

**FOREIGN CORRUPT PRACTICES ACT AND ANTIBRIBERY  
POLICY AND PROCEDURES**  
*(effective August 6, 2010)*

JDA Software Group, Inc. and our affiliates must comply with all antibribery laws, including the U.S. Foreign Corrupt Practices Act (“the FCPA”), and conduct JDA’s business operations around the world in a lawful and ethical manner. It is a violation of this policy and federal law for a JDA associate or affiliate to (a) directly or indirectly, give, offer, promise or approve a bribe to a foreign government official in order to obtain or retain business for JDA, or for any improper business purpose and (b) fail to maintain JDA’s books and records accurately and follow the internal accounting controls of JDA. JDA, our affiliates, our associates, agents, third-party representatives, and joint venture partners are required to comply with this policy. Violators face severe disciplinary action (up to and including termination) and criminal penalties up to imprisonment, as well as other harsh fines and penalties.

You must also continue to follow JDA’s Code of Business Conduct and Ethics. This policy is intended to supplement the Code of Business Conduct and Ethics, which is incorporated by reference into this policy.

**I. WHO IS COVERED BY THE FCPA AND THIS POLICY**

- JDA Software Group, Inc. and its affiliated companies
- JDA’s associates, Officers, and Directors, wherever located
- JDA’s agents, brokers, joint venture partners and third party representatives

**II. WHAT YOU ARE NOT ALLOWED TO DO UNDER THE FCPA AND THIS POLICY**

You are not allowed to violate this policy, or the provisions of the FCPA: namely, (a) the antibribery provisions of foreign officials; or (b) the books and records/internal controls provisions of the FCPA.

**A. Antibribery Provisions: No Bribes or Anything of Value to Foreign Officials**

1. You must never make a payment or anything of value, directly or through third parties, to a foreign official, foreign political party, foreign party official, candidate for foreign political office or a representative from a state-owned commercial enterprise in order to obtain business for JDA, or to gain an improper advantage or benefit for JDA. Although the FCPA only prohibits bribery of Foreign Officials, our Code of Business Conduct and Ethics contains provisions

that prohibit certain types of conduct regarding representatives from private companies.

**Example:** A JDA manager gives an extra 5% tip to a broker who then pays the money to a Chinese government official who recommended JDA's software to a prospective purchaser. This violates the FCPA.

2. A "foreign official" includes any officer or employee of a foreign government or any foreign government's department, agency, or branch, any foreign political party, foreign party official or candidate for foreign political office, or an employee of a public international organization, and any person acting on behalf of one of these persons.

**Example:** The supervisor of a Brazilian convenience store chain that is 65% owned and controlled by the Brazilian government, but is partnered in a joint venture with a U.S. private company, is a "foreign official", and the chain is deemed to be a branch of the Brazilian government.

3. An improper payment under JDA's policy and the FCPA includes cash or anything of value that is either offered or given in order to improperly influence a foreign official to provide a business opportunity or to retain business, or otherwise to obtain an improper advantage.

**Example:** Offering or giving cash, expensive gifts, JDA stock, a job or consulting position, airplane tickets to the United States, a resort weekend, expensive restaurant meals, jewelry, home improvements, charitable donations for an official's favorite charity, and payments to a foreign consultant for products or services that are never received or performed for JDA.

4. An improper business purpose exists when the payment is offered or made to influence a foreign official to do or stop doing something in violation of his or her lawful duty. Such a payment is improper even if the purpose is to influence the foreign official to make a sound business decision. The improper payment still violates the policy and the FCPA even when it does not result in a successful business outcome for JDA.

**Example:** JDA is in a competitive bid to sell software to a state-owned enterprise in Vietnam. We believe we are the best fit, but the prospect's decision-makers refuse to travel to the US to attend a demonstration unless their spouses and children can accompany them. The JDA account manager arranges a trip to its Scottsdale headquarters for the prospective customer's decision makers, as well as the decision makers' families (at JDA expense). JDA is not selected as the

preferred vendor after the Scottsdale trip. Nonetheless, this conduct violates the FCPA because the travel expense for family members was not directly related to the evaluation or demonstration of the software.

5. If you know that an improper payment is intended to be passed on to a foreign official by a broker, agent or other third party, or if you have a “firm belief” that the payment will be passed on the official, you have “knowledge” of misconduct. “Sticking one’s head in the sand”, or looking the other way will not protect an associate, officer or director from creating legal exposure for JDA or the associate, as “conscious disregard” or “willful blindness” constitutes “knowledge” of wrongdoing and creates legal liability under the FCPA.

*Example:* Even though you know from public reports, reputation, and media that Mexico has a relatively high incidence of public corruption, you nonetheless agree to a 40% higher than market fee for customs services related to the clearance and release of certain equipment needed for a managed services engagement in Mexico. You agreed to the increased fee only after an agent told you that making the payment is the only way to get the equipment cleared.

