

**AMERICAN TANK & VESSEL, INC.**  
**FOREIGN CORRUPT PRACTICES ACT COMPLIANCE PROGRAM**

**I. PURPOSE AND POLICY**

The purpose of American Tank & Vessel, Inc.'s Foreign Corrupt Practices Act Compliance Program ("Program") is to help ensure full compliance by American Tank & Vessel, Inc. ("AT&V") and its officers, directors, employees, and subsidiaries, and by AT&V's subcontractors, agents, consultants, advisers, independent contractors and any other intermediaries involved in or associated with AT&V's international business (collectively referred to as Third Party Affiliates) with the United States Foreign Corrupt Practices Act of 1977, as amended, and other related U.S. laws and regulations including, but not limited to, the U.S. mail and wire fraud statutes (18 U.S.C. § 1341, 1342, and the Travel Act (18 U.S.C. § 1952) (collectively referred to as the "FCPA")). This Program should be read in conjunction with the Company's Code of Ethics and Business Conduct.

It is AT&V's policy that all AT&V personnel are required to conduct company business legally and ethically. AT&V will conduct every international business transaction with integrity, regardless of differing local manners and traditions, and will comply with the laws and regulations of the United States, including but not limited to the FCPA, and the laws and regulations of each foreign country in which AT&V operates (except to the extent such foreign laws and regulations are inconsistent with U.S. law). AT&V policy also encourages internal reporting of any known or suspected violations of the FCPA.

It is the individual responsibility of each AT&V officer, director, employee, agent and Third Party Affiliate whose duties are likely to involve any area covered by the FCPA to ensure strict compliance with this FCPA Program.

Any AT&V officer, director, employee, agent and Third Party Affiliate who becomes aware of any violation or suspected violation of this FCPA Program is required to immediately advise AT&V's Compliance Officer and/or AT&V's Compliance Counsel, who will cause an investigation of the reported matter to be conducted. A final written investigation report will be filed in AT&V's records and a copy simultaneously provided to AT&V's Compliance Counsel. A report of any suspected or actual violations of this FCPA Program shall be promptly made to the AT&V Board of Directors by AT&V's Compliance Counsel.

The same duties and responsibilities imposed on each AT&V officer, director, employee and Third Party Affiliate under this FCPA Program are also imposed on such individuals performing work for or on behalf of any **subsidiary** of AT&V.

A written Acknowledgement of Compliance shall be executed individually by all AT&V officers and directors, and by any AT&V employee involved in any project with a foreign

governmental agency or public international organization, and by any Third Party Affiliate, prior to doing business on behalf of AT&V with a foreign governmental agency or public international organization, in the appropriate form attached to this FCPA Program as **Exhibit A** or **Exhibit B**. A copy of this FCPA Program shall be attached to each such executed form, and a copy of each such executed form shall be included in AT&V's due diligence file.

## **II. SUMMARY OF THE FCPA**

**The primary purpose of the FCPA is to make it illegal to bribe foreign officials, directly or indirectly in order to obtain or retain business or to secure any improper advantage. Specifically, the FCPA prohibits payments, offers or gifts or money or anything of value, with corrupt intent, to a "foreign official".**

For purposes of this Program, a "foreign official" means: (a) any officer or employee of a foreign government or any department, agency or instrumentality thereof (including any government-owned or government-controlled state enterprise); (b) any "public international organization" (i.e., the World Bank, the International Finance Corporation, the International Monetary Fund and the International American Development Bank); (c) any person acting in an official capacity for or on behalf of a foreign government, government entity or a public international organization; (d) any foreign political party or party official; (e) any consultant who holds a government position, and; (f) any employee of companies owned by foreign governments, political party officials and others.

The FCPA also applies to business arrangements between independent corporations if a decision of a governmental official is instrumental in consummating the business arrangement.

There are certain exceptions to the anti-bribery prohibitions of the FCPA. This Program mandates that before acting in reliance on any of the following exceptions you must obtain guidance from AT&V's Compliance Officer, and such guidance must be strictly adhered to.

### **These are very limited exceptions:**

1. The FCPA only applies to giving anything of value to public officials relative to obtaining or retaining business. The FCPA does not prohibit certain "facilitating payments" to a foreign official, the purpose of which is to facilitate or expedite non-discretionary, routine governmental action such as obtaining permits or licenses to qualify a person to do business abroad; processing papers, providing basic government services such as police protection, mail service or scheduling inspections.

