# Template Anti-Corruption, ANTI-MONEY LAUNDERING and Trade/Sanctions Compliance Clauses For MEDIUM-RISK Business PArtners (as defined in Due Diligence Business Partner Compliance and Screening Procedure)

**Appendix XX: Anti-Corruption, ANTI-MONEY LAUNDERING and Trade/Sanctions Compliance REQUIREMENTS**

The anti- corruption, anti-money laundering and trade/sanctions compliance requirements set out in this Appendix X shall apply to XXXXXXXXXXX.

1. **Definitions**

1.1 For purposes of this Appendix, the following terms are defined as follows. Any capitalized terms used but not otherwise defined in this Appendix shall be read consistent with the definition ascribed to those terms in the [MAIN AGREEMENT]:

“**Affiliated Persons**” means any owner (including any principal, shareholder or other person or entity having a direct or indirect financial interest), officer, director, partner, principal, employee, or any other natural person or legal entity, directly or indirectly, controlling, controlled by, under common control with the Party.

“**Applicable Anti-Corruption Laws**” means, any anti-bribery and anti-corruption laws, rules, or regulations applicable to VEON or the Business Partner that prohib, among other things, the giving or promising to give of money or anything else of value to a government official, for the purpose of influencing any act or decision of such government official, or inducing the use of influence on such government official, in each case to the extent that they are applicable to VEON or the Business Partner (as the case may be), including: (i) [*Insert reference to relevant local anti-corruption legislation*]; and (ii) the U.S. Foreign Corrupt Practices Act of 1977 (as amended);

“**Applicable Anti-Money Laundering Laws**” means any laws, rules, or regulations applicable to VEON or the Business Partner, that prohibit engaging in or facilitating financial transactions that promote or conceal unlawful activity in any jurisdiction.

**“Applicable International Trade Control Laws”** means any laws, rules, or regulations applicable to VEON or the Business Partner, that regulate exports, re-exports, deemed exports, or brokering, of goods, services, or technology, as well as transactions or dealings targeted by sanctions measures, including (but not limited to) those administered and enforced by the U.S. Treasury Department, U.S. Commerce Department, U.S. State Department, European Union, competent European Union Member State authorities or United Nations.

“**Applicable Anti-Corruption Laws,**” “**Applicable Anti-Money Laundering Laws**” and **“Applicable International Trade Control Laws”** shall be jointly referred to as **“Applicable Laws”** for purposes of this Appendix only.

“**Business Partner**” means the third party defined in the MAIN AGREEMENT to which this Appendix relates, and whose representative executed this Appendix.

“**Conflict of Interest**” shall mean any circumstance, potential, actual, or perceived, that might cause a Party, Affiliated Persons, or Third Parties to place their financial or personal interests above the interests of their obligations under this Agreement causing them or might cause that party to be biased in their business judgments, decisions and actions or take decisions or actions that are detrimental to the interest of VEON under this Agreement.

“**Government Entity**” means: (i) any agency, instrumentality, subdivision or other body of any national, regional, local or other government (including, but not limited to, any telecommunications or broadcasting authority, any parliament or other legislative body, any military or law enforcement agency, etc.); (ii) any commercial or similar entities owned or controlled by such government, including any state-owned and state-operated companies; (iii) any political party; or (iv) any public international organization.

“**Government Official**” includes, but is not limited to: (i) any elected or appointed official (whether in the executive, legislative or judicial branches of government) of a local, state, provincial, regional or national government (or any department or agency of those types of government bodies), (ii) any government employee, part-time government worker, unpaid government worker, or anyone “acting in an official capacity” (i.e., acting under a delegation of authority from a government to carry out government responsibilities), (iii) any political party, party official, or candidate for political office, (iv) any official or employee of a public international organization such as the World Bank or United Nations, or any department or agency of those types of organizations, (v) any official, representative, or employee of a company that is under even partial ownership or control by a government.

“**Prohibited Payment**” means the payment, offer or promise to pay, or authorization to provide any money or anything of value to any person in contravention of any Applicable Anti-Corruption Laws, including (but not limited) to (i) any Government Official for the purpose of improperly influencing any act or decision of, or for securing any improper advantage from, such Government Official, in order to assist in any way in obtaining or retaining business for or with, or directing business to, any person; or (ii) any other person or entity, if such payment, offer, promise or authorization would violate any Applicable Anti-Corruption Laws.