6. Fees significantly higher than normal and guarantees of success are red flags for illegal payments under the FCPA. JDA will not pay unusually large or above-market fees, commissions, costs or other expenses for goods or services in a foreign country.

*Example:* An agent seeks to charge a commission or fee that is 10% above his usual rate for an opportunity in Thailand, on the basis that he usually charges premium rates in order to guarantee success. Fees significantly higher than normal and “guarantees of success” are red flags for illegal payments under the FCPA.

**B. Books and Records: No False Recordkeeping/ No Unauthorized Payments**

JDA’s books and records must be accurate, and our accounts must fairly reflect the transactions and activities of JDA. JDA has a system of internal accounting controls that are designed and maintained to provide all financial and accounting assurances required for a U.S.-publicly traded company.

**1. Our company internal controls should provide assurances that reflect that:**

- Company transactions are properly authorized by management

- Access to company assets is restricted and requires management's appropriate authorization
- Transactions are recorded as required for preparation of JDA's financial statements, and in a way that JDA's assets can be accounted for

**2. Examples of problematic books and records/internal controls activities under the FCPA and this policy include the following:**

- payment to a foreign official that is described in accounting entry as a "miscellaneous fee"
- associates or third parties submitting false or inaccurate expense account reports
- Description of a payment as an "overhead expense" instead of a "commission"
- Establishing or maintaining bank accounts that hold JDA funds in the names of individuals
- Making false or artificial entries into JDA's books and records or being part of an arrangement or activity that results in falsification of JDA's books and records
- Permitting or causing someone else to use JDA funds for an illegal or unauthorized purpose
- Creating or using an off-the books "slush" fund

**III. OTHER PAYMENTS FOR LIMITED PURPOSES UNDER THIS POLICY AND THE FCPA**

The FCPA permits payments to be made for foreign officials under very limited circumstances and highly technical, legal conditions. These payments include "facilitating payments", payments that are lawful under local law, and payments made in connection with marketing and promotion of JDA's products or directly related to the performance of a contract. **You must consult the Legal Department prior** to making the following payments in order to verify that the payments are permissible under JDA policy, the FCPA, and local antibribery law. Failure to do so could result in severe penalties for you and JDA.

**A. “Facilitating” Payments under Limited Circumstances**

JDA only permits so-called “facilitating payments” to local foreign officials when the payment is pre-approved by the Legal Department, and made as a last resort. It is permissible under the FCPA to make small “facilitating” payments to low-level foreign officials in order to induce them to perform routine administrative actions or clerical tasks that you are otherwise lawfully entitled to, and which do not involve the exercise of the official’s discretion. The payments must be accurately reflected in JDA’s books and records.

**Example: With Legal Department permission**, it is possible under this policy to make a small (\$5-\$50 in some cases), nominal payment to a low-level worker to expedite a business permit.

**B. Payment under Local Law Exception Must Be Pre-Approved**

Whenever JDA’s Legal Department determines that the written laws and rules of the foreign country allow a payment to be made to a foreign official in that country, it may be possible for you to seek permission to make a payment to that official without violating JDA policy or the FCPA. However, since no foreign country’s written laws allow bribery of a foreign official, you must contact the Legal Department before making any payment to a foreign official based on local custom, law, or practice. The Legal Department must analyze the payment request in light of JDA’s policy, the FCPA, and the local legal opinion obtained from a reputable attorney from the foreign country as to whether local law permits the proposed payment to a foreign official.

**C. Business Entertainment, Travel and Gifts Involving Foreign Officials Restricted**

JDA policy and the FCPA allow associates, brokers, agents and third party representatives to reimburse or cover the reasonable and bona fide expenses of foreign officials that are (a) directly related to the marketing, promotion, demonstration or explanation of JDA’s products and operations; or (b) directly related to the performance of a contract between JDA and the foreign government or one of its agencies. However, you must obtain prior approval from the Legal Department before making or approving any promotional, or marketing payments, or payments that you believe relate to contract performance by JDA.

1. ***The following expenses involving foreign officials are NOT acceptable under JDA policy:***

- Lavish or extravagant business entertainment (e.g., travel to golf outing in an exotic location; side trip from business meeting city to New York, Vegas, Paris, Rio, Los Angeles).

- “Gentlemen’s Clubs,” “Hostess Bars” or other entertainment that is sexually oriented, such as “adult entertainment.”
- Any entertainment that could be interpreted as a bribe, incentive or kick-back.
- Entertainment, gifts or travel paid for with personal funds for a foreign official in order to avoid seeking required approval or required reporting and recordkeeping.
- Meal, hotel, air and entertainment expenses for family members of foreign officials.
- Gifts that are not permitted by JDA’s gift policy, or that exceed local law amounts for gifts to officials in the country, or are otherwise expensive, and designed to impress or influence the foreign official.
- Cash, gift cards, or travelers checks for foreign officials.

