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THE HOWARD HUGHES CORPORATION

ANTI-CORRUPTION COMPLIANCE POLICY

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The Howard Hughes Corporation Anti-Corruption Compliance Policy

I. Introduction & Purpose

It is the policy of The Howard Hughes Corporation (hereinafter together with all subsidiaries, affiliates and interests, the “Company”) to maintain the highest level of professional and ethical standards in the conduct of its business affairs and global transactions. All Company Personnel, Representatives and Intermediaries are expected to conduct Company business legally and ethically. Bribery, kickbacks and other corrupt payments could jeopardize the Company’s growth, legal compliance and reputation.

Accordingly, this Anti-Corruption Compliance Policy (this “Policy”) sets forth the Company’s zero tolerance position regarding bribery and corruption and requires strict compliance by all Company Personnel with all applicable anti-corruption laws and regulations, including, without limitation, the United States Foreign Corrupt Practices Act (“FCPA”) and similar laws enacted in other countries, which prohibit acts of bribery and other corrupt conduct (collectively, the “Anti-Corruption Laws”).

Consistent with the Anti-Corruption Laws, this Policy prohibits Company Personnel from providing, offering, proposing, promising or authorizing the payment of any bribe, kickback or other improper inducement to any person for the purpose of influencing sales, obtaining or retaining any business opportunity or otherwise securing any other kind of favorable treatment or business advantage. Accordingly, with the exception of certain modest gifts, meals and entertainment made in compliance with the Company’s Code of Business Conduct and Ethics for Employees (as set forth herein), it is improper to offer or provide goods or services that may be perceived as inducing or otherwise influencing the conduct of the recipient, regardless of whether the recipient is a Government Official or a representative of a private commercial entity.

The Company has adopted this Policy with respect to all transactions. Oversight of this Policy and internal controls regarding bribery are the duty of the General Counsel (as identified in **Appendix F**) who has an adequate level of autonomy from management, sufficient resources and authority to carry out this responsibility and who reports directly to the Board of Directors with respect to such matters.

All Company Personnel should be aware that conduct violating this Policy is always considered to be conduct outside the scope of employment and that violating this Policy could significantly damage the Company and expose it to unintended legal, reputational and commercial liabilities. Individuals who violate this Policy shall be subject to appropriate disciplinary action by the Company, up to and including, immediate termination of employment.

If you have questions or concerns regarding this Policy or any procedures set forth in this Policy, you should contact the General Counsel.

II. Key Terms

- “**Anything of Value**” means, but is not limited to, money, loans, rewards, charitable donations, gifts, meals, travel-related expenses, promotions, job opportunities, in-kind services, internships, education-related expenses and any other products or services which are of a benefit to the recipient.

- “**Bribe**” is any payment, gift, promise or offer of money or anything of value, whether directly or indirectly, through Company Personnel, Representatives or Intermediaries to any person or entity for purposes of influencing any act or decision of the recipient in his or her official capacity, inducing the recipient to act or refrain from acting in relation to the performance of his or her duties, securing an improper advantage or obtaining or retaining business.
- “**Company Personnel**” means all officers, directors, employees, trustees and any individual or entity acting for or on behalf of The Howard Hughes Corporation, whether operating inside or outside the United States.
- “**Facilitating Payment**” is a small payment made to a Government Entity or Government Official to induce performance of a non-discretionary, routine governmental task, such as processing government paperwork. Examples of Facilitating Payments include small fees to receive police protection, mail pick-up, a stamp of an entry visa or to have a telephone line installed or an application processed. Routine governmental action does not include a decision by a foreign official to award business to, or to continue business with, a company.
- “**Government**” or “**Government Entity**” means: (i) any government, including, without limitation, any government body or department and any and all levels and subdivisions of government from national to local; (ii) any government agency, department, committee or other instrumentality; (iii) any government-owned or government-managed company; (iv) any political party; and (v) any public international organization (including, for example, the United Nations, the World Bank, the International Monetary Fund, etc.).
- “**Government Official**” means any official, employee or representative of a national, state, regional or local governmental body, department, agency or any instrumentality thereof, any entity owned or controlled by any such governmental entity, any political party official, any candidate for political office and any official, employee or representative of a public international organization, such as the United Nations and the World Bank. The term Government Official should be interpreted broadly and also may include individuals in unpaid or honorary positions, including committees, panels, commissions or other advisory positions. The term also includes any person acting on behalf of any Governmental Entity or Government Official and any individual representing (or claiming to represent) a Governmental Entity or Government Official, or any entity owned or controlled by any national, state or local government, including entities engaged in ordinary commercial activity and employees of state-owned commercial entities.
- “**Intermediary**” means a person that contacts or interacts with a Government Official or Government Entity on behalf of a third party, including the Company or a client (*e.g.*, to obtain permits, licenses, occupancy certificates, government data, planning approval, building approval, building completion certificates, fire and safety certificates, *etc.*).
- “**Kickback**” is a particular form of Bribe which takes place when a person entrusted by an employer has responsibility for the granting of a benefit (*e.g.*, awarding a contract) and does so in a way that secures for his or herself a return (kickback) of some of the value or benefit of that transaction without the authorization of his or her employer.

