

**FREEDOM OF INFORMATION REQUEST  
EXEMPTIONS AND EXPLANATIONS**

<b>DESCRIPTION</b>	<b>Dow Chemical v. Complainant “Complainant’s Response”</b>
<b>EXEMPTION</b>	2 3 <b>4</b> 5 <b>6</b> 7a <b>7c</b> 7d 7e
<b>PAGES</b>	129
<b>OTHER INFORMATION</b>	Information on the following pages is exempt from FOIA release under the cited exemption(s).

<b>EXEMPTION</b>	<b>EXPLANATION</b>
2a	Internal matters of a relatively trivial nature
b	More substantial internal matters, the disclosure of which would risk circumvention of a legal requirement.
3	Information prohibited from disclosure by another statute.
4	Information that is classified as trade secrets and/or of commercial or financial value obtained from a person and is privileged or a confidential source of information.
5	Inter-agency or intra-agency memoranda or letters that would not be available by law to a party other than an agency in litigation with the agency.
6	This exclusion is intended to exclude from disclosure all personnel and medical files, and all private or personal information contained in other files which, if disclosed to the public would amount to a clearly unwarranted invasion of the privacy of any person, including members of the family of the person to whom the information pertains.
7a	Information contained in investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency.
7c	The identification of a confidential source or confidential information furnished by a confidential source.
7d	Information which could reasonably be expected to disclose the identity of a confidential source, including a state, local or foreign agency or authority which furnished information on a confidential basis
7e	Information that would disclose techniques and procedures for law enforcement investigation or would disclose guidelines for law enforcement investigation if such disclosure could reasonably be expected to risk circumvention of the law.

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March 28, 2014

**SENT BY FEDERAL EXPRESS**

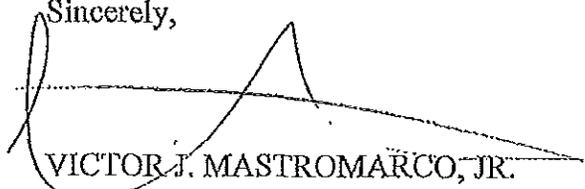
Mr. Tim Crouse  
Regional Supervisory Investigator  
United States Department of Labor  
Occupational Safety and Health Administration  
46 East Ohio St. Rm. 453  
Indianapolis, IN 46204

RE: <sup>7c</sup> [REDACTED] v The Dow Chemical Company, et. al.  
Sarbanes-Oxley Administrative Complaint

Dear Mr. Crouse:

Enclosed please find Complainant's Reply to the Response to the Administrative Complaint and Proof of Service for your review.

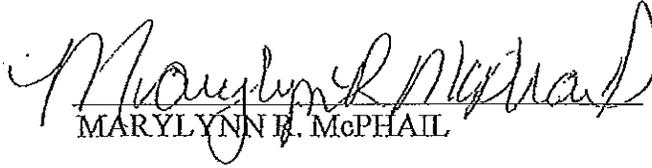
Sincerely,

  
VICTOR J. MASTROMARCO, JR.

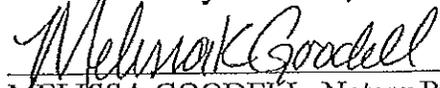
VJM/mlm  
enclosure

cc: John f. Hartmann with enclosures  
<sup>7c</sup> [REDACTED] with enclosure  
James Mathieu with enclosure



  
MARYLYNN R. McPHAIL

Subscribed and sworn to before me, a Notary Public, in and for Saginaw County,  
on this 28<sup>TH</sup> day of March, 2014

  
MELISSA.GOODELL, Notary Public  
Saginaw County, Michigan  
My Commission Expires: 11/29/2019

United States Department of Labor  
Occupational Safety and Health Administration

**[REDACTED]**  
Complainant

vs.

**THE DOW CHEMICAL COMPANY,  
ANDREW LIVERIS AND  
CHARLES KALIL, ESQUIRE**  
Respondents

COMPLAINANT'S REPLY TO  
RESPONSE TO ADMINISTRATIVE COMPLAINT

Introduction

*7c* The purpose of this reply is to correct misstatements of the law along with some of the gross factual and legal inaccuracies that are contained in Respondents' response to **[REDACTED]** complaint, and to add documents in support of **[REDACTED]** position. Attached to this reply as Exhibit A is the affidavit of **[REDACTED]** as further support for the factual assertions contained within this reply. Additional document support is referenced and attached to this reply as Exhibits 1 through 23. *7c*

In their response to the administrative *7c* complaint, the Respondents have misrepresented the law when asserting that **[REDACTED]** activities are not protected by Sarbanes-Oxley. *7c* Citing to a ruling by an Administrative Law Judge, the Respondents state that **[REDACTED]** is not protected because she was simply performing the duties of her job as a fraud investigator. It should be noted that the decision relied upon by the Respondents was reversed on appeal by the Administrative Review Board in a decision issued on January 10, 2010:

We disagree with the ALJ's conclusion that Robinson did not engage in SOX-protected activity when she complained about the bankruptcy charge-

off issue prior to her February 2004 memorandum. The ALJ found that Robinson lodged her complaint "during the discharge of her auditor duties" and concluded that, to engage in SOX-protected activity, an employee's "report or complaint must involve actions outside the complainant's assigned duties." In support of this statement, the ALJ cited the Fourth Circuit's ruling in Sasse v. U.S. Dep't of Labor. In that case, which arose under three environmental whistleblower laws, the court noted that Sasse, an Assistant United States Attorney, was not entitled to whistleblower protection because he had not risked his job as a prosecutor by participating in the investigation and prosecution of environmental crimes.

The ALJ's conclusion is incorrect because the SOX's employee protection provision states that an employee cannot be subjected to discrimination because he "provide[d] information . . . to . . . a person with supervisory authority over the employee (or such other person working for the employer who has the authority to investigate, discover, or terminate misconduct)." It does not indicate that an employee's report or complaint about a potential violation must involve actions outside the complainant's assigned duties. We therefore conclude that Robinson's 2001 complaint about the bankruptcy charge-off problem constituted SOX-protected activity.

Beverly E. Robinson v. Morgan Stanley, ARB No. 07-070, ALJ No. 2005-SOX-44 (ARB Jan. 16, 2010).

In fact, the Administrative Review Board's decision is consistent with the majority opinion that internal reports are protected activities under SOX as recently reiterated by a federal district court in the context of the Dodd-Frank Act:

On the other hand, most district courts addressing this issue have concluded that the Dodd-Frank Act's whistleblower provision is ambiguous on its face and they have relied on the SEC's final rule for guidance. See e.g., Ellington v. Giacoumakis, No. 13-11791, 2013 WL 5631046, at \*3 (D.Mass. Oct. 16, 2013) (relying on SEC's comments to the Dodd-Frank Act in holding that "Congress intended that an employee terminated for reporting Sarbanes-Oxley violations to a supervisor or an outside compliance officer, and ultimately to the SEC, have a private right of action

under Dodd–Frank whether or not the employer wins the race to the SEC's door with a termination notice”); Murray v. UBS Sec., LLC, No. 12–5914, 2013 WL 2190084, at \*4 (S.D.N.Y. May 21, 2013) (giving deference to the SEC's interpretation of the rule and holding that the anti-retaliation whistleblower provisions apply to individuals who report information to the SEC *or* provide disclosures that fall under § 78u–6(h)(1)(A)(iii)). At least six district courts have construed the term “whistleblower” broadly and concluded that the DoddFrank anti-retaliation protections extend to individuals protected under the Sarbanes–Oxley Act regardless of whether disclosures were made to the SEC itself. See Ellington, 2013 WL 5631046 at \*3; Murray, 2013 WL 2190084, at \*7; Genberg v. Porter, 935 F.Supp.2d 1094, 1106–07 (D.Colo.2013); Nollner v. S. Baptist Convention, Inc., 852 F.Supp.2d 986, 995 (M.D.Tenn.2012); Kramer v. Trans–Lux Corp., No. 11 Civ. 1424, 2012 WL 4444820, at \*6–7 (D.Conn. Sept. 25, 2012); Egan v. Tradingscreen, Inc., No. 10 Civ. 8202, 2011 WL 1672066, at \*6–7 (S.D.N.Y., May 4, 2011).

\*6 This Court agrees with the majority of district courts' view that the Dodd–Frank Act is ambiguous with respect to who qualifies as a whistleblower for purposes of the anti-retaliation provision of the statute. As one court noted, § 78u–6(h)(1)(A)(iii) of the statute “is in direct conflict with the DFA's definition of a whistleblower because it provides protection to persons who have not disclosed information to the SEC.” Genberg, 935 F.Supp.2d at 1106. Accordingly, it is appropriate for this Court to look to the SEC's construction of the statute for guidance. See Chevron, 467 U.S. at 843.

The SEC's final rule essentially expands the definition of “whistleblower” and explains that “the anti-retaliation whistleblower protection provisions of Dodd–Frank require Plaintiff to show that he either provided information to the SEC *or* that his disclosures fell under the four categories listed in Section 78u–6(h)(1)(A)(iii).” Murray, 2013 WL 2190084, at \*7 (emphasis in original). In other words, under the SEC's rule, the Dodd–Frank Act's anti-retaliation protection would include individuals who report potential violations to a supervisory authority and not to the SEC itself. See 17 C.F.R. § 240.21F–2(b)(1); SEC Securities Whistleblower Incentives and Protections, 76 Fed.Reg. 34300–01, 2011 WL 2293084 (2011). The SEC's

rule harmonizes the contradictory provisions of the Dodd-Frank Act while not rendering any word or section superfluous. See TRW Inc., 534 U.S. at 31. Thus, the SEC's rule is a permissible construction of the statute and warrants judicial deference.