**2. *Examples of Acceptable Expenditures for Foreign Officials under JDA Policy and the FCPA, if approved by Legal Department in advance:***

- JDA hosts Russian agency officials (no spouses or family members) to a reference to observe how the reference uses JDA’s software, and intends to cover the reasonable cost of transportation, meals, and hotel for the Russian officials.
- JDA hosts a meeting at a Saudi Arabian hotel for a discussion with government officials. The meeting includes a working lunch in the hotel conference room.
- An associate requests permission to give a nominal New Year’s gift or other holiday gift to a manager for a state-run Malaysian oil company that is an existing customer. The proposed gift is a JDA T-shirt and baseball cap, or a JDA calendar.
- A JDA sales manager hosts a meeting at a Mumbai conference center for Indian foreign regulatory officials to discuss upcoming plans for JDA’s operations in the country. JDA has a large software purchase contract with a company that is owned in part by the Indian authorities, and is required under the contract to brief regulators on issues and plans for the upcoming year.

All expenses for the officials in the above permissible examples must be documented, and receipts maintained. No cash may be provided to the officials, and the place, date, name/title of the official, and the business purpose must be carefully documented and described in JDA's books and records. Failure to do so could create serious legal exposure for associates, joint venture partners, and third party representatives, as well as JDA, under the FCPA.

**D. Political Contributions to Foreign Officials Prohibited**

It is against this policy and JDA's Code of Business Conduct and Ethics for any associate, Officer, Director, broker, agent or joint venture partner to make contributions to candidates for any foreign or domestic political office with the intent to gain an improper advantage or benefit for JDA. Associates, brokers, agents, joint venture partners, and third party intermediaries are prohibited from making a political contribution on behalf of JDA.

**E. Donations to Non-U.S. Charities Linked With Foreign Officials Restricted**

No JDA associate, broker, agent, joint venture partner, or third party representative is permitted to make a charitable donation to a non-U.S. charity on behalf of JDA without prior review and approval of the Legal Department. The Legal Department and requesting person must provide information indicating that the charity is legitimate, the donation will be for proper charitable purposes, and the donation will not directly or indirectly be used for personal benefit by a foreign official who is associated with the foreign U.S. charity.

**IV. JDA PROCEDURES FOR FOREIGN THIRD PARTY RELATIONSHIPS AND HIRING**

JDA requires associates to conduct appropriate anticorruption and reputational due diligence for all non-U.S. agents, brokers, distributors, consultants, and joint venture partners or other third parties ("third party representatives). Due diligence will help prevent policy and FCPA/anticorruption breaches involving a third party representative. Associates should also report to the Legal Department any FCPA or anticorruption "red flags", described below, because actions of JDA's brokers and representatives can create criminal and civil liability under the FCPA and local anticorruption laws for associates, Officers, Directors, and the company.

The following are some of the key steps that should be taken before entering relationships with foreign partners and representatives, depending on the circumstances. Some steps may not be necessary if the risks posed are low, or if other public information is readily available about the third party. Consult with the Legal Department for approval of any due diligence process exceptions.

**A. Conduct Reasonable Due Diligence**

Before entering into, or renewing any agreement with, or compensating a foreign third party representative, associates must perform an analysis of that party's reputation for, and history of, legal compliance, particularly with respect to anticorruption laws and regulations. The third party representative's qualifications for JDA role should also be determined and documented, as follows.

**1. Questionnaire**

Due diligence should begin by having the third party representative complete a questionnaire, which is attached to this policy. The questionnaire provides relevant background, formation, and business information about the third party representative (or employment history, as applicable); the company's relationship to, or projects involving government officials, including government appointments; a list of family members or relatives in government positions in the foreign country; and any government official ownership interest in the third party representative. A sample questionnaire is attached to this policy.

**2. The Due Diligence Report**

After completing due diligence, a written summary of the findings should be recorded.

**a) Background Information Needed**

- Information on qualifications and competence
- Relevant financial statements for 1-3 years, if possible
- Description of ownership percentages of third party shareholding
- Country in which the work will be performed
- Person who recommended the third party representative
- The licensing or permitting organization for the third party's operations, if any

**b) References and Compliance Verification**

The due diligence report should also include a Google search plus at least two of the following types of verification information:

- Check of verified business references
- A statement on whether the FCPA and JDA policy have been reviewed with the third party representative or business partner
- International Chamber of Commerce or Trade Association reference in local country

**c) Embassy Check**

The U.S. Embassy provides information on local parties for inclusion in due diligence reports. After consulting the Legal Department, you may need to contact the commercial attaché regarding the third party representative. For more information on the services available to U.S. companies, check website: <http://www.export.gov/salesandmarketing/IPS.asp>

**d) Some FCPA Red Flags**

The U.S. Department of Justice has identified certain factors as FCPA or anticorruption “red flags”. If more than one of the below red flags exist, JDA is required to take enhanced measures to address the red flags before proceeding with the transaction or engaging with a third party representative or business partner. Contact the Legal Department to help you resolve a red flag.

