

**[Law Firm Letterhead]**

**Date:** [Insert Date]

**To:**

[Client Name/Board of Directors]

[Company Name]

[Address]

**Re: Legal Opinion - Remediation of Foreign Corrupt Practices Act (FCPA) Red Flags**

Dear [Name],

We have been engaged to conduct a legal review and provide an opinion regarding the remediation of certain "red flags" identified during the anti-corruption due diligence process concerning [Third Party Name/Transaction].

**1. Identified Red Flags**

The following issues were identified as potential risks under the FCPA:

- [Red Flag 1: e.g., Unusual commission structure]
- [Red Flag 2: e.g., Close relationship with government officials]
- [Red Flag 3: e.g., Lack of established track record in the industry]

**2. Remediation Measures Taken**

To mitigate the risks identified above, the following steps were implemented:

- [Step 1: e.g., Enhanced due diligence and background checks performed by X firm]
- [Step 2: e.g., Amendment of contract to include audit rights and compliance certifications]
- [Step 3: e.g., In-person compliance training for the third party's executive team]

**3. Legal Analysis**

Based on our review of the remediation steps and the documentation provided, we have analyzed these facts against the anti-bribery provisions of the FCPA. The remediation measures taken align with the "Resource Guide to the U.S. Foreign Corrupt Practices Act" published by the DOJ and SEC. Specifically, [Detailed explanation of why the risk is now considered manageable].

**4. Legal Opinion**

Based upon and subject to the foregoing, it is our legal opinion that [Company Name] has exercised reasonable due diligence and has implemented sufficient safeguards to address the

identified red flags. We believe that proceeding with [The Transaction/Relationship] does not constitute a "knowing" violation of the FCPA based on the information currently available.

## **5. Conditions and Limitations**

This opinion is based on the facts provided to us as of this date. Any change in the nature of the relationship or failure by the third party to adhere to the compliance covenants may void this opinion.

Sincerely,

[Signature]

[Name of Partner]

[Law Firm Name]