

**OHIO ATTORNEY GENERAL'S
LENIENCY POLICY FOR SELF-REPORTED BUSINESS AND CHARITY
VIOLATIONS**

Purpose

Recognizing that detection and self-reporting by business entities and organizations of violations of the law foster early and effective resolution and remediation of those wrongs, the Ohio Attorney General's Office (AGO) has adopted this policy of affording leniency to business entities and organizations that disclose to the AGO at an early stage their own violations of certain laws (the "Disclosing Business" or "Disclosing Organization"), so long as Disclosing Businesses and Organizations meet specified conditions.

The prerequisite conditions for leniency with respect to each of the violations to which this Policy pertains are listed below.

I. Antitrust Violations

A. Leniency for Disclosing Business or Organization

If leniency is granted under the terms of this Policy to a Disclosing Business or Organization that discloses activities that may violate state or federal antitrust laws, the AGO:

1. Shall not charge the Disclosing Business or Organization criminally for the activity being reported;
2. Shall not pursue criminal prosecution by agencies outside the AGO against the Disclosing Business or Organization for the activity being reported;
3. Shall not file civil litigation against the Disclosing Business or Organization except for purposes of enforcement of the conditions of leniency imposed pursuant to Section VI.A. of this Policy;
4. Shall not impose or seek to impose forfeitures or civil penalties on the Disclosing Business or Organization for the activity being reported; and
5. Shall not seek debarment or revocation of licensure and/or the corporate charter of the Disclosing Business or Organization for the activity being reported.

B. Self-Disclosure Before an Antitrust Investigation Has Begun

Leniency will be granted to a business disclosing to the AGO before an investigation has begun its own activities that may violate state or federal antitrust laws, if the following six conditions are met:

1. At the time the Disclosing Business or Organization comes forward to report the illegal activity, the AGO has not received information about the illegal activity being reported from any other source;
2. The Disclosing Business or Organization, upon its discovery of the illegal activity being reported, took prompt and effective action to terminate its part in the activity;
3. The Disclosing Business or Organization reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation to the AGO throughout the investigation. Cooperation shall include, at a minimum: access to all documents requested by the AGO, access to all officers, directors, employees and agents of the Disclosing

Business or Organization, the Disclosing Business or Organization refraining from discouraging or interfering in any way with its former employees' cooperation with the AGO's investigation, and access to the report of any internal investigation conducted by the Disclosing Business or Organization;

4. The confession of wrongdoing is truly an act of the Disclosing Business or Organization, as opposed to isolated confessions of individual executives or officials;

5. Where possible, the Disclosing Business or Organization makes restitution to injured parties; and

6. The Disclosing Business or Organization did not coerce another party to participate in the illegal activity and clearly was not the leader in, or originator of, the activity.

C. Alternative Self-Disclosure of Antitrust Violations

If a business comes forward to disclose activity that may violate state or federal antitrust laws and does not meet all six of the conditions set out in Part B, above, the Disclosing Business or Organization, whether it comes forward before or after an investigation has begun, will be granted leniency if the following seven conditions are met:

1. The Disclosing Business or Organization is the first one to come forward and qualify for leniency with respect to the illegal activity being reported;

2. The AGO, at the time the Disclosing Business or Organization makes its disclosure under this policy, does not yet have evidence against the Disclosing Business or Organization that is likely to result in a sustainable conviction or finding of civil liability;

3. The Disclosing Business or Organization, upon its discovery of the illegal activity being reported, took prompt and effective action to terminate its part in the activity;

4. The Disclosing Business or Organization reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation that advances the AGO in its investigation. Cooperation shall include, at a minimum: access to all documents requested by the AGO, access to all employees of the Disclosing Business or Organization, refraining from discouraging or interfering in any way with its former employees' cooperation with the AGO's investigation, and access to the report of any internal investigation conducted by the Disclosing Business or Organization ;

5. The confession of wrongdoing is truly an act of the Disclosing Business or Organization, as opposed to isolated confessions of individual executives or officials;

6. Where possible, the Disclosing Business or Organization makes restitution to injured parties; and

7. The AGO determines that granting leniency would not be unfair to others, considering the nature of the illegal activity, the confessing Disclosing Business or Organization's role in it, and when the Disclosing Business or Organization comes forward. In applying condition 7, the primary considerations will be how early the Disclosing Business or Organization comes forward and whether the Disclosing Business or Organization coerced another party to participate in the illegal activity or clearly was the leader in, or originator of, the activity. The burden of satisfying condition 7 will be low if the Disclosing Business or Organization comes forward before the AGO has begun an investigation into the illegal activity. That burden will increase the closer the AGO comes to having evidence that is likely to result in a sustainable conviction or finding of civil liability.