- The third party or prospective business partner is related to a government official
- In the past, the third party requested a foreign company to prepare false invoices or any other type of false documentation
- Refusal by the third party to agree in writing to follow JDA’s FCPA and anticorruption policy, and local anticorruption law
- The foreign country has a reputation for corruption and bribery (<http://media.transparency.org/imaps/cpi2009/>)
- The structure and operations of the third party representative indicate that corrupt practices are used

- Convictions or charges exist for violations of local laws relating to award of government contracts
- Requests made for over-invoicing, or that all or a portion of the commission be paid in a third party country, to a third party, in cash or otherwise untraceable funds
- Heavy reliance by party on political and government contacts instead of knowledgeable staff or invested time and effort
- Refusal or inability to develop or implement a market development program, as needed
- A desire to keep the representation secret
- Relationship problems with other foreign companies
- Does not appear to be qualified or trained to bring in the accounts promised

**3. FCPA Certification**

The foreign third party should complete JDA's anticorruption certificate, a sample of which is attached to this policy. JDA's anticorruption certification describes the FCPA and anticorruption requirements covering the third-party representative and prohibits him or her from violating JDA policy and the FCPA, and states the consequences of violations, which include termination or forfeiture of compensation.

**B. Annual Reviews and Certifications for Third Party Representatives**

All foreign third party representatives should have annual compliance reviews to determine their compliance with JDA policy and contractual requirements, as well as to ensure their execution of new FCPA and anticorruption certifications, as required.

**V. FCPA AND ANTICORRUPTION DUE DILIGENCE IN JDA  
MERGER AND ACQUISITIONS**

In high risk countries for public corruption, JDA is required to perform reasonable anticorruption due diligence on joint venture partners and target companies for acquisition before finalizing the venture or acquisition. The due diligence should include the above steps in Part IV of this policy. It should also include interviews of key target company officers, and a sample of supervisory employees whose functions will interact with JDA. The anticorruption due diligence

should also include document reviews, and it should also seek to determine if the target maintains accurate books and records, and whether it has any system of internal accounting controls. In exceptional cases, JDA may have to determine whether or not a violation by the target must be disclosed to U.S. enforcement authorities before the transaction may proceed. The Legal Department should coordinate and supervise all anticorruption merger and acquisition due diligence, as appropriate.

## **VI. MONITORING COMPLIANCE**

Internal Audit should oversee and supervise periodic compliance audits that assess the level of employee and business unit compliance with JDA's FCPA and anticorruption policy, and also whether additional procedures are necessary to meet JDA's dynamic operating needs and compliance risks.

## **VIII. TRAINING**

The Legal Department will oversee and coordinate periodic employee training on this policy for affected associates, Officers, Directors and third party representatives/partners.

## **IV. REPORTING VIOLATIONS OR SUSPECTED MISCONDUCT**

Any associate, Director, Officer, agent or business partner who learns information about a suspected violation of the FCPA or this policy must report it to a supervisor, or to the Legal Department (the supervisor must report it to the Legal Department). JDA prohibits retaliation against an employee who makes a report of a suspected violation of the FCPA or this policy in good faith.

This policy does not address every aspect of the FCPA and anticorruption compliance. It is designed to help you understand the FCPA and provide guidance for JDA associates, Officers, Directors, agents, and business partners. These guidelines are in addition to the guidelines set forth in the Code of Conduct and any other policy, code or guideline established by JDA with respect to the conduct of its employees

## **X. PENALTIES**

Violations of this policy and the FCPA can result in termination of agreements or termination of employment from JDA for individuals, as well as severe fines and penalties, and imprisonment. In addition, JDA can face millions of dollars in fines and penalties for antibribery violations, and tens of millions in fines for violations of both the antibribery and books and records requirements due to provisions that allow fines of twice the profit on any unlawfully obtained business, as well as the gross amount of the pecuniary gain, among other provisions. JDA could also face reputational harm, imposition of a compliance monitor who reports to the

DOJ and SEC, and also have to defend against shareholder derivative suits that may be triggered by an FCPA or anticorruption enforcement action.

**XI. IMPLEMENTATION FORMS**

Sample forms that help implement this policy are attached to the end of the policy. Questions and Answers that may be helpful are also attached to this policy.

**JDA SOFTWARE GROUP, INC.**

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**JDA SOFTWARE GROUP, INC.  
FCPA AND ANTICORRUPTION POLICY  
QUESTIONS AND ANSWERS**

**JDA SOFTWARE GROUP, INC.  
FCPA AND ANTICORRUPTION  
PROPOSED QUESTIONS AND ANSWERS**

1. Q: What is the “FCPA”?

A: FCPA stands for the “Foreign Corrupt Practices Act,” a U.S. antibribery law that makes it a crime to offer or pay a bribe to foreign officials. It also requires companies to keep accurate books and records (no forged, false or misleading documents), and have good accounting controls.