It is often difficult to determine the legality of a facilitating payment under local law, even when those payments are sanctioned by local authorities and are consistent with local custom.

The FCPA only applies to payments to a public official in his/her capacity as a public official. Many public officials have positions as employees or agents of

private businesses and any favors or entertainment of such an official in his capacity as an employee or agent or a private business is not prohibited by the FCPA. However, very often it is not clear whether a person is acting in his/her own capacity as a public official or as an employee or agent or a private business.

2. The FCPA does not apply to payments which are lawful under the **written** laws and regulations of the foreign country. The laws must be validly adopted and recognized as the law of the country. *Few countries today have such laws.*
3. The FCPA does not prohibit a payment, gift, offer or promise of anything of value which AT&V can prove was a reasonable and bona fide expenditure, such as travel and lodging expenses, incurred by or on behalf of a foreign official which was directly related to the promotion, demonstration or explanation of products or services, or the execution or performance of a contract with a foreign government or a foreign government agency. Such an expenditure must be validly explained and must be accurately shown in the financial records of AT&V.

### **III. SPECIFICS OF AT&V'S FCPA COMPLIANCE PROGRAM**

- A. Goals. AT&V intends that all its business operations, domestically and internationally, will be conducted in absolute conformance with applicable law and ethical business practices, and that all employees and Third Party Affiliates will be proactive in understanding and ensuring compliance with such goals.
- B. Risk Assessment of Foreign Operations. All persons governed by this Program are responsible for engaging in due diligence to assess the risk of any contemplated foreign operations, including relationships with foreign officials or engagement of intermediaries between AT&V and any foreign officials, to include consideration of the following factors:
  1. High risk countries and/or high risk or targeted industries;
  2. Red flags as explained below;
  3. Gifting/entertainment practices;
  4. Foreign tax issues;
  5. Customs and Import/Export issues;
  6. Past instances of non-compliance by AT&V's industry or by other companies in applicable foreign markets.
  7. Applicable local laws.
  8. Pricing and commission flexibility by sales and third-party sales personnel.

9. Bidding/tenders.
10. Government-owned or invested enterprises as customers.
11. New operations, personnel changes and business process changes.

“Red flags” are indications of potential FCPA violations or compliance issues, and must be considered on a case-by-case and country-by-country basis, but often will include one or more of the following indications:

1. Persistent and repeated failure to comply with local law.
2. Refusal of actual or prospective Third Party Affiliates to sign acknowledgments of the FCPA Compliance Program.
3. An actual or prospective third-party agent or sales representative who is a former government official.
4. An actual or prospective third-party agent or sales representative who comes “highly recommended” by government officials.
5. Unusual payment methods such as wire transfers or lax accounting or invoicing practices are suggested or requested by third-party agent or sales representative.
6. Prospective business operations in a country with widespread corruption or history of FCPA violations occurring in that country. Some countries considered to fit this category include some Middle Eastern and Asian countries as well as much of the former Soviet Union and Africa.
7. Widespread news accounts of payoffs, bribes, or kickbacks.
8. Certain industries known to have a history of FCPA violations including defense, aircraft, energy, pharmaceutical/life sciences, and construction services.
9. Actual or prospective third-party agent or representative which is listed on databases listing known corruption risks like the World Bank List of Debarred Firms or a database of corruption profiles.
10. A Third Party Affiliate which requires that its identity not be disclosed.
11. An intermediary which lacks the facilities and staff to perform the required services, suggesting that the intermediary may be performing its job through corrupt payments rather than actual work.
12. An intermediary which wishes to use anonymous subcontractors.

13. Unusually large or frequent political contributions to a person or political party by the intermediary.
14. Insistence on the involvement of third parties who provide no value-added to the transaction.
15. A proposed former intermediary owned by a key government official or close relative, or linked to a state-owned enterprise.
16. Rumors of a silent partner in a joint venture, distributor or agent that is not disclosed by the intermediary.
17. Intermediary attempting to assign its rights or obligation to another party.
18. An intermediary refusing to allow auditing of its books.
19. Request for payment of a commission that is at a level substantially above the going rate for agency work in a particular country, possibly suggesting that a portion of the funds is being shared with a foreign official.
20. Over-invoicing, such as a request for a check in excess of the actual amount of the expenses.
21. A request that a payment be made to a third party or in a third country.
22. Request for unusual bonuses, one-time success fees, or extraordinary payments.