- “**Representative**” means any person or entity acting on an entity’s behalf. Representatives may include Intermediaries, consultants, business partners, finders, introducers, consultants, agents, co-brokers, referring brokers, joint venture partners and company affiliates or licensees.
- “**SOE**” means state-owned or state controlled entities, which are entities over which a Government or Government Entity exercises substantial control (even if not wholly-owned) and are deemed to be an “instrumentality” of the Government or Government Entity.

III. Scope & Applicability

This Policy applies to all Company Personnel and should be read in conjunction with other relevant policies and procedures of the Company. Responsibility for compliance with this Policy is the duty of individuals at every level of the Company. The Company endeavors in good faith to use its influence to the extent reasonable under the circumstances to require entities not controlled by the Company, but which operate on behalf of the Company (*e.g.*, Representatives or Intermediaries), to adopt and implement policies and internal controls of their own that minimize the risk of violation of applicable Anti-Corruption Laws.

IV. Applicable Anti-Corruption Laws

The FCPA has two basic sets of provisions: (i) the anti-bribery provisions, which, among other things, make it illegal to bribe Government Officials; and (ii) the books, records and internal controls provisions, which impose a certain level of record keeping and internal control requirements upon U.S. public companies.

The FCPA prohibits both direct and indirect payments to foreign Government Officials. A U.S. public company can face liability based on improper payments made by its Intermediaries and Representatives, regardless of whether such Intermediaries or Representatives are U.S. citizens or foreign nationals.

Company Personnel, Representatives and Intermediaries are responsible for complying with all applicable Anti-Corruption Laws in the jurisdictions in which they are conducting business. Neither the Company nor any Company Personnel, Intermediaries or Representatives may, directly or indirectly, break or seek to evade the laws or regulations of any country in, or through which, it does or seeks to do business.

In some cases, local laws or customs may be more restrictive than the Policy or other laws that may apply. Where such a conflict exists, Company Personnel, Intermediaries and Representatives should follow the more restrictive local law, custom or policy.

There is no sufficient justification for a violation of this Policy, even if an illegal act is “customary business practice” in any country. Any Company Personnel, Intermediary or Representative who violates this Policy, or any law or regulation, will be subject to disciplinary action, up to and including termination, and the Company may take corrective measures, including the termination its business relationship with any Representatives or Intermediaries who violate this Policy or any law or regulation.

V. Prohibited Payments

A. Bribes and Kickbacks: Neither the Company nor any Company Personnel, Intermediary or Representative may, directly or indirectly, authorize, offer, provide, solicit or receive a Bribe or Kickback. All offers of or solicitations or demands for Bribes and/or Kickbacks must be expressly rejected. This provision prohibits Bribes and Kickbacks to Government Officials, Government Entities, SOE's or any other entities or individuals. The Company will take reasonable steps to prevent any Intermediaries or Representatives acting on its behalf from violating this provision.

B. Facilitating Payment: The Company, as a general policy, also strongly discourages Facilitating Payments, whether or not such payments are prohibited under the laws of the countries where the Company operates. As such, neither the Company nor any Company Personnel, Intermediaries or Representatives may authorize, make or reimburse any Facilitating Payments, unless it is: (i) is approved by the General Counsel, in advance and in compliance with applicable policies; (ii) legal in the country in which incurred; and (iii) properly recorded in the Company's books and records.

C. Charitable and Political Contributions to Government Officials: The Company prohibits any payment or contribution by the Company or any Company Personnel, Intermediaries or Representatives to any Government Entity or Government Official, including at the request or suggestion of a Government Official or Government Entity (or an immediate family member of a Government Official), to gain an improper business advantage. As such, neither the Company nor Company Personnel, Intermediaries or Representatives may authorize, make or reimburse any charitable or political contribution relating to the business of the Company unless it is: (i) approved by the General Counsel, in advance and in compliance with applicable policies; (ii) legal in the country in which incurred; and (iii) properly recorded in the Company's books and records.