2. Q: So the FCPA deals only with bribing foreign officials?

A: No. For public companies the FCPA also has rules about how transactions must be described in all JDA paperwork and records, as well as rules about accounting controls that must be in place. When making a record of how you have used JDA assets, or completing paperwork associated for a transaction, you must be entirely accurate, and give reasonable detail, to fairly describe that transaction. No JDA document or record may be falsified for *any* reason, and no undisclosed or unrecorded accounts of JDA’s funds or assets may be created for any purpose. This applies equally to email, internal memos, as well as formal reports.

3. Q: Who does the FCPA and JDA policy apply to?

A: If you’re reading this, and you are associated in any way with JDA, formally or informally, it applies to you. It also applies to our agents, representatives and business partners. The law also applies to every US citizen and every US company, and those working for or affiliated with US companies, no matter where they are working in the world. It applies to non-US citizens working on behalf of a US company anywhere in the world.

4. Q: But I’m not a US citizen and I work with JDA outside the United States. Does the United States really think it can enforce its US laws against me if I am not an American?

A: Yes. For example, sending an email, text message, or making a cell phone call that is routed through a US-based router or satellite is enough to trigger the FCPA’s coverage, whether you knew about that or not. The message sent or phone call made does not need to relate to the illegal part of a transaction. Thus, an email routed through JDA’s US-server simply confirming shipment, where the overall transaction contained some aspect of a bribery violation, is enough to cover the transaction. Citizens of Vietnam, Iraq, China, Japan, Italy, Korea, Germany, and the United Kingdom, among other countries, have been prosecuted even though personally never touched US soil.

5. Q: This sounds pretty complicated. I’m not a lawyer, and don’t want to be one. What do I need to do to make sure that neither I nor JDA make a mistake?

A: JDA expects you to be able to spot potential FCPA and corruption issues, and then to report to the Legal Department, and follow-up on the issues you spot to make sure that “issues” do not become “violations.” To do this, always be aware of when you, and personnel you supervise or work with, are potentially interacting with a non-US government official. When in doubt, assume you are in contact with a government official until conclusively confirmed to the contrary. A cup of coffee, reimbursement for expenses, taxi fare, a meal, or even a small gift could trigger FCPA and JDA policy issues.

6. Q: I decided to do some checking on the internet, and found that the FCPA only prohibits “corruptly” giving something of value to a government official to “obtain or retain” business. Doesn’t this mean that the law only applies if I bribe a government official to enrich myself, or knowing that I’m committing a crime, in order to win a contract or sale for JDA?

A: No. It is true that the law includes “corrupt intent.” But for all practical purposes, any improper payment made on behalf of a business will be considered to have “corrupt intent,” because a company always has a “profit” motive, from which corrupt intent can usually be inferred under prevailing US law. Also, a payment made to a government official to receive favorable tax consideration, customs clearance, or simply to allow JDA to continue conducting business, is sufficient under US law to meet the improper business purpose requirement. Almost any act undertaken by JDA or its personnel will have a sufficient connection to business-motive to meet the improper business purpose requirement.

7. Q: I work in finance/accounting, or a “back office” part of my group, and don’t have any contact with government officials, or anyone outside JDA. Do I need to worry about the FCPA?

A: Absolutely. Although you may not directly interact with government officials, you frequently see the paperwork associated with people that do. You are JDA’s best chance of detecting improper activity relating to government officials if others in JDA engage in improper activity, either out of ignorance, or by design. You need to learn to be on the lookout for more than fraud, which you are used to looking for on things like improperly documented reimbursement expense requests. You need to look for transactions that, although properly documented and accounted for, nevertheless involve a transmission of a thing of value to a government official that could violate the FCPA. For example, you need to be on the alert for a meal reimbursement request, which, although properly supported by a receipt and business purpose on the proper JDA form, might nevertheless violate the FCPA because the meal included a government official.

8. Q: The rules on meals, gifts and entertainment are confusing. Sometimes it’s allowed, sometimes not. What practical guidance can you give me?

A: The most important thing is to determine whether the expenditure is for a legitimate business purpose. In other words, ask, “What products or services does JDA wish to promote, demonstrate, or explain?” The next step is to make sure that expenses are directly related to the defined business purpose, rather than being only indirectly related to the business purpose. Ask, “Is the expense necessary to promote, demonstrate, or explain the product or service at the core of the defined business purpose?” Promoting “good will” or “building a relationship” will not satisfy this requirement. Finally, ask, “Is the amount being spent reasonable?” If your instinct tells you it is too nice, then it is. Call the Legal Department for guidance before incurring the expense.

9. Q: I’m not the kind of person who would ever engage in a crime or bribe anyone to get something, including a government official. As long as I stay that way, and mind my own business, isn’t that enough to keep me and JDA out of trouble?

A: Unfortunately not. The FCPA and JDA policy apply not only to JDA’s personnel, but to those working on our behalf, such as agents and partners or other third parties. Thus, it is your job not only to ensure your own lawful behavior, but to monitor the behavior of others, and report any concerns you have about their actions immediately to your supervisor so that action can be taken. The failure to report those concerns can subject both you and JDA to liability, even if it is not you committing the improper act.

