d. political contributions;

e. charitable donations and sponsorships;

f. facilitation payments; and

g. solicitation and extortion.

4. The Company will ensure that it has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that:

a. transactions are executed in accordance with management's general or specific authorization;

b. transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;

c. access to assets is permitted only in accordance with management's general or specific authorization; and

d. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Periodic Risk-Based Review

5. The Company will develop these compliance policies and procedures on the basis of a periodic risk assessment addressing the individual circumstances of the Company, in particular the foreign bribery risks facing the Company, including, but not limited to, its geographical organization, interactions with various types and levels of government officials, industrial sectors of operation, potential clients and business partners, use of third parties, gifts, travel and entertainment expenses, charitable and political donations, involvement in joint venture arrangements, importance of licenses and permits in the Company's operations, degree of governmental oversight and inspection, and volume and importance of goods and personnel clearing through customs and immigration.

6. The Company shall review its anti-corruption compliance policies and procedures no less than annually and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving international and industry standards.

Proper Oversight and Independence

7. The Company will assign responsibility to one or more senior corporate executives of the Company for the implementation and oversight of the Company's anti-corruption compliance code, policies, and procedures. Such corporate official(s) shall have the authority to report directly to independent monitoring bodies, including internal audit, the Company's Board of Directors, or any appropriate committee of the Board of Directors, and shall have an adequate level of stature and autonomy from management as well as sufficient resources and authority to maintain such autonomy.

Training and Guidance

8. The Company will implement mechanisms designed to ensure that its anti-corruption compliance code, policies, and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in positions of leadership or trust, positions that require such training (e.g., internal audit, sales, legal, compliance, finance), or positions that otherwise pose a corruption risk to the Company, and, where necessary and appropriate, agents and business partners; and (b) corresponding certifications by all such directors, officers, employees, agents, and business partners, certifying compliance with the training requirements. The Company will conduct training in a manner tailored to the audience's size, sophistication, or subject matter expertise and, where appropriate, will discuss prior compliance incidents.

9. The Company will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with the Company's anti-corruption compliance code, policies, and procedures, including when they need advice on an urgent basis or in any foreign jurisdiction in which the Company operates.

Internal Reporting and Investigation

10. The Company will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of the

anti-corruption laws or the Company's anti-corruption compliance code, policies, and procedures.

11. The Company will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting allegations of violations of the anti-corruption laws or the Company's anti-corruption compliance code, policies, and procedures. The Company will handle the investigations of such complaints in an effective manner, including routing the complaints to proper personnel, conducting timely and thorough investigations, and following up with appropriate discipline where necessary.

Enforcement and Discipline

12. The Company will implement mechanisms designed to effectively enforce its compliance code, policies, and procedures, including appropriately incentivizing compliance and disciplining violations.

13. The Company will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and the Company's anti-corruption compliance code, policies, and procedures by the Company's directors, officers, and employees. Such procedures should be applied consistently, fairly and in a manner commensurate with the violation, regardless of the position held by, or perceived importance of, the director, officer, or employee. The Company shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including

assessing the internal controls, compliance code, policies, and procedures and making modifications necessary to ensure the overall anti-corruption compliance program is effective.

Third-Party Relationships

14. The Company will institute appropriate risk-based due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

a. properly documented due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;

b. informing agents and business partners of the Company's commitment to abiding by anti-corruption laws, and of the Company's anti-corruption compliance code, policies, and procedures; and

c. seeking a reciprocal commitment from agents and business partners. The Company will understand and record the business rationale for using a third party in a transaction, and will conduct adequate due diligence with respect to the risks posed by a third-party partner such as a third-party partner's reputations and relationships, if any, with foreign officials. The Company will ensure that contract terms with third parties specifically describe the services to be performed, that the third party is actually performing the described work, and that its compensation is commensurate with the work being provided in that industry and geographical region. The Company will engage in ongoing monitoring of third-party relationships through updated due diligence, training, audits, and/or annual compliance certifications by the third party.

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

Mergers and Acquisitions

16. The Company will develop and implement policies and procedures for mergers and acquisitions requiring that the Company conduct appropriate risk-based due diligence on potential new business entities, including appropriate FCPA and anti-corruption due diligence by legal, accounting, and compliance personnel.

17. The Company will ensure that the Company's compliance code, policies, and procedures regarding the anti-corruption laws apply as quickly as is practicable to newly acquired businesses or entities merged with the Company and will promptly:

a. train the directors, officers, employees, agents, and business partners consistent with Paragraph 8 above on the anti-corruption laws and the Company's compliance code, policies, and procedures regarding anti-corruption laws; and

b. where warranted, conduct an FCPA-specific audit of all newly acquired or merged businesses as quickly as practicable.

Monitoring, Testing, and Remediation

18. In order to ensure that its compliance program does not become stale, the Company will conduct periodic reviews and testing of its anti-corruption compliance code, policies, and procedures designed to evaluate and improve their effectiveness in preventing and detecting violations of anti-corruption laws and the Company's anti-corruption code, policies, and procedures, taking into account relevant developments in the field and evolving international and industry standards. The Company will ensure that compliance and control personnel have sufficient direct or indirect access to relevant sources of data to allow for timely and effective monitoring and/or testing of transactions. Based on such review and testing and its analysis of any prior misconduct, the Company will conduct a thoughtful root cause analysis and timely and appropriately remediate to address the root causes.