D. Personal Funds: Company Personnel, Intermediaries and Representatives may not use Company or personal funds for any purpose that would violate this Policy or the laws or regulations of any country, regardless of whether such personal expenses are submitted to the Company for reimbursement.

VI. Permissible Payments: Gifts, Meals and Entertainment

As a general matter, reasonable, proportionate and necessary *bona fide* business expenditures related to the promotion or demonstration of products or services or for the execution or performance of a contract are permissible insofar as they are not lavish and could not be perceived as an improper or corrupt inducement. This is understood to include certain gifts, meals and entertainment expenses. The more lavish a gift or entertainment expense, the greater the inference that it is intended to encourage or reward performance or influence a decision-maker to favor the Company. Lavishness is just one factor that prosecutors and enforcement agencies may use to assess the intent behind a certain gift and entertainment expenses to determine whether such expenses have ceased to be *bona fide* promotional expenses and have become instead an improper inducement.

In this context, permissible payments (i.e. gifts, meals, entertainment, marketing and promotional expenses, etc.) should be:

- a. consistent with the recipient's policies and procedures;

- b. given in a direct, transparent manner, avoiding any appearance of impropriety;
- c. not motivated (even in part) by a desire to influence or secure a business opportunity or other favorable treatment;
- d. not motivated by any expectation of reciprocity;
- e. proportionate, not lavish, and consistent with generally accepted standards of professional courtesy;
- f. in compliance with all applicable laws and regulations;
- g. properly recorded and documented in the Company's financial books and records;
- h. given in connection with a recognized gift-giving event (such as a local holiday); and
- i. never given in cash or cash equivalents (such as gift certificates or pre-funded gift cards), except for token cash or cash-equivalent gifts that are: (i) not lavish or of sufficient value to be interpreted as an inducement or otherwise create an appearance of impropriety; (ii) for local holidays, births, weddings, funerals and other special occasions for which it is customary to give such gifts; and (iii) subject to pre-approval from the General Counsel and otherwise consistent with the Company's Code of Business Conduct and Ethics for Employees.

Permissible meals and/or entertainment should not be provided unless Company Personnel are present. In addition, Company Personnel, Intermediaries and Representatives should not regularly provide permissible meals, entertainment or nominal gifts to the same recipient.

Gifts and entertainment expenses shall be reimbursed only upon submission of an itemized expense form and supporting receipts, invoices or other documentation.

Contact the General Counsel if there is ever a question as to whether any gifts, meals or other entertainment, promotional or hospitality expenses are consistent with Company policies and procedures.

In addition to complying with all of the above requirements, all meals, entertainment or gifts provided, directly or indirectly, by Company Personnel, Intermediaries or Representatives to a Government Official are permissible only with the express, written approval of the General Counsel. Approval will be granted only if such meals, entertainment or gifts are legal under local law and are not lavish or excessive in amount or frequency.

Even if the exact type of payment is not specifically described here, any payments, gifts, or offers of anything of value for any purpose to a Government Official or Government Entity must be approved in writing by the General Counsel and recorded promptly and accurately in the Company's books and records. While payments to Government Officials and Government Entities are not *per se* unlawful, if such payments are not appropriately made and documented, they could be construed as Bribes. Such payments should not be made in cash or payable to individuals, but rather should be made by check or bank transfer to the official account of the relevant Government Entity. Receipts or other confirmation of payment should be obtained. These payments should never be made through a Representative or Intermediary.

VII. Books, Records, and Internal Controls

Consistent with Anti-Corruption Laws, the Company must (i) make and keep books, records and accounts in reasonable detail, accurately and fairly reflecting all Company transactions and dispositions of Company assets and (ii) devise and maintain a system of internal accounting controls. This Policy and the Anti-Corruption Laws prohibit the mischaracterization or omission of any transaction on the Company's books and records, or any failure to maintain proper accounting controls that result in such a mischaracterization or omission. No undisclosed or unrecorded Company accounts shall be established for any purpose. False or artificial entries shall not be made in the books and records of the Company for any reason, and obscuring or euphemistic language must be avoided. Keeping detailed, accurate descriptions of all payments and expenses is crucial for compliance with both this Policy and Anti-Corruption Laws.

All payments made on behalf of the Company must include (i) proper written documentation made in accordance with the Company's accounting policies and procedures and (ii) a description of the services performed, products purchased or liabilities paid. These payments must be approved by the appropriate level of management consistent with the Company's policies and procedures and must comply with the requirements regarding documentation submitted to support the payment being made. These expenditures also must be in compliance with all other relevant Company policies and procedures.