Khazin v. TD Ameritrade Holding Corp., 2014 WL 940703, 5-6 (D.N.J.,2014).

Indeed, none of the cases cited by the district court in Khazin have been acknowledged by Respondents in their response even though the cases are directly on point to the argument being raised by the Respondents and notwithstanding the fact that the cases were decided in 2011, 2012 and 2013. See Khazin v. TD Ameritrade Holding Corp., 2014 WL 940703, 5-6 (D.N.J.,2014).

It should also be noted that the United States Supreme Court, in a March 4, 2014, decision which has greatly expanded the scope of protected individuals, has also held that an internal report is sufficient to trigger whistleblower protection under SOX:

Employees gain protection for furnishing information to a federal agency, Congress, or "a person with supervisory authority over the employee (or such other person working for the employer who has the authority to investigate, discover, or terminate misconduct)." § 1514A(a)(1) (emphasis added).

Lawson v. FMR LLC, 134 S.Ct. 1158; 2014 WL 813701, 7-8 (2014).

As set forth in [REDACTED] <sup>7c</sup> administrative complaint and further set forth in this reply, evidence exists that the termination of [REDACTED] <sup>7c</sup> employment from Dow was the direct result of her protected activities. Douglas Anderson<sup>1</sup> acknowledged the retaliatory environment which existed at Dow in an e-mail dated October 11, 2013, the day after [REDACTED] employment was terminated:

<sup>7c</sup>  
I guess I expected this to happen someday if you didn't quit first. You have been (for awhile) an irritant to exec management and I am sure they have been looking for any opportunity through a combination of

<sup>1</sup> Mr. Anderson was Dow's Corporate Auditor at the beginning of the Customer Events investigation involving the CEO's personal expenses, and [REDACTED]

people, events, timing, etc. to deliver this message.<sup>2</sup> (Emphasis added).

It is respectfully submitted that the misrepresentations contained within the response to [REDACTED] administrative complaint are not limited to the law. Respondents have also misrepresented the facts. [REDACTED] hereby submits her reply to address some of the more egregious misrepresentations.

### Clearing up factual inaccuracies by Respondents

[REDACTED] had been concerned about her job security from the time she uncovered and reported the H Hotel<sup>3</sup> cost overrun involving the wife of Dow's Chief Executive Officer (CEO), Andrew Liveris<sup>4</sup>. This continued throughout the subsequent investigations regarding Respondent Liveris including the Customer Events<sup>5</sup> scheme involving Andrew Liveris and his confederate, Robert Long.<sup>6</sup>

<sup>2</sup> (Ex. A – Affidavit; Ex. 1 - 10/11/2013 Anderson e-mail to [REDACTED]).

<sup>3</sup> The H Hotel is owned by Respondent Dow. As set forth more fully in the administrative complaint, the H Hotel cost overrun was the direct result of the meddling by the CEO's wife, Paula Liveris. By the end of the project, the cost of the renovations had ballooned from the original authorized budget of \$25 million dollars to over \$38 million dollars. At least one Dow employee was "retired" by Respondents Liveris and Kalil when Paula's involvement was questioned. See Administrative Complaint pgs. 7-9. Robert Long was brought in to replace the "retired" employee. (Ex. A – Affidavit; Ex. 2 - [REDACTED] Preliminary Report).

<sup>4</sup> Respondent Liveris is also the Chairman for Dow's Board of Directors.

<sup>5</sup> As set forth more fully in the administrative complaint the Customer Events scheme involved unreported personal entertainment expenses of Respondent Liveris and his family the existence of which was uncovered by [REDACTED] during an investigation. Examples of the unreported personal entertainment expenses included a paid vacation (safari in Africa) for the CEO and his family, a \$218,938 trip to the 2010 Super Bowl for the CEO and his family, a paid trip to the 2010 World Cup in South Africa for the CEO and his family, and a paid trip to the 2010 Masters Tournament for the CEO and his family. As a result of [REDACTED] investigation, Respondent Liveris was required to reimburse Dow \$719,000.00. See Administrative Complaint pgs. 9-10. (Ex. A – Affidavit; Ex. 3 – [REDACTED] Preliminary Report).