**“Related Party”** means any two or more persons and/or legal entities whose relationship would cause an objective person to reasonably believe that, if a benefit was given to one of them, that benefit would be considered beneficial to, or would be provided to, the other(s). Among others, a Related Party shall include: any nominee or representative, any close family members (by marriage, law, custom or biological standards), including any spouse, cohabitant (person sharing a primary residence), mother, father, brother, sister, son, daughter, stepson, stepdaughter, uncle, aunt, niece, nephew, first cousin, as well as the spouse or cohabitant (person sharing the primary residence) of any of them and anyone that a party considers to be a family member. A Related Party may also include: business partners, owned or controlled companies and their employees, close friends, creditors and charitable organizations affiliated with a relevant party.

**“BPCOC”** means the VEON Ltd. Business Partner Code of Conduct which is annexed in Appendix Y and sets out the minimum compliance standards for all Business Partners.

**“Third Party”** means any natural person or legal entity acting for the benefit of or on behalf of VEON or Business Partner.

**“VEON”** means the VEON entity as defined in the MAIN AGREEMENT.

2. **Representations and Warranties of Business Partner**

Business Partner represents and warrants to VEON that the statements contained in this Section 2 are true and correct as of the date of this Appendix.

2.1 The Business Partner represents and warrants that the Business Partner and each of its Affiliated Persons:

1. has knowledge of the principles and requirements of the BPCOC, including the provisions of Applicable Laws;
2. when acting directly or indirectly on VEON’s behalf, will at all times strictly abide by the BPCOC and Applicable Laws;
3. will refrain from engaging, whether directly or indirectly, in improper and/or illegal conduct, including corruption, extortion, money-laundering and embezzlement; and
4. has been informed that the provisions of the U.S. Foreign Corrupt Practices Act of 1977 (as amended) apply to VEON Ltd.

2.2 In connection with any aspect of this Agreement or any other transaction involving VEON, the Business Partner and its Affiliated Persons have not and will not make any Prohibited Payment. Further, to the knowledge and belief of the Business Partner and its Affiliated Persons, no other person or entity has made or will make any Prohibited Payment in connection with any aspect of this Agreement or any other transaction involving VEON.

2.3 The Business Partner represents and warrants that neither the Business Partner nor its Affiliated Persons has taken or failed to take, or will take or fail to take, any actions or omissions which would subject VEON or its Affiliated Persons to potential liability under any Applicable Laws.

2.4 The Business Partner represents and warrants that it has conducted due diligence sufficient to ensure that its Third Parties have not taken or failed to take, and will not take or fail to take any actions or omissions which would subject VEON or its affiliates to potential liability under any Applicable Laws.

2.5 Except as otherwise disclosed to VEON, the Business Partner represents and warrants that:

1. neither the Business Partner, nor any of its Affiliated Persons is acting for or on behalf of any Government Official; and
2. no Government Official or any Related Party thereof has any direct or indirect ownership of, or other interest in, the monies, proceeds, or other benefits that may arise in connection with the Agreement.

2.6 The Business Partner represents and warrants that, in connection with its relationship to VEON and each of the transactions established by the [XXXXXXXX], it:

1. has maintained and will maintain complete and accurate books, records, invoices and other documents concerning payments and expenses which reflect in reasonable detail the character and amount of such expenditures and the transactions to which they relate; and
2. has not, and will not, maintain or use any funds that are not fully accounted for, including “off book” accounts.

2.7 The Business Partner represents and warrants that it has no business, professional, personal, or other interest that would conflict in any manner or degree with the performance of its obligations under this Agreement.

**3. Undertakings of the Business Partner**

Business Partner undertakes and agrees to the following:

3.1 Business Partner agrees to promptly notify VEON in writing of any alleged, actual, or potential violation of the BPCOC or any Applicable Law by the Business Partner, its Affiliated Persons, or Third Parties; and

### 3.2 Business Partner agrees to promptly notify VEON if it, an Affiliated Person, or Third Party receives a request to perform or take any action which violates or may violate the Business Partner’s contractual obligations to VEON under this Appendix.