ATTACHMENT D

REPORTING REQUIREMENTS

Sargeant Marine Inc. (the "Company") agrees that it will report to the Fraud Section and the United States Attorney's Office for the Eastern District of New York ("The Fraud Section and the Office") periodically, at no less than twelve-month intervals during a three-year term, regarding remediation and implementation of the compliance program and internal controls, policies, and procedures described in Attachment C. During this three-year period, the Company shall: (1) conduct an initial review and submit an initial report, and (2) conduct and prepare at least two (2) follow-up reviews and reports, as described below:

a. By no later than one year from the date this Agreement is executed, the Company shall submit to the Fraud Section and the Office a written report setting forth a complete description of its remediation efforts to date, its proposals reasonably designed to improve the Company's internal controls, policies, and procedures for ensuring compliance with the FCPA and other applicable anti-corruption laws, and the proposed scope of the subsequent reviews. The report shall be transmitted to Christopher Cestaro, Chief - FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, 1400 New York Avenue, NW, Bond Building, Eleventh Floor, Washington, DC 20530, and Alixandra E. Smith, Chief, Business and Securities Fraud Section, United States Attorney's Office for the Eastern District of New York, 271 Cadman Plaza East, Brooklyn, NY 11201. The Company may extend the time period for issuance of the report with prior written approval of the Fraud Section and the Office.

b. The Company shall undertake at least two follow-up reviews and reports incorporating the Fraud Section and the Office's views on the Company's prior reviews and reports, to further monitor and assess whether the Company's policies and procedures are

reasonably designed to detect and prevent violations of the FCPA and other applicable anti-corruption laws.

c. The first follow-up review and report shall be completed by no later than one year after the initial report is submitted to the Fraud Section and the Office. The second follow-up review and report shall be completed and delivered to the Fraud Section and the Office no later than thirty days before the end of the Term.

d. The reports will likely include proprietary, financial, confidential, and competitive business information. Moreover, public disclosure of the reports could discourage cooperation, impede pending or potential government investigations and thus undermine the objectives of the reporting requirement. For these reasons, among others, the reports and the contents thereof are intended to remain and shall remain non-public, except as otherwise agreed to by the parties in writing, or except to the extent that the Fraud Section and the Office determine in their sole discretion that disclosure would be in furtherance of the Fraud Section and the Office's discharge of their duties and responsibilities or is otherwise required by law.

e. The Company may extend the time period for submission of any of the follow-up reports with prior written approval of the Fraud Section and the Office.

ATTACHMENT E

CERTIFICATION

To: United States Department of Justice
Criminal Division, Fraud Section
Attention: Chief – FCPA Unit

United States Attorney's Office
Eastern District of New York
Attention: Chief – Business and Securities Fraud Section

Re: Plea Agreement Disclosure Certification

The undersigned certify, pursuant to Paragraph 13 of the Plea Agreement (the "Agreement") filed on September 22, 2020, in the U.S. District Court for the Eastern District of New York, by and between the United States and Sargeant Marine Inc. (the "Company"), that undersigned are aware of the Company's disclosure obligations under Paragraph 13 of the Agreement and that undersigned have disclosed to the Criminal Division's Fraud Section (the "Fraud Section) and the United States Attorney's Office for the Eastern District of New York (the "Office") any and all evidence or allegations of conduct required pursuant to Paragraph 13 of the Agreement, which includes evidence or allegations that may constitute a violation of the FCPA anti-bribery provisions had the conduct occurred within the jurisdiction of the United States ("Disclosable Information"). This obligation to disclose information extends to any and all Disclosable Information that has been identified through the Company's compliance and controls program, whistleblower channel, internal audit reports, due diligence procedures, investigation process, or other processes. The undersigned further acknowledge and agree that the reporting requirement contained in Paragraph 13 and the representations contained in this certification constitute a significant and important component of the Agreement and the Fraud Section and the Office's determination whether the Company has satisfied its obligations under the Agreement.

The undersigned hereby certify respectively that [he/she] is the Chief Executive Officer ("CEO") of the Company and that [he/she] is the Chief Financial Officer ("CFO") of the Company and that each has been duly authorized by the Company to sign this Certification on behalf of the Company.

This Certification shall constitute a material statement and representation by the undersigned and by, on behalf of, and for the benefit of, the Company to the executive branch of the United States for purposes of 18 U.S.C. § 1001, and such material statement and representation shall be deemed to have been made in the Eastern District of New York. This Certification shall also constitute a record, document, or tangible object in connection with a matter within the jurisdiction of a department and agency of the United States for purposes of 18 U.S.C. § 1519, and such record,

document, or tangible object shall be deemed to have been made in the Eastern District of New York.

By: _____ Dated: _____
CEO
Sargeant Marine Inc.

By: _____ Dated: _____
CFO
Sargeant Marine Inc.