10. Q: With all due respect to the United States, the FCPA and our anticorruption policy aren’t very realistic about how business is done in other parts of the world, particularly the parts where I work, where payments to get things done have been part of doing business forever. I think that companies who follow these rules are going to be at a tremendous disadvantage, and that I should start looking for a job with a non-US company that doesn’t have to follow this law right now.

A: Following the FCPA is an economic benefit, not to mention huge relief, for us as a company – and you as an associate – because it means all we have to focus on is beating our competition based on our superior products and service. Also, most of our primary competitors are subject to the FCPA.

11. Q: I’m not sure I follow the FCPA’s “books and records” and “internal controls” part. As long as I don’t bribe anyone, doesn’t that mean that I and JDA are safe under the FCPA?

A: No. The FCPA’s “books and records” and “internal controls” provisions extend beyond just bribery activity, because JDA is publicly traded. Thus, misstating a transaction or operating a slush fund, even if it does not involve bribery, can still subject both you and JDA to potential liability.

12. Q: I accept that the FCPA is the law. But even though speed limits are the law, I occasionally decide it makes sense to drive over the speed limit, and understand that if I'm caught, I'll have to accept responsibility for my decision and pay the fine. Can't I just follow that same practice here – follow the law most of the time, but understand that when it makes more sense not to, I'll just have to pay the fine and move on?

A: No. You will face penalties yourself that could include imprisonment, and you will create criminal legal exposure for JDA, costing us millions of dollars and reputational damage.

13. Q: I don't really have contact with government officials. Does that mean that I don't really need to know much about the FCPA or our policy?

A: Most people think the FCPA only applies to our political lobbying staff, or senior executives who meet with high level governmental counterparts. Because foreign government officials are defined to include even the lowest level officials, and not just those elected to office or charged with high level decision-making, even the lowest level customs or import/export official you encounter, or health inspector, or auction supervisor, or immigration/visa processor, or local permit clerk, are all "government officials." Additionally, people employed by or working for any company that is owned or controlled by a non-US government, count as government officials, even if they otherwise appear to be a regular company, as is commonly the case in socialized or communist countries outside the US. In short, you must always be aware that if you are dealing in any way with entities owned or controlled by a foreign government, then you are likely working within the zone of the FCPA and JDA's policy.

14. Q: Frequently I get requests from non-US government officials to tour our US operations, and quite often they expect JDA to pay their expenses. Are we allowed to do this?

A: With permission from the Legal Department, you are allowed to do this, and JDA can pay for the officials' expenses, so long as certain requirements are met. Under no circumstances should you pay for any aspect of an official's travel expenses, and seek approval later. Even if you pay for the expense out of your own personal funds to avoid reporting the expense, or seeking approval, if that expenditure violates the FCPA both you and JDA could be held liable.

15. Q: Where can I go if I have additional questions or concerns about the FCPA or JDA policy not addressed here?

A: Start with the Legal Department or your immediate supervisor. When in doubt, raise a question or report your concern in order to protect yourself and JDA from legal exposure.

**JDA SOFTWARE GROUP, INC.**

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**FORMS FOR USE WITH  
JDA'S  
FCPA AND ANTICORRUPTION POLICY**

**Note: These sample forms may be adapted for particular parties and some requirements may be changed with the prior approval of the Legal Department.**

**JDA SOFTWARE GROUP, INC.**

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**SAMPLE FCPA Letter For Alliance Members**

[Insert Name and Address of Consultants/Third Party Representative]

Re: U.S. Foreign Corrupt Practices Act Anticorruption Acknowledgment

Dear \_\_\_\_\_:

It is the policy of JDA to include in agreements with its international representatives, provisions which obligate all our representatives to comply with the requirements of the Foreign Corrupt Practices Act ("FCPA") and local anticorruption laws. We include this language because JDA is subject to the FCPA and because numerous other countries have adopted similar anti-corruption laws. Briefly, the FCPA makes it a criminal offense for JDA and its subsidiaries (collectively "JDA"), our officers, directors and employees or for anyone representing us (including you or your employees) to offer, pay or give any payment or thing of value to any government official, political party, official of a political party or candidate (or to an intermediary for payment to any of the foregoing), for the purpose of improperly influencing any act or decision designed to obtain, retain or direct business to JDA.

In addition, the FCPA obligates us to make inquiries regarding the nature of your company and business. In particular, we must know from you whether any government official of any country in which you are acting on our behalf has an ownership interest in your company. By "government official" we mean any officer or employee of such government or any department, agency, or instrumentality thereof, or any person acting in an official capacity on behalf of such government or its instrumentality, and we include any immediate family relative of such an official and, of course, any nominee of any government official. Our concern with the ownership interest includes both direct and indirect ownership interests.