D. Leniency for Corporate Directors, Officers, and Employees

If a Disclosing Business or Organization qualifies for leniency under Part B, above, all directors, officers, and employees of the Disclosing Business or Organization who admit their involvement in the illegal antitrust activity as part of the corporate confession will receive leniency, in that the AGO will not charge such individuals criminally for the illegal activity, will not pursue criminal prosecution of the individuals by agencies outside the AGO, and will not impose forfeitures or civil penalties upon the individuals, so long as they admit their wrongdoing with candor and completeness and continue to assist the AGO throughout the investigation. If a Disclosing Business or Organization does not qualify for leniency under Part A, above, the directors, officers, and employees who come forward with the Disclosing Business or Organization will be considered for immunity from criminal prosecution on the same basis as if they had approached the AGO individually.

E. Leniency for Individuals When No Application for Leniency Has Been Made by a Disclosing Business or Organization

If an individual comes forward to disclose to the AGO activity that may violate state or federal antitrust laws prior to any application for leniency being submitted by a Disclosing Business or Organization regarding the same illegal activity and before an investigation has begun, the individual will be granted leniency for his or her participation in the activity if the following three conditions are met:

1. At the time the individual comes forward to report the illegal activity, the AGO has not received information about the illegal activity being reported from any other source;
2. The individual reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation to the AGO throughout the investigation; and
3. The individual did not coerce another party to participate in the illegal activity and clearly was not the leader in, or originator of, the activity.

For purposes of Sections IV, V and VI of this policy, the term “Disclosing Business or Organization” shall include individuals making disclosures pursuant to this paragraph.

II. Consumer Protection Violations

A. Leniency for Disclosing Business or Organization

If leniency is granted under the terms of this Policy to a Disclosing Business or Organization that discloses activities that may violate state consumer protection laws, the AGO:

1. Shall not charge the Disclosing Business or Organization criminally for the activity being reported;
2. Shall not file civil litigation against the Disclosing Business or Organization except for purposes of enforcement of the conditions of leniency imposed pursuant to Section VI.A. of this Policy;
3. Shall not impose or seek to impose forfeitures or civil penalties on the Disclosing Business or Organization for the activity being reported; and
4. Shall not seek debarment or revocation of licensure and/or the corporate charter of the Disclosing Business or Organization for the activity being reported.

B. Self-Disclosure Before a Consumer Protection Investigation Has Begun

For purposes of this section, “Disclosing Business” means a “Supplier” as defined in Revised Code Section 1345.01(C). Leniency will be granted to a business disclosing to the AGO before an investigation has begun its own activities that may violate state consumer protection laws, if the following six conditions are met:

1. At the time the Disclosing Business comes forward to report the illegal activity, the AGO has not already received information about the illegal activity being reported from any other source, including through the receipt of consumer complaints;
2. The Disclosing Business, upon its discovery of the illegal activity being reported, took prompt and effective action to terminate its part in the activity;
3. The Disclosing Business reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation to the AGO throughout the investigation. Cooperation shall include, at a minimum: access to all documents requested by the AGO, access to all officers, directors, employees and agents of the Disclosing Business, the Disclosing Business refraining from discouraging or interfering in any way with its former employees’ cooperation with the AGO’s investigation, and access to the report of any internal investigation conducted by the Disclosing Business;
4. The confession of wrongdoing is truly an act of the Disclosing Business, as opposed to isolated confessions of individual executives or officials;
5. The Disclosing Business makes full restitution to injured parties; and
6. The Disclosing Business did not coerce another party to participate in the illegal activity and clearly was not the leader in, or originator of, the activity.

C. Leniency for Corporate Directors, Officers, and Employees

If a Disclosing Business qualifies for leniency under Part B, above, all directors, officers, and employees of the Disclosing Business who admit their involvement in the illegal consumer protection activity as part of the corporate confession will receive leniency, in that the AGO will not file a civil lawsuit against such individuals for the illegal activity, will not pursue criminal prosecution of the individuals by agencies outside the AGO, and will not impose civil penalties upon the individuals, so long as they admit their wrongdoing with candor and completeness and continue to assist the AGO throughout the investigation.