VIII. Assessment & Management of Corruption Risk

A. Risk Assessment

1. Mandatory Awareness of Risk Factors or "Red Flags"

Corrupt conduct may take many forms, and Company Personnel must be alert to a wide range of situations that may create the risk of a violation of this Policy or any applicable Anti-Corruption Laws. While corruption risk factors are often specific to a given relationship, a list of common red flags is attached to this Policy as **Appendix A** to help Company Personnel recognize circumstances that tend to indicate a greater corruption risk. This list is not exhaustive and all Company Personnel are expected to use this list as a preliminary guide and exercise judgment in determining if any red flags of any type or kind are present with respect to any given business relationships. If any red flags are identified, they must be immediately reported, in writing, to the General Counsel, and investigated and resolved through consultation with the General Counsel as necessary. When in doubt as to whether a certain fact or conduct poses a potential corruption concern, Company Personnel shall contact the General Counsel immediately to discuss the circumstances. Compliance with this Policy requires that Company Personnel err on the side of caution and discuss with or report to the General Counsel immediately whenever any actual or potential red flags may arise.

2. Recognizing Third-Party Risk

A common area of corruption risk relates to the use of Representatives and Intermediaries. For this reason, this Policy and the Anti-Corruption Laws expressly prohibit improper payments made indirectly by any Representative or Intermediary acting for the Company. Both the Company and Company Personnel may be liable if they know or are deemed to know that improper payments are being made on the Company's behalf through its Representatives or Intermediaries. Under the applicable Anti-Corruption Laws, a person may be deemed to "know" of improper payments even in the absence of actual knowledge, where that

person knows of facts suggesting a high likelihood that such payments are being made. Knowledge of a violation may be imputed to the Company or Company Personnel where red flags or risk factors were ignored or when insufficient diligence was performed with regard to Representatives or Intermediaries. To ensure compliance with this Policy and the Anti-Corruption Laws, Company Personnel should be careful to avoid situations involving Representatives or Intermediaries that might lead to a violation of this Policy or the Anti-Corruption Laws, and must not turn a blind eye to their conduct on behalf of the Company.

Company Personnel should review carefully all Representative or Intermediary compensation requests, and any inexplicable charges should be questioned and any unusual or inappropriate requests (such as requests for payments inconsistent with the contract terms, requests for payments to unknown third parties, requests for payment without supporting documentation, requests for payments in-kind, requests for payments to offshore accounts or entities and unusual or inexplicable expenses) should be reported immediately, in writing, to the General Counsel.

Prior to entering into any agreement with any Representative (who may act on behalf of the Company abroad) or Intermediary responsible Company Personnel shall perform a commercially reasonable risk assessment and undertake due diligence necessary to obtain assurances that such Representative or Intermediary will comply with this Policy and all applicable Anti-Corruption Laws. *See* Due Diligence Checklist, attached to this Policy at **Appendix B**, and Risk Assessment Form, attached at **Appendix C**.

While no amount of effort can entirely avoid problems, conscientious risk assessment and due diligence efforts can reduce the Company's risk of involvement in undesirable situations. Not every business partner poses the same anti-corruption risks, and for that reason, there is no "one-size-fits-all" due diligence plan.

Due diligence efforts generally should include:

1. evaluating the competence and expertise of all prospective Representatives and Intermediaries;
2. inquiring about the relationships that any prospective Representatives or Intermediaries may have with Government Officials, particularly in the case of any Representative or Intermediary who has, or who claims to have, close ties to any Government Official or Government Entity.
3. examining the reasonableness of the proposed compensation to any prospective Representatives or Intermediaries;
4. contacting references for prospective Representatives and Intermediaries and performing background research in publicly available online media regarding the reputation of the prospective Representatives and Intermediaries;
5. collecting documents sufficient to identify the ownership and registration of the prospective Representative and Intermediaries;
6. collecting information, such as curricula vitae, for owners and key personnel of the prospective Representative and Intermediary to understand any connection to Governments, Government Officials or Government Entities;

7. where warranted, conduct an in-person interview of a representative of the prospective Representative and Intermediary; and
8. maintaining all due diligence records for at least five years.

The General Counsel should be contacted if there is any question as to the sufficiency of any due diligence efforts undertaken prior to engaging a Representative or Intermediary.