Because the FCPA is a criminal statute and the penalties which may be imposed upon JDA and our personnel are severe, we take our obligation under the FCPA and local laws seriously and request that you also consider this matter very carefully and deliberately. If there is an ownership interest in your company by any government official, we must be advised.

In addition, we are asking all our Third Party Representatives to understand and agree that:

- (a) No payments are to be made in violation of the FCPA or that would cause JDA to be in violation of the FCPA;
- (b) If such payments are discovered, or if we have reasonable cause to believe that such payments are being made, our relationship will be terminated; and

**FORMS**

- (c) If, based on its own good faith review, JDA chooses to terminate this relationship based upon any aspect of the provisions of its FCPA policy, you agree to forfeit any and all compensation presently or potentially due and owing under your agreement with JDA.

We also intend to require our representatives and alliance members to periodically produce a certification in writing, as a condition to our continued business relationship, that you or your organization have not (and with respect to any agent, representative, consultant or other person retained by or paid by you in connection with our business, you have no reason to believe that any of them has) taken any action which would place JDA in violation of the FCPA. JDA reserves its right to audit your books and records should JDA determine that an audit is warranted prior to final payment.

Accordingly, please complete the attached questionnaire and return it to us. We are also enclosing a duplicate copy of this letter which we would appreciate your returning to us with a signed acknowledgment of receipt, understanding and agreement in the space provided at the end.

Thanking you for your consideration of this matter and awaiting your prompt reply, I am

Sincerely,

JDA SOFTWARE GROUP, INC.

Enclosures: Independent Representative Questionnaire [if enclosed]  
Copy of this letter

Acknowledgment  
Received, understood and agreed:

---

Date:

**[Sample Due Diligence Questionnaire for Alliance Members – May be Adapted to Party]**

**JDA SOFTWARE GROUP, INC. QUESTIONNAIRE  
FOR PROPOSED INTERNATIONAL AGENTS, JOINT VENTURE PARTNERS  
CONSULTANTS AND REPRESENTATIVES**

- 1. Company name: \_\_\_\_\_
- 2. Country/ies in which you will represent us: \_\_\_\_\_
- 3. Management Information:  
Chairman/President: \_\_\_\_\_  
Managing Director: \_\_\_\_\_  
Other Directors: \_\_\_\_\_
- 4. Owners/Principals (include name, country of residence, and % ownership):
- 5. Parent Company (if any): \_\_\_\_\_  
Subsidiary Companies: \_\_\_\_\_  
Jointly Owned Companies: \_\_\_\_\_  
Type of Ownership in Jointly Owned Companies: \_\_\_\_\_
- 6. Business References (if not previously provided):
  - (a) \_\_\_\_\_
  - (b) \_\_\_\_\_
  - (c) \_\_\_\_\_
- 7. Banking Credit References (if not previously provided):
  - (a) \_\_\_\_\_
  - (b) \_\_\_\_\_
  - (c) \_\_\_\_\_

- 8. Other Businesses in which Managing Director is Engaged: \_\_\_\_\_  
\_\_\_\_\_
  
- 9. Other Businesses in which other Directors are Engaged:  
\_\_\_\_\_
  
- 10. Historical Background: Briefly describe primary areas of business activity, changes in ownership, growth plans, etc.  
\_\_\_\_\_
  
- 11. Briefly describe the experience and qualifications of the management personnel.  
\_\_\_\_\_
  
- 12. Please attach financial statement (audited, if available) for the past 3 years, including balance sheets and profit and loss statements.
  
- 13. Briefly list all contributions, whether in cash or in kind, made during the last three years to any political party, candidate, non-governmental organization, governmental entity or department, or charitable entity (including community development or involvement activities), as practicable.  
\_\_\_\_\_
  
- 14. Has your organization or have any of the directors, officers, or owners ever been investigated for, convicted of, or entered into a settlement or plea arrangement involving bribery or corrupt practices? If yes, please describe:  
\_\_\_\_\_
  
- 15. Please use this space to provide any additional information which you feel may be relevant to the relationship between company and JDA involving your interactions or relationships with government officials.  
\_\_\_\_\_
  
- 16. (a) Does any current or former government official, political party official, candidate for political office, or relative of such a person, have an ownership interest, direct or indirect in your company? Yes \_\_\_\_\_ No \_\_\_\_\_

(Note: Indirect ownership could include an ownership by a member of the official's family or through a nominee.)

