Responding to Hard Questions on Compliance

How Nexis® Solutions Helps Companies Address Expectations of the Foreign Corrupt Practices Act (FCPA) Corporate Enforcement Policy (CEP)

The circumstances of potential FCPA failures may vary, but the questions in this presentation reflect 11 areas the Department of Justice will review.

Learn the types of questions you could be asked. >>
The FCPA CEP acknowledges that sincere efforts to mitigate bribery and corruption risk sometimes fail short.

The standards of the FCPA CEP include:

- Timely, voluntary disclosure of suspected violations
- Full cooperation during the investigation
- Appropriate remedial efforts to prevent future occurrences

When organizations meet these obligations, they can:

- Reduce fines by up to 50 percent
- Avoid the appointment of a monitor
- Receive a declination with disgorgement of profits from the alleged violation
Were there prior opportunities to detect the misconduct in question, such as audit reports identifying relevant control failures or allegations, complaints, or investigations involving similar issues?

Nexis Solutions helps:

- Undertake continuous third-party risk analysis against key sources—sanctions, PEPs, watchlists and blacklists
- Implement on-going third-party risk monitoring against negative news, sanctions, Experian® business data
- Conduct ad-hoc due diligence investigations against an unmatched collection of global sources with a easy-to-use Report Builder to generate an audit trail
Role and Involvement of Senior and Middle Management

“What types of information have the board of directors and senior management examined in their exercise of oversight in the area in which the misconduct occurred?”

Nexis Solutions helps:

- Provide clear evidence of risk management efforts through the use of customizable risk dashboards and reporting

11 areas the Department of Justice reviews
“Have there been specific instances where compliance raised concerns or objections in the area in which the wrongdoing occurred? How has the company responded to such compliance concerns?”

Nexis Solutions helps:

- Spot a red flag? Dig deeper with comprehensive due diligence checks against sanctions, PEPs, watchlists, blacklists, legal data, company and market information.
4 Policies and Procedures

“If vendors had been involved in the misconduct, what was the process for vendor selection and did the vendor in question go through that process?”

Nexis Solutions helps:

- Build out a risk-based approach to third-party due diligence to maintain an audit trail of investigations and demonstrate a commitment to ongoing monitoring of high-risk entities.
5 Risk Assessment

“What information or metrics has the company collected and used to help detect the type of misconduct in question?”

Nexis Solutions helps:

- Tap into a universe of critical content—news, negative news, company and market data, legal information, regulator lists—to evaluate the risks associated with entities.

6 Training and Communication

“Has the company provided tailored training for high-risk and control employees that addressed the risks in the area where the misconduct occurred?”

Nexis Solutions helps:

- Take advantage of employee training services available through our partnership with The Red Flag Group®.
“How has the company ensured that the investigations have been properly scoped, and were independent, objective, appropriately conducted, and properly documented?”

**Nexis Solutions helps:**

- Escalate to enhanced due diligence if a risk assessment identifies potential issues with an entity based on location in a country with elevated risk factors or appearance on key lists—sanctions, PEPs, watchlists and blacklists
- Conduct on-going third-party risk monitoring to identify emerging threats in near real time
- Maintain an audit trail with comprehensive due diligence reports that are regularly reviewed and updated
8 Incentives and Disciplinary Measures

“How has the company incentivized compliance and ethical behavior?”

Nexis Solutions helps:
• Speak with a consultant for more information on best practices

9 Third-Party Management

“How has the company monitored the third parties in question?”

Nexis Solutions helps:
• Maintain a watchful eye on high-risk entities and individuals with automated monitoring that alerts to potential low, medium or high risk based on near real-time analysis of negative news, sanctions data and more
10 Continuous Improvement, Periodic Testing and Review

“How often has the company updated its risk assessments and reviewed its compliance policies, procedures, and practices?”

Nexis Solutions helps:
• Changing times demand new procedures. Keep on top of risk with continuous monitoring and periodic assessments.
11 Mergers and Acquisitions

“Was the misconduct or the risk of misconduct identified during due diligence?”

Nexis Solutions helps:

- Ensure your due diligence extends beyond the named entity to include beneficial owners that could pose further risk
- Implement ongoing monitoring to surface potential legal or compliance issues post M&A resolution

We're here to help you get the answers you need.
Contact your LexisNexis® consultant or visit us on the web: LexisNexis.com/Lexis-Diligence | LexisNexis.com/Entity-Insight