B. Risk Management and Mitigation

To assure that the Company, all Company Personnel, Representatives and Intermediaries are in compliance with this Policy, the following steps shall be undertaken:

1. **Communication:** At the start of employment, Company Personnel shall receive and acknowledge that they have read this Policy. The Company will periodically issue written communications to Company Personnel to promote awareness of and engagement with, as well as demonstrate top-level commitment to, this Policy.
2. **Certification:** Each year, all Company Personnel shall complete an Employee Compliance Certification in the form attached at **Appendix D**.
3. **Training:** An appropriate level of anti-corruption training will be provided to Company Personnel based on a risk assessment of needs relative to job function. This risk assessment shall be performed by the General Counsel.
4. **Periodic Monitoring, Testing and Review:** This Policy and any related compliance procedures shall be reviewed and updated from time to time in light of changes in the Company's business activities and changes in the applicable legal standards. The General Counsel shall periodically perform high-level risk assessments, and the General Counsel or his or her designees may conduct compliance testing of certain accounts, transactions or third-party relationships. This compliance testing and review shall be proportionate to the level of risk and may employ such tools as performance reviews, compliance interviews, completion of questionnaires, renewed certifications, forensic audits or other commercially reasonable actions to be determined by the General Counsel.
5. **M&A Due Diligence:** Prior to entering into any mergers, acquisitions, affiliate agreements, joint ventures or similar transactions, the Company shall complete commercially reasonable due diligence on the counterparty designed to determine the level and nature of anti-corruption risk posed by the transaction, including, in particular, the counterparty's relationships with any Representatives and Intermediaries. The form and manner of the due diligence will be determined by the General Counsel based on the proposed scope, size and location of the transaction and shall be proportionate to the level of risk.
6. **Third Party Due Diligence:** Where third-party risks are identified in the risk assessment described above, the Company shall undertake additional measures to mitigate and manage such risks. Based on the level of risk, such steps may include, without limitation, any or all of the following:

- a. enhanced due diligence proportionate to the known risks and designed to detect any additional risks;
 - b. written agreements with Representatives and Intermediaries that contain terms specifying the nature of the services to be provided, the compensation to be provided for those services and anti-corruption compliance provisions, including representations and warranties of compliance, immediate termination for breach of such representations and warranties, audit rights and other provisions to be determined through consultation with the General Counsel and proportionate to the level of risk;
 - c. execution of an Anti-Corruption Compliance Certification for Representatives and Intermediaries in the form set forth at **Appendix E** to this Policy; and
 - d. other steps to be determined by the General Counsel.
7. **Hiring:** To mitigate the risk that authority will be vested in a person not trustworthy to act responsibly, the Company may conduct reference and background checks, in a manner approved by the General Counsel or the Human Resources Department, on all candidates for positions, whose job function potentially involves them in activities covered by this Policy (e.g., including involvement in international sales, management, accounting and financial control positions) and certain other positions as may be determined by the General Counsel or other management-level personnel.

IX. Reporting Obligations:

The ethical standards set forth in this Policy (*i.e.*, zero tolerance for corrupt conduct) can be achieved and maintained only through the vigilance and efforts of all Company Personnel, each of whom is obligated to ensure compliance with this Policy.

While the Company will make every effort to provide compliance information and to respond to all inquiries, no policy or procedure, however comprehensive, can anticipate every situation that may present compliance issues. The Company depends on all Company Personnel to be responsible for compliance with this Policy, including the duty to seek guidance from the General Counsel whenever any aspect of this Policy is in doubt and to report immediately to the General Counsel, or through the Company's Whistleblower Hotline, any facts or circumstances that suggest a past or ongoing violation of this Policy by any Company Personnel, Representatives or Intermediaries. Company Personnel that are subjected to any form of extortion or are otherwise asked to participate in a bribery or kickback scheme also must report any such unlawful requests immediately to the General Counsel, who is identified on **Appendix F** hereto, or through the Company's Whistleblower Hotline.

When reporting any such matters to the General Counsel, or through the Company's Whistleblower Hotline, Company Personnel should include the following information (to the extent these details are known):

1. the amount and purpose of any payment involved;
2. the name, title and position of the person making or requesting the payment;
3. the circumstances under which the payment was made or requested;

4. the manner in which the payment was made or requested, including the character of the accounting entries made in connection with the payment; and
5. the identity of any person who knows of or approved the payment.

The Company absolutely prohibits retaliation of any type or kind against any person who raises in good faith any questions or concerns, reports a violation or assists in an investigation under this Policy. No Company Personnel will suffer demotion, penalty or other adverse employment consequences as a result of refusing to pay bribes or kickbacks, even when the Company may lose business opportunities as a result.