**Privileged & Confidential  
Attorney-Client Privileged**

(b) Is any current or former government official, political party official, candidate for political office, or relative of such a person an employee, officer or director of your company? Yes \_\_\_\_\_ No \_\_\_\_\_

(c) If the answer to either (a) or (b) above is yes, please:

- (1) State the name and official position of such person in the government or political party:
- (2) Describe his/her official duties and responsibilities with the government, governmental office or political party and, if the foreign official is a relative of an owner, director, officer or employee of your company, the relationship of that official to your personnel:
- (3) Indicate the type and extent of his/her ownership interest in your company (*e.g.*, percentage of ownership, positions with your company, shareholder, officer, director, etc.):

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TYPED NAME

\_\_\_\_\_  
TYPED NAME AND TITLE

\_\_\_\_\_  
JDA

\_\_\_\_\_  
DATE

**SAMPLE [NOTE: May be adapted]**

**FCPA CERTIFICATION FOR INTERNATIONAL  
ALLIANCE MEMBERS**

I, \_\_\_\_\_ a duly authorized representative of \_\_\_\_\_ [agent, consultant or representative name], confirm that I, my company, and anyone retained by me or my company are aware of and understand JDA's FCPA and Anticorruption Policy based on the U.S. Foreign Corrupt Practices Act of 1977 as amended, ("FCPA"), and that since the date of my last certification, I, my company, and everyone retained by me or my company have not violated, nor caused JDA to violate the FCPA in connection with my representation of JDA in any country.

I confirm that neither I nor my company is a governmental entity or political party in the country in which I represent JDA, and that no officer, director, stockholder, employee or agent of my company is a government, governmental entity, or "foreign official", as that term is defined below. "Foreign Official" is defined as:

- (i) any officer or employee of the foreign country's government, including any federal, regional or local department, agency, state-owned or state-controlled enterprise or corporation or other instrumentality thereof;
- (ii) any person acting in an official capacity for or on behalf of any such entities identified in clause (i);
- (iii) any official of a political party, or candidate or nominee of any political party in the foreign country or for any position with any entity identified in clause (i) above; and
- (iv) any official or employee of a public international organization.

In connection with my representation of JDA, neither I, nor my company, nor any of its officers, directors, stockholders, employees or agents have offered, paid, promised to pay, or authorized the payment of any money, or offered, the payment of any money or anything of value to (a) any "foreign official" as that term is defined above, or (b) any person, while knowing, or having reason to know, that all or a portion of such money or thing of value will be offered or given directly or indirectly to any official, political party, or to any candidate for political office for any of the prohibited purposes listed below. These prohibited purposes are:

1. to influence any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity,
2. to induce such foreign official, political party, party official, or candidate to do or omit to do any act in violation of the lawful duty of such foreign official, political party, party official, or candidate,

- 3. to secure any improper advantage; or
- 4. to induce such foreign official, political party, party official, or candidate to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

I agree that should I learn of or have reason to know of any activities in connection with the representation of JDA which may constitute a violation of the FCPA or applicable local country anticorruption laws, I will immediately advise JDA's Legal Department at:

**JDA SOFTWARE GROUP, INC.**

**Attn:** \_\_\_\_\_

**General Counsel**

**INSERT ADDRESS**

**phone** \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Representative's Signature

\_\_\_\_\_  
Representative's Title

\_\_\_\_\_  
Organization

**STATEMENT OF COMPLIANCE  
FOREIGN CORRUPT PRACTICES ACT  
FOR JDA OFFICERS AND EMPLOYEES**

**[Note: Use for JDA Leadership members and for all customer/alliance facing Associates or those involved in preparing or reviewing applicable books and records]**

I, \_\_\_\_\_, confirm that I am aware of and understand the antibribery and accurate recordkeeping requirements of the U.S. Foreign Corrupt Practices Act of 1977 as amended, ("FCPA"), and that since the date of my last certification, I have not violated, nor caused JDA to violate the FCPA in connection with my representation of JDA in any country.

Specifically, I confirm that I am not a "foreign official" as that term is defined below. "Foreign Official" is defined as:

- (i) any officer or employee of the foreign country's government, including any federal, regional or local department, agency, state-owned or state-controlled enterprise or corporation or other instrumentality thereof;
- (ii) any person acting in an official capacity for or on behalf of any such entities identified in clause (i);
- (iii) any official of a political party, or candidate or nominee of any political party in the foreign country or for any position with any entity identified in clause (i) above; and
- (iv) any official or employee of a public international organization.

In connection with my employment by JDA, I have not offered, paid, promised to pay, or authorized the payment of any money, or offered, the payment of any money or anything of value to (a) any "foreign official" as that term is defined above, or (b) any person, while knowing, or having reason to know, that all or a portion of such money or thing of value will be offered or given directly or indirectly to any official, political party, or to any candidate for political office for any of the prohibited purposes listed below. These prohibited purposes are:

1. to influence any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity,
2. to induce such foreign official, political party, party official, or candidate to do or omit to do any act in violation of the lawful duty of such foreign official, political party, party official, or candidate,
3. to secure any improper advantage; or

- 4. to induce such foreign official, political party, party official, or candidate to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

I agree that should I learn of or have reason to know of any activities in connection with JDA which may constitute a violation of the FCPA, I will immediately advise JDA General Counsel:

**JDA SOFTWARE GROUP, INC.**

**Attn:** \_\_\_\_\_

**General Counsel**

**INSERT ADDRESS**

**phone** \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_