D. Leniency for Individuals When No Application for Leniency Has Been Made by a Disclosing Business

If an individual comes forward to disclose to the AGO activity that may violate state consumer protection laws prior to any application for leniency being submitted by a Disclosing Business regarding the same illegal activity and before an AGO investigation has begun, the individual will be granted leniency for his or her participation in the activity if the following three conditions are met:

1. At the time the individual comes forward to report the illegal activity, the AGO has not already received information about the illegal activity being reported from any other source, including through the receipt of consumer complaints;
2. The individual reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation to the AGO throughout the investigation; and
3. The individual did not coerce another party to participate in the illegal activity and clearly was not the leader in, or originator of, the activity.

For purposes of Sections IV, V and VI of this Policy, the term “Disclosing Business” shall include individuals making disclosures pursuant to this paragraph.

III. Charitable Law Violations

A. Leniency for Disclosing Business or Organization

If leniency is granted under the terms of this Policy to a Disclosing Business or Organization that discloses activities that may violate state charitable laws, including bingo laws, the AGO:

1. Shall not charge the Disclosing Business or Organization criminally for the activity being reported;
2. Shall not file civil litigation against the Disclosing Business or Organization except for purposes of enforcement of the conditions of leniency imposed pursuant to Section VI.A. of this policy;
3. Shall not impose or seek to impose forfeitures or civil penalties on the Disclosing Business or Organization for the activity being reported; and
4. Shall not seek debarment or revocation of licensure and/or the corporate charter of the Disclosing Business or Organization for the activity being reported.

B. Self-Disclosure Before a Charitable Law Investigation Has Begun

Leniency will be granted to an organization disclosing to the AGO before an investigation has begun its own activities that may violate state charitable laws, including bingo laws, if the following six conditions are met:

1. At the time the Disclosing Organization comes forward to report the illegal activity, the AGO has not received information about the illegal activity being reported from any other source;
2. The Disclosing Organization, upon its discovery of the illegal activity being reported, took prompt and effective action to terminate its part in the activity;
3. The Disclosing Organization reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation to the AGO throughout the investigation. Cooperation shall include, at a minimum: access to all documents requested by the AGO, access to all trustees, officers, directors, employees, volunteers and agents of the Disclosing Organization, the Disclosing Organization refraining from discouraging or interfering in any way with its former trustees, officers, directors, employees, volunteers or agents' cooperation with the AGO's investigation, and access to reports of any internal investigation conducted by the Disclosing Organization;
4. The confession of wrongdoing is truly an act of the Disclosing Organization, as opposed to isolated confessions of individual officials;
5. Where possible, the Disclosing Organization makes restitution to injured parties; and
6. The Disclosing Organization did not coerce another party to participate in the illegal activity and clearly was not the leader in, or originator of, the activity.

C. Alternative Self-Disclosure of Charitable Law Violations

If an organization comes forward to disclose activity that may violate state charitable laws, including bingo laws, and does not meet all six of the conditions set out in Part B, above, the Disclosing Organization, whether it comes forward before or after an investigation has begun, will be granted leniency if the following seven conditions are met:

1. The Disclosing Organization is the first one to come forward and qualify for leniency with respect to the illegal activity being reported;
2. The AGO, at the time the Disclosing Organization makes its disclosure under this policy, does not yet have evidence against the Disclosing Organization that is likely to result in a sustainable conviction or finding of civil liability;
3. The Disclosing Organization, upon its discovery of the illegal activity being reported, took prompt and effective action to terminate its part in the activity;
4. The Disclosing Organization reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation that advances the AGO in its investigation. Cooperation shall include, at a minimum: access to all documents requested by the AGO, access to all trustees, officers, directors, employees, volunteers and agents of the Disclosing Organization, refraining from discouraging or interfering in any way with its former trustees, officers, directors, employees, volunteers and agents' cooperation with the AGO's investigation, and access to reports of any internal investigation conducted by the Disclosing Organization;
5. The confession of wrongdoing is truly an act of the Disclosing Organization, as opposed to isolated confessions of individual officials;
6. Where possible, the Disclosing Organization makes restitution to injured parties; and
7. The AGO determines that granting leniency would not be unfair to others, considering the nature of the illegal activity, the confessing Disclosing Organization's role in it, and when the Disclosing Organization comes forward. In applying condition 7, the primary considerations will be how early the Disclosing Organization comes forward and whether the Disclosing Organization coerced another party to participate in the illegal activity or clearly was the leader in, or originator of, the activity. The burden of satisfying condition 7 will be low if the Disclosing Organization comes forward before the AGO has begun an investigation into the illegal activity. That burden will increase the closer the AGO comes to having evidence that is likely to result in a sustainable conviction or finding of civil liability.