No officer, director, manager or supervisor may ask, pressure, require or encourage any Company Personnel, Representative or Intermediary to directly or indirectly violate this Policy; and obeying a superior's orders will not excuse any violation of this Policy or any applicable Anti-Corruption Law.

X. Investigations

Any report regarding an actual or potential violation of this Policy or any applicable Anti-Corruption Law will be investigated and documented by the General Counsel and appropriate disciplinary action will be taken based on the findings of such investigation. Company Personnel contacted by the General Counsel or other investigators, including outside services providers such as attorneys, forensic accountants or private investigators, shall provide full cooperation and truthful responses to any related inquiries. Failure to cooperate and provide truthful responses will result in disciplinary action, including immediate termination of employment.

XI. Penalties and Disciplinary Action

Any employee who violates the Anti-Corruption Laws, this Policy or any related policies or procedures will be subject to appropriate disciplinary action, up to and including termination. In addition, the Company may choose or be required to report violations to law enforcement or other regulatory agencies, and Company Personnel should be aware that individuals are held personally accountable under the applicable Anti-Corruption Laws. For example, the FCPA includes both civil and criminal monetary penalties and imprisonment for individuals that violate the anti-bribery provisions of the act. The Company cannot, and will not, reimburse any fine imposed on any individual.

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APPENDIX A

COMMON CORRUPTION RED FLAGS

Over the years, enforcement agencies of governments have identified a number of “red flags” that may be indicative of a potential violation of anti-corruption laws:

A. General Red Flags

- A Representative has a history of “improper payment” practices.
- Certain countries are known to have widespread corruption, a history of violations or are otherwise in the news for the prevalence of payoffs, Bribes, or Kickbacks. Consult Transparency International’s Corruption Perceptions Index¹ for more information on the perceived corruption risk in each country. Any country with a score of 35 or less is generally perceived to present a high risk for corruption and bribery.
- A Representative is trying to develop sales in an industry with a history of known problems like defense, aircraft pricing, oil or construction.

B. Transaction-Specific Red Flags

- A Representative refuses to certify that he will abide by the Company’s Anti-Corruption Policy.
- Close family or business ties of a Representative with a Government Official exist.
- A Representative has a bad business reputation. (It is important to document the good reputation and experience of the Representative engaged.)
- The Representative requires that his identity not be disclosed or refuses to divulge the identity of its owners.
- The potential foreign government customer recommends the Representative, suggesting a coordinated scheme to divide a payoff or mutual benefits.
- The Representative lacks the facilities and staff to perform the required services.
- The Representative is inexperienced or new to the business.
- Odd requests that reasonably arouse suspicion are made by a Representative, for example, a request to backdate invoices.

¹ http://www.transparency.org/policy_research/surveys_indices/cpi/2013/results.

C. Payment Request Red Flags

- A Representative requests a commission that is substantially above the going rate for similar work in a particular country. Permissible commissions vary from country to country and from case to case.
- A Representative makes requests for payment through artificial mechanisms, such as a bank account in a third country. (Payment in a third country may be legitimate, but can suggest a plan to divide the commission outside of government scrutiny.)
- The Representative submits inaccurate invoices or seeks reimbursement for expenses for which the Representative cannot produce receipts.
- The Representative requests payment into a bank account for which the Representative cannot show ownership or admits is the bank account of another individual or entity.
- A Representative suggests over-invoicing or requests a check for more than the actual amount of expenses.
- A Representative suggests that checks be made out to “cash” or “bearer,” that payments be made in cash or that bills be paid in some other anonymous form.
- If a Representative requests an unusually large credit line for a customer, you should be suspicious, especially if the customer is new.
- The Representative expresses absolute certainty that a business opportunity will be awarded or a service provided to the Company if the Representative is engaged.
- Requests for unusual bonuses or extraordinary payments also are questionable.
- A Representative requests an unorthodox or substantial upfront payment.

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APPENDIX B

DUE DILIGENCE CHECKLIST

Directions: This form must be completed by Company Personnel responsible for engaging a Representative (who may act on behalf of The Howard Hughes Corporation abroad) or Intermediary. Please attach extra pages as necessary to fully answer each of the questions below. Completed forms and any attachments should be returned to the General Counsel as soon as possible for timely processing.