3.3. The Business Partner agrees that it will provide the BPCOC to:

1. all of its Affiliated Persons and ensure that all Affiliated Persons are aware of the BPCOC, and require adherence to the BPCOC by Affiliated Persons, equivalent standards and Applicable Laws;
2. all of its Third Parties and require that these Third Parties adhere to the BPCOC or equivalent standards; and
3. any Third Parties acting on behalf of the Business Partner, its Affiliated Persons, or in the VEON supply chain, including any licensed and/or authorized re-sellers of products and services.

3.4 The Business Partner agrees not to engage any Third Party to interact with any Government Official on behalf of VEON or the Business Partner in connection with this Agreement without the prior written consent of VEON. Business Partner agrees that VEON shall have the right to conduct anti-corruption compliance due diligence on a potential Third Party, and the Business Partner shall cooperate with VEON to ensure VEON’s access to documents and information required to complete such due diligence. The Business Partner shall include in each Third Party agreement a requirement that its Subcontractors comply in all material respects, with applicable provisions of this Appendix XX.

3.5 The Business Partner shall, upon VEON’s reasonable request, make available its officers and other employees, as well as those of any Affiliated Parties and Third Parties who undertake any actions related to or in connection to the Agreement or VEON, for anti-bribery and anti-corruption related training, including on the BPCOC, (either live or on-line at VEON's discretion) as VEON may reasonably require from time to time.

3.6 When requested to do so by VEON the Business Partner shall certify, in writing, compliance with the requirements of this Appendix and obtain such written certification from its Affiliated Persons and Third Parties. The Business Partner also agrees that, at VEON’s request, it will obtain such certifications from any or all of its Affiliated Partners and Third Parties engaged in activities in connection with this Agreement with respect to their individual conduct.

3.7 The Business Partner shall notify VEON in writing of any changes affecting the representations made under any clause of this Appendix XX, or any statements made by the Business Partner in response to any of the questions included in the Business Partner due diligence questionnaire (“DDQ”) completed by the Business Partner at VEON’s request prior to the execution of the Agreement.

If VEON learns of any such material changes to Business Partner's representations or statements (through a notification or otherwise) or that the Business Partner has made a material misstatement or material omission in its DDQ or otherwise during the due diligence process, then VEON is entitled to suspend payments under the Agreement and re-open the due diligence process. Following the conclusion of the “re-opened” due diligence process, VEON will have the right to re-negotiate the terms of the agreement or exit the Agreement.

3.8 If any actual or potential Conflict of Interest arises under this Agreement, the Business Partner shall immediately inform VEON in writing of such conflict and shall provide sufficient information to assist VEON in its assessment of such conflict.

3.9 Affiliated Parties shall not engage in activities that seek to obtain or retain business for or on behalf of VEON.

3.10 The Parties hereby agree that no payments in connection with this Agreement shall be made to any bank accounts other than the Parties’ bank accounts indicated in clause [\_\_] of the Agreement, which Business Partner represents and warrants is an official bank account for [entity name]. The Parties agree that domicile of the relevant financial institutions shall be either a place of residence of the relevant Party or a place where the Business Partner provides services under this Agreement. Each Party shall notify the other party in writing about the change of such Party’s bank account not later than within fourteen (14) business days before the relevant due date for payment due under this Agreement.

3.11 Business Partner acknowledges that any items or services that it provides under this Agreement may be subject, or become subject in the future, to the Applicable Trade Control Laws of one or more jurisdictions (including without limit those of the U.S., the European Union and any other jurisdiction in which it deals in items and/or provides services), and shall not deal in, supply, deliver, broker or export any such items or provide such services without first obtaining all governmental approvals and making any notifications that may be required under such Applicable International Trade Control Laws. Business Partner agrees that its services and activities to or on behalf of VEON shall not involve any transaction, business or dealing (including those with a country, Government, person, end-user, or end-use blocked, sanctioned, or otherwise controlled by Applicable International Trade Control Laws), without first obtaining or using a relevant governmental approval or making a relevant notification, where required under Applicable International Trade Control Laws. Business Partner shall be responsible for obtaining, and shall use its best efforts to obtain, all necessary authorisations, licences and other governmental approvals, and for making any notifications, as may be required under Applicable International Trade Control Laws. In the event that VEON is required to obtain an authorisation, licence or other governmental approval or to make a notification under Applicable International Trade Control Laws for reasons arising out of this Agreement or the acts contemplated by it, Business Partner shall provide such assistance to VEON in obtaining such approval as VEON reasonably requires. Neither Business Partner nor any of its shareholders, directors, officers, employees, or other Affiliated Persons are: (i) blocked or sanctioned under Applicable International Trade Control Laws; or (ii) owned or controlled by, or acting for or on behalf of, any person blocked or sanctioned by Applicable International Trade Control Laws. In connection with its activities for VEON, neither Business Partner nor any of its directors, shareholders, officers, employees or other Affiliated Persons are engaged, directly or indirectly, in any current, open, or pending business, transactions, or dealings with: Crimea, Cuba, Iran, North Korea, Sudan or Syria, including any Government Official of such countries, wherever located. Business Partner shall not do anything that would place VEON in breach of any Applicable International Trade Control Laws and shall protect, indemnify and hold harmless VEON from any fines, damages, costs, losses, liability, fees and penalties incurred by VEON as a result of the errors, mistakes, failures or omissions of Business Partner to comply with this Clause 3.11.