D. Leniency for Organization's Trustees, Directors, Officers, Employees and Volunteers.

If a Disclosing Organization qualifies for leniency under Part B, above, all trustees, directors, officers, employees and volunteers of the Disclosing Organization who admit their involvement in the illegal charitable activity as part of the organization's confession will receive leniency, in that the AGO will not file a civil lawsuit against such individuals for the illegal activity, will not pursue criminal prosecution of the individuals by agencies outside the AGO, and will not impose civil penalties upon the individuals, so long as they admit their wrongdoing with candor and completeness and continue to assist the AGO throughout the investigation.

E. Leniency for Individuals When No Application for Leniency Has Been Made by a Disclosing Organization.

If an individual comes forward to disclose to the AGO activity that may violate state charitable laws prior to any application for leniency being submitted by a Disclosing Organization regarding the same illegal activity and before an investigation has begun, the individual will be granted leniency for his or her participation in the activity if the following three conditions are met:

1. At the time the individual comes forward to report the illegal activity, the AGO has not received information about the illegal activity being reported from any other source, including through the receipt of complaints;
2. The individual reports the wrongdoing with candor and completeness and provides full, continuing and complete cooperation to the AGO throughout the investigation; and
3. The individual did not coerce another party to participate in the illegal activity and clearly was not the leader in, or originator of, the activity.

For purposes of Sections IV, V and VI of this policy, the term “Disclosing Organization” shall include individuals making disclosures pursuant to this paragraph.

IV. Disclosure Procedures and Contents

For purposes of this Policy, disclosure to the AGO shall be made in writing, and shall be effective upon delivery to:

For Antitrust violations:

Antitrust Section Chief
Office of the Ohio Attorney General
150 E. Gay Street, 23rd Floor
Columbus, Ohio 43215

For Consumer Protection violations:

Consumer Protection Section Chief
Office of the Ohio Attorney General
30 E. Broad Street, 14th Floor
Columbus, Ohio 43215

For Charitable Law violations:

Charitable Law Section Chief
Office of the Ohio Attorney General
150 E. Gay Street, 23rd Floor
Columbus, Ohio 43215

The disclosure shall contain:

- A. The name and address of the Disclosing Business or Organization, along with the name, title, telephone number and e-mail address of a contact person for the Disclosing Business or Organization.
- B. A complete description of the matter being disclosed, including the product, service or activity involved and the names and addresses of all other entities or individuals involved in the matter, including both trustees, employees, volunteers, officers and agents of the Disclosing Business or Organization and co-conspirators or other third parties unaffiliated with the Disclosing Business or Organization, an explanation of their roles in the activity and the time periods of their involvement.

- C. The reasons why the Disclosing Business or Organization believes that the matter being disclosed may constitute a violation of state or federal criminal, civil or administrative law.
- D. A description of the Disclosing Business or Organization's efforts to terminate and/or prevent future recurrence of the matter being disclosed.
- E. A description of the steps taken by the Disclosing Business or Organization to investigate the matter internally, including a submission of the report, if any, yielded by such investigation.
- F. A list identifying, to the best of the Disclosing Business or Organization's ability, the persons or entities harmed by the matter being disclosed and the actual or estimated amount of such harm.
- G. A certification by a duly authorized representative of the Disclosing Business or Organization that the information being disclosed is true to the best of the certifying individual's knowledge.

V. Verification by the AGO

Upon receipt of a disclosure, the AGO will begin the process of verifying the information contained in the disclosure. The AGO's verification process may include, but not be limited to, requesting documents from the Disclosing Business or Organization, or requesting interviews or statements under oath from the Disclosing Business or Organization. The AGO will typically not require production of materials subject to attorney-client privilege, but will require a log of such materials withheld. The AGO will require production of materials the Disclosing Business or Organization considers to be covered by the work product privilege, but will endeavor to do so in a manner that minimizes the risk of the waiver of such privilege as to third parties.

VI. Results of Verification by the AGO

Upon completion of the verification process, the AGO shall notify the Disclosing Business or Organization in writing:

- A. That its application is successful and that it has been granted leniency as described above in Sections IA, IIA or IIIA, subject to certain conditions which may include but not be limited to: (1) payment of restitution or damages to injured parties and/or reimbursement of investigative costs to the AGO, or (2) adoption of specified business reforms; or
- B. That its application is unsuccessful due to failure to meet one or more of the prerequisite conditions described above, including but not limited to, lack of cooperation, withholding information or providing false information. In the event of an unsuccessful application, the AGO may opt to investigate the matter, pursue criminal or civil remedies (including where applicable, license revocation), or negotiate a settlement or other resolution with the Disclosing Business or Organization.