1. **Representative Name, Address and Contact Information:**

2. **Description of Representative's Business:**

3. **Countries of Operation:**

4. **Countries where Representative will operate on behalf of The Howard Hughes Corporation:**

5. **In what capacity will the Representative act on behalf of The Howard Hughes Corporation?**

<input type="checkbox"/> Sales Representative/Agent	<input type="checkbox"/> Consultant	<input type="checkbox"/> Joint Venture Partner
<input type="checkbox"/> Broker	<input type="checkbox"/> Other (Please explain)	

6. **Names and positions of key personnel from Representative expected to provide services on behalf of The Howard Hughes Corporation (attach CVs for same):**

7. **Estimated Annual Transaction Value (in US \$) involving Representative over next three years:**

8. **Expected tenants, clients, investors or counter-parties with which Representative is expected to interact:**

9. **If Representative is an entity, identify all beneficial owners and attach proof of ownership to this form (e.g., share certificates, share register, management agreement or trust deed):**

	Topic	Question	Yes	No
1	Legitimacy	<ul style="list-style-type: none"> • Is there any reason to question whether the Representative lacks the experience, capital, business capability, personnel or resources needed to perform the contemplated services? <ul style="list-style-type: none"> ○ If yes, explain. • Have you visited Representative's office? 		
2	Reputation	<p>Is there any information suggesting that the Representative, its owners or employees might be involved in corruption or other illegal activities?</p> <p>If yes, explain.</p>		
3	Pricing	Is the pricing of the goods or services for the proposed arrangement consistent with prevailing market rates?		
4	Contact with Government Officials	<ul style="list-style-type: none"> • Are the Representative's personnel expected to have contact with officials or employees of the government or of government-owned enterprises in connection with performing the contemplated services? <ul style="list-style-type: none"> ○ If yes, explain. <p>Will the Representative provide any assistance to The Howard Hughes Corporation in connection with obtaining government approvals, licenses, permits, registrations or otherwise address any regulatory concerns?</p> <ul style="list-style-type: none"> ○ If yes, identify the governments or Government Officials with which Representative would likely interact. ○ Does the Representative or its personnel have any pre-existing relationships with any of the governments or Government Officials identified above? <ul style="list-style-type: none"> ▪ If yes, explain in detail. 		

5	Origin of relationship	<ul style="list-style-type: none"> • Has The Howard Hughes Corporation ever done business with this Representative in the past? <ul style="list-style-type: none"> ○ If so, describe in detail • Was the third party suggested, recommended or identified by a Government Official or any tenants, clients, investors or counter-parties? 		
6	Proposed Compensation	<p>Is the proposed compensation commercially reasonable, based on market rates for such services in the country or region?</p> <ul style="list-style-type: none"> • What is the proposed compensation? 		
7	Payment Requests	<p>Has the Representative made any requests for advance payments, cash payments, offshore payments, third-party payments, large contingency payments or other unusual payments?</p> <ul style="list-style-type: none"> ○ If so, describe in detail. 		
8	Personal Interest of Government Officials	<ul style="list-style-type: none"> • Is there reason to believe that a Government Official (or the family member or close personal associate of a Government Official) has a significant financial interest in the Representative? • Is the Representative or any of its owners, directors or officers a current Government Official, formerly a Government Official or a candidate for public office? 		

9.	Other	<ul style="list-style-type: none"> • Is there any other reason to suspect that the proposed arrangement may be improper or otherwise create an appearance of impropriety? • Are you aware of any “Red Flags” related to the engagement of the Representative (consult Anti-Corruption Compliance Policy, <u>Appendix A</u> for a list of common “Red Flags”)? <ul style="list-style-type: none"> ○ If yes, please explain. 		
10.		<p>A search for Representative and its key personnel in the U.S. Treasury Department’s list of Specially Designated Nationals or a consolidated search of similar databases of denied parties contained no relevant hits.</p> <ul style="list-style-type: none"> ○ Identify sources consulted. 		
		<p>I certify that the information provided above is complete, true, and correct to the best of my knowledge.</p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Title</p> <p>_____</p> <p>Date</p>		

ANTI-CORRUPTION COMPLIANCE POLICY

APPENDIX C

RISK ASSESSMENT FORM

Representative Name	
Address of Representative	
Names of owners and key personnel	
Country of Operation	
Type of Relationship	<input type="checkbox"/> Sales Representative/Agent <input type="checkbox"/> Consultant <input type="checkbox"/> Joint Venture Partner <input type="checkbox"/> Broker <input type="checkbox"/> Other (Please explain)

	<u>Topic</u>	<u>Question</u>	<u>Yes</u>	<u>No</u>
1.	Jurisdictional Risk	<ul style="list-style-type: none"> Does the business partner operate in a country with a ranking of less than 50 on Transparency International's Corruption Perceptions Index? 		
2.	Transaction Risks	<ul style="list-style-type: none"> Are the annual expected transaction value from a relationship with this Representative expected to be greater than \$50,000.00? If applicable to this relationship, are the commissions to this Representative in any given calendar year expected to exceed \$25,000.00 		
3.	Foreign Government Risks	<ul style="list-style-type: none"> Does the relationship with this Representative involve contact with Government Officials? Are the Representative's personnel expected to have contact with officials or employees of the government or of government-owned enterprises in connection with performing the contemplated services? 		
4.	Other Risk	<ul style="list-style-type: none"> Are there any other "red flags" associated with this Representative? 		