C. Responsibility. The Board of Directors of AT&V has overall responsibility for ensuring compliance with the requirements of this Program. Each of the company's officers is committed to the success of the Program. The initial Compliance Officer, with specific responsibility for monitoring compliance, maintaining currency of the Program, and other detailed management of FCPA compliance for AT&V, is William J. Cutts. The Board of Directors will take steps to replace any Compliance Officer who ceases to serve as such. The Compliance Officer may be contacted at any time with questions about compliance issues, reports of any concerns or suspicions about compliance, or any other matter related to the FCPA. The company's Compliance Counsel, named on page 8 of this Program, may be contacted at any time as well. The Compliance Officer will report periodically to the CEO and the Board on the Effectiveness of this Program. The Board has resolved that the Compliance Officer will have adequate resources, appropriate authority, and direct access to the Board, in order to perform these responsibilities.

D. Due Diligence Procedures for Existing/Future Third-Party Relationships. All arrangements with such Third Party Affiliates should receive prior approval from an officer of AT&V and should be embodied in written, and enforceable, agreements. This applies to sales agents/distributors, customs brokers,

government relations consultants, tax advisers, consultants assisting with permitting or licensing, and outside lawyers interacting with government officials, as well as subcontractors at any tier.

Prior to retaining any Third Party Affiliate to act on behalf of AT&V with regard to foreign governments or international business development or retention, AT&V should perform appropriate FCPA-related due diligence, and obtain from such Third Party Affiliate candidate certain assurances of compliance, including, but not limited to the following:

- checking public sources of information with the commercial attaché at the U. S. Embassy in the foreign country and/or the relevant country desk officers at the U.S. Departments of State and Commerce;
- checking business references provided by a Third Party Affiliate candidate;
- interviewing the Third Party Affiliate candidate;
- obtaining information from institutions (such as banks, accounting firms and law firms) in the Third Party Affiliate's country of operations

A file shall be maintained documenting the due diligence efforts undertaken in relation to the retention of all Third Party Affiliates.

- E. Training. The Compliance Officer, and any persons located in other AT&V offices requested to assist the Compliance Officer in performing his or her responsibilities, will take reasonable steps to communicate, periodically and in a practical manner, the Company's standards and procedures, and other aspects of the Program, to directors, officers, executives, managers, employees, agents, and other intermediaries, by conducting effective training programs and otherwise disseminating information appropriate to the individuals' respective roles and responsibilities. As a minimum, each employee involved in any international business on behalf of AT&V shall, following the adoption of this Program or upon first employment of new employees at a later date, be provided with a copy of this Program, required to read it, and required to acknowledge receipt of it using the acknowledgment form attached to this written Program.
- F. Specific Guidance. At all times, both the Compliance Officer and Compliance Counsel named below will be available to provide guidance to any person governed by this Program who has questions or concerns about its application to a proposed activity or how it may be complied with. In the event of the unavailability of both, another officer of AT&V may be contacted for advice or for a referral to another source of specific guidance.
- G. Periodic Certification. At any time required by the Compliance Officer, and in any event at such times as AT&V may adopt a new or revised FCPA Compliance Program, all employees described in Paragraph E, and others governed by this Program, may be required to certify familiarity and compliance with it. Records of all such certifications shall be maintained by the Compliance Officer.

- H. Procedures for Reporting, Investigating and Disciplining/Correcting Violations (Remedial Commitment and Actions). Any person subject to this Program who has committed a violation thereof, or who suspects that some other person subject to the Program has done so, or who anticipates or suspects a future violation or an ongoing activity which may amount to a violation, must immediately report the same to the Compliance Officer named herein or to Compliance Counsel identified below. Self-reporting is to be commended, and may result in less dramatic discipline than discovery otherwise of a violation. AT&V is committed to remedying any violation which comes to its attention by whatever means and to taking appropriate disciplinary action against the person or person involved in any such violation.
- I. Anonymous Reporting. Any person subject to this Program and wishing to report a known or suspected violation of it or of the FCPA is encouraged to do so, may do so anonymously, and if not anonymously nonetheless without fear of any retribution from the company. Anonymous reporting may be by any means with which the person is comfortable including voice mail messaging, anonymous mail, email from a public computer, or otherwise. Any report a person may make to AT&V's Compliance Counsel will, at the request of the person making the report, be shared with AT&V management on an anonymous basis.
- J. Disciplinary Procedures, Incentives. This FCPA Program shall be strictly enforced. Any officer, director, employee or Third Party Affiliate who does not comply with this FCPA Program is subject to immediate dismissal or termination of his/her relationship with AT&V or other discipline as appropriate. Employees and others governed by this Program who initiate improvements in AT&V's compliance with FCPA or with this Program, or who consistently distinguish themselves in the conduct of due diligence to protect the company from any violation, are eligible for consideration for incentives, including bonuses, additional paid vacation, or other company benefits.
- K. Documentation of Compliance. The Compliance Officer will establish an appropriate, secure filing system for maintenance of records created under this Program, including acknowledgements and certifications required hereby, any reports of violations and of the company's responses thereto, and any records created during the monitoring and auditing processes or efforts described herein.
- L. Written Program. AT&V has adopted, by unanimous action of its Board of Directors, the standards and procedures embodied in this Program to prevent and detect criminal conduct. The Directors are knowledgeable about the content and operation of this Compliance Program and are committed to exercise reasonable oversight of its implementation and effectiveness.