**4. Rights of VEON**

4.1 In addition to Clause [XXXX] in the [XXXXXXXX], VEON may from time to time conduct surveys and audits (either directly or through independent third parties engaged by VEON in its sole discretion) to verify compliance with the BPCOC and any Applicable Laws by the Business Partner, its Affiliated Persons and Third Parties acting on behalf of VEON. Such surveys and audits will be reasonable as to scope, place, date and time. The Business Partner its Affiliated Persons and Third Parties acting on behalf of VEON shall cooperate fully and in good faith with any such audit, including by:

1. providing relevant books, records and accounts, including documents, invoices, expense reports, receipts, reimbursement forms, wire transfers, sales and commission data, payment information and any other financial statements pertaining to this [XXXXXXXX] which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of Business Partner in connection with this [XXXXXXXX];
2. making available any relevant personnel and documents in connection with this [XXXXXXXX];
3. cooperating with VEON to clarify any facts and/or settle any disputes regarding the fulfilment of its obligations under this Appendix; and
4. providing VEON with such information regarding its Affiliated Persons and Third Parties as VEON may reasonably request from time to time and which the Business Partner is not expressly prohibited from disclosing under Applicable Laws.

The Business Partner shall provide documents and information described in clause 4.1 above within fifteen (15) business days after the receipt of a written request from VEON.

If the audit results indicate, based on VEON's reasonable belief, that the Business Partner breached or is likely to have breached any element of this Appendix XX, VEON shall have the right to withhold immediately all payments to the Business Partner for a reasonable period during which VEON conducts any such audit.

4.2 VEON will conduct ongoing monitoring, and oversight of its Business Partners in accordance with VEON's business partner management program. VEON may select, in its sole discretion, an independent third party to conduct screening or due diligence pursuant to this clause. The Business Partner shall cooperate fully and in good faith with any such review, renewal or periodic update of the due diligence, including by providing VEON or its designated agents the following:

1. information related to the past, current and existing ownership and business activities of the Business Partner and/or its Affiliated Persons and/or Third Parties and/or any Related Party performing activity in connection with this Agreement, as needed, to permit VEON to conduct an anti-corruption risk evaluation and/or due diligence prior to signing a new agreement and/or renewing an existing agreement with Business Partner;
2. information and documents, as required, to assist VEON in fully assessing risk identified during the evaluation and due diligence process;
3. information related to compensation, commissions, fees, reimbursements, remuneration and other forms of payments to Business Partner in connection with this Agreement; and
4. information related to risk-based oversight, monitoring, and auditing of ongoing activities by the Business Partner, its Affiliated Persons and Third Parties acting on behalf of VEON (including review of the books and records and site visits to the offices of the Business Partner and any Third Parties acting on behalf of the Business Partner or VEON in connection with this Agreement).

4.3 The Parties agree that non-compliance with any of the representations, warranties, covenants and/or obligations set out in this Appendix which, in VEON’s reasonable opinion, may result in adverse consequences arising for VEON, will be considered a material breach entitling VEON to immediately terminate any and all existing Agreements with the Business Partner for cause without liability.

**APPENDIX Y:**

**BUSINESS PARTNER CODE OF CONDUCT**

**SEE ATTACHED BPCOC DOCUMENT**