Recommendations:

- Proceed with the proposed agreement**
- Additional Due Diligence required**
- Anti-Corruption Compliance Certificate must be executed and attached to the agreement**
- Approved Anti-Corruption Compliance Provisions must be included in the agreement**
- Other risk mitigation and/or management efforts are required:**

The proposed agreement may not be signed until the recommended steps are completed.

Reviewer:

Name:

Date:

ANTI-CORRUPTION COMPLIANCE POLICY

APPENDIX D

EMPLOYEE COMPLIANCE CERTIFICATION

I have read The Howard Hughes Corporation’s Anti-Corruption Compliance Policy and hereby certify that I understand and agree to comply with all of the requirements and guidelines set forth therein.

I also certify that, except as noted below, I have never provided, offered, proposed, promised or authorized and will never provide, offer, propose, promise or authorize any gift, payment of money or anything of value (including any loan, reward, advantage or benefit of any kind), either directly or indirectly, to a Government Official or any employees of any private commercial entities for the purpose of inducing any act or omission or otherwise influencing the recipient’s conduct to obtain or retain business or otherwise secure favorable treatment or other business advantage in violation of the Applicable Anti-Corruption Laws or the Anti-Corruption Compliance Policy. I also certify that, except as noted below, I am not aware of any officer, director or employee having provided, offered, proposed, promised or authorized such improper payments, gifts or inducements.

To the extent that I am responsible for maintaining the books and records of The Howard Hughes Corporation, I further certify that I am aware of no false or misleading entries or any mischaracterization or omission that obscures the purpose of a given expenditure or transaction. To the best of my knowledge, the accounts have been maintained in reasonable detail and the entries accurately and fairly reflect each transaction and the disposition of company assets

Describe here any exceptions to compliance with the Anti-Corruption Compliance Policy:

_____ **None**

OR:

_____ **I am aware of the following potential violations of the Anti-Corruption Compliance Policy:**

Print Employee Name:

Signature:

Date:

Position/Location:

ANTI-CORRUPTION COMPLIANCE POLICY

APPENDIX E

ANTI-CORRUPTION COMPLIANCE CERTIFICATION FOR REPRESENTATIVES

I, _____, in my capacity as _____ of _____
(the "Company"), attest and certify as follows:

_____ I have received and understood The Howard Hughes Corporation's Anti-Corruption Compliance Policy or a summary thereof as provided by Howard Hughes Corporation.

_____ I understand that, for the purpose of this Certification, the term "Government Official" includes, but is not limited to, any officer, employee or agent of any Government, including without limitation employees of government-owned or government-managed businesses and corporate entities.

_____ I have not engaged in any conduct that would violate The Howard Hughes Corporation's Anti-Corruption Compliance Policy and I agree to continue to comply with all of its requirements and guidelines.

_____ I have never provided, offered, proposed, promised or authorized and will never provide, offer, propose, promise, or authorize any gift, payment of money or anything of value (including any loan, reward, advantage or benefit of any kind), either directly or indirectly, to a Government Official or any employees of any private commercial entities for the purpose of inducing any act or omission or otherwise influencing the recipient's conduct to obtain or retain business or otherwise secure favorable treatment or other business advantage on behalf of The Howard Hughes Corporation.

_____ I agree to report any circumstances indicating a possible violation of any applicable anti-corruption laws to The Howard Hughes Corporation, including without limitation any gift, offer, payment or promise to pay money or anything of value to a Government Official or employees of any private commercial entities, as well as any solicitations, demands, requests or suggestions for such gifts or payments by a Government Official or employees of any private commercial entities in exchange for assistance in obtaining or retaining business or securing other favorable treatment or advantage in connection with any activities performed on behalf of The Howard Hughes Corporation.

[Insert Company Name]

[Signature]
Print Name:
Title:
Date:

ANTI-CORRUPTION COMPLIANCE POLICY

APPENDIX F

GENERAL COUNSEL CONTACT INFORMATION

The following person serves as the Company's General Counsel:

Name: Peter F. Riley

E-mail: peter.riley@howardhughes.com

Telephone Number: 972-392-6240