#### **IV. PENALTIES**

Sanctions for violating the FCPA are severe. Violations by a U.S. corporation can be as much as 1 million dollars for each offense. If the violator is an individual, he or she can be

imprisoned for a maximum of five years and be fined up to \$10,000 for each offense, or both. Discipline imposed by AT&V may include immediate termination of all relationships, in the case of a Third-Party affiliate, and a range of discipline to include termination of employment in the event of a violation by an employee of AT&V. AT&V reserves the right to report any knowledge concerning a violation, which comes to its attention in any manner, to appropriate governmental authorities.

## V. CONTACT INFORMATION

Any questions or concerns about, problems with, knowledge of, or suspicion about violations of this FCPA Program should be directed to AT&V's Compliance Officer:

William J. Cutts  
Post Office Box 910  
Mobile, Alabama 36601  
Telephone: 1-251-432-8265  
Facsimile: 1-251-895-2663  
Email: [wjcutts@atvmob.com](mailto:wjcutts@atvmob.com)

Or to the Company's Compliance Counsel, as follows:

Hand Arendall LLC  
Attn: W. Alexander Moseley  
Post Office Box 123  
Mobile, Alabama 36601  
Telephone: 1-251-694-6291  
Facsimile: 1-251-544-1626  
Email: [amoseley@handarendall.com](mailto:amoseley@handarendall.com)

Or may be made known anonymously as indicated above.

Dated: \_\_\_\_\_  
CEO



**INDIVIDUAL ACKNOWLEDGMENT OF COMPLIANCE  
WITH  
AMERICAN TANK & VESSEL, INC.'S  
FOREIGN CORRUPT PRACTICES COMPLIANCE PROGRAM**

THE UNDERSIGNED ACKNOWLEDGES HE/SHE HAS BEEN PROVIDED A COPY OF AMERICAN TANK & VESSEL, INC.'S FOREIGN CORRUPT PRACTICES COMPLIANCE PROGRAM AND HAS READ IT, HAS HAD AN OPPORTUNITY TO ASK QUESTIONS REGARDING THE POLICY, UNDERSTANDS IT, AND WILL ABIDE BY IT.

---

SIGNATURE

---

NAME  
(PLEASE PRINT OR TYPE)

---

EMPLOYER  
(PLEASE PRINT OR TYPE)

---

DATE

1612823\_4

**EXHIBIT A**  
To AT&V  
FOREIGN CORRUPT PRACTICES ACT COMPLIANCE PROGRAM

**CORPORATE ACKNOWLEDGMENT OF COMPLIANCE  
WITH  
AMERICAN TANK & VESSEL, INC.'S  
FOREIGN CORRUPT PRACTICES COMPLIANCE PROGRAM**

THE UNDERSIGNED, BEING DULY AUTHORIZED TO EXECUTE THIS CORPORATE ACKNOWLEDGMENT ON BEHALF OF THE ENTITY NAMED BELOW, HEREBY ACKNOWLEDGES ON BEHALF OF HIS/HER COMPANY THAT HIS/HER COMPANY HAS BEEN PROVIDED A COPY OF AMERICAN TANK & VESSEL, INC.'S FOREIGN CORRUPT PRACTICES COMPLIANCE PROGRAM, HAS HAD AN OPPORTUNITY TO ASK QUESTIONS REGARDING THE POLICY, UNDERSTANDS IT, AND WILL ABIDE BY IT.

COMPANY NAME:

\_\_\_\_\_  
(PLEASE PRINT OR TYPE)

BY: \_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
NAME  
(PLEASE PRINT OR TYPE)

\_\_\_\_\_  
TITLE  
(PLEASE PRINT OR TYPE)

\_\_\_\_\_  
DATE