During the Customer Events preliminary investigation and report, Douglas Anderson, Dow's Corporate Auditor and [REDACTED] second level supervisor and who was very active in the inquiry, was transferred to a new job. Mr. Anderson's successor, Gregory Grocholski, on or about December 6, 2010, told [REDACTED] that nothing else identified in the preliminary investigation regarding the CEO's past was to be looked at again and the inquiry was over. It is respectfully submitted that this directive completely violates both

With regards to the H Hotel cost overrun, the Respondents have attached an affidavit purportedly from [REDACTED], which states that, "In June 2008 after attending a meeting of the Global Leadership team .... I determined that I wanted to retire...." The investigator should note that [REDACTED] June 2008 decision to "retire" followed a series of e-mails between Respondents Liveris and Kalil in May of 2008, wherein [REDACTED] fate was discussed:

From: Liveris, Andrew (AN)  
Sent: Saturday, May 24, 2008 09:31 PM Eastern Standard Time  
To: Kepler II, David (DE); Kalil, Charles (CJ); [REDACTED]  
Subject: [REDACTED]

Time (sic) for retirement.  
Davis can take his Michigan role.  
The H can report to Bob Long.<sup>7</sup>

From: Kepler II, David (DE)<sup>8</sup>  
Sent: Sunday, May 25, 2008 10:41 AM Eastern Standard Time  
To: Kalil, Charles (CJ); Fasone holder, Julie (J)  
Subject: [REDACTED]

I agree with the position to have [REDACTED]  
But  
There are a fair amount of folks engaged in the Midland activities and Michigan,  
I have a call with Andrew [Liveris] on Tuesday, Let me talk to him on this subject and then we can develop a plan.<sup>9</sup>

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the spirit and the letter of the Sarbanes-Oxley Act. To tell a [REDACTED] to not look into possible embezzlement or fraudulent acts of upper management, particularly the CEO, is a directive to violate both the spirit and the letter of SOX. As the investigator is aware, SOX was enacted in response to the corporate and accounting scandals of Enron, Tyco International, WorldCom, and Adelphia. Indeed, the preliminary investigation report had identified a number of other expenses which were never investigated as a result of Mr. Grocholski's directive.<sup>6</sup>

<sup>6</sup> Dow's Director of Sales Administration/Meetings & Customer Events.

<sup>7</sup> (Ex. A - Affidavit; Ex. 4 - E-Mail Chain).

<sup>8</sup> David Kepler is Dow's Executive Vice President.

<sup>9</sup> (Ex. A - Affidavit; Ex. 4 - E-Mail Chain).

From: Kalil, Charles (CJ)  
Sent: Sunday, May 25, 2008 12:54 PM Eastern Standard Time  
To: Kepler II, David (DE); Fasone holder, Julie (J)  
Subject: [REDACTED]

I believe [REDACTED] can take over the Michigan activities. With respect to the h I think bob would be excellent. I don't see an issue. We should take care of [REDACTED] appropriately.<sup>10</sup>

From: Kalil, Charles (CJ)  
Sent: Sunday, May 25, 2008 05:44 PM Eastern Standard Time  
To: Liveris, Andrew (AN)  
Subject: [REDACTED]

Remind me never to piss you off.<sup>11</sup>

From: Kalil, Charles (CJ)  
Sent: Sunday, May 25, 2008 06:18 PM Eastern Standard Time  
To: Kepler II, David (DE)  
Subject: [REDACTED]

[REDACTED] was looking for 2 more years.<sup>12</sup>

In the July of 2013, Douglas Anderson, the corporate auditor, announced his intention to retire. As part of Mr. Anderson's retirement package (effective on July 31, 2013) Dow required Mr. Anderson to submit a letter outlining "any and all concerns regarding suspected ethical and compliance issues or violations on the part of the Company or any released person or entity" as part of his exit requirements. Mr. Anderson's letter brought out issues again involving Respondent Liveris.

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<sup>10</sup> (Ex. A – Affidavit; Ex. 4 – E-Mail Chain).

<sup>11</sup> (Ex. A – Affidavit; Ex. 5 – E-Mail Chain). It should also be noted that [REDACTED] acknowledged during an interview with [REDACTED] that he had raised concerns regarding the H Hotel renovations and tied Paula Liveris directly to the problems associated with that renovation. (Ex. A – Affidavit; Ex. 6 – Hayes interview notes).

<sup>12</sup> (Ex. A – Affidavit; Ex. 7 - E-Mail Chain).

Most of the "concerns" Mr. Anderson had were based on information contained within the reports prepared by [REDACTED] including, particularly, The Hellenic Initiative (THI) and Teneo.<sup>13</sup> As outlined herein and in the administrative complaint, Respondent Liveris was intimately involved with Teneo and its principals, Douglas Band and Declan Kelly, with millions of dollars being paid by Dow to Teneo without proper authority.<sup>14</sup>

In their response, Respondents attach a purported affidavit from Matt Davis wherein Mr. Davis states, "I approved Teneo's contracts in 2011, 2012 and 2013 on behalf of my function and (sic) Dow. In accordance with Dow policies, each contract was also approved by a representative of the purchasing department..." [REDACTED] unfounded statements are not supported by the evidence. Neither [REDACTED] nor the purchasing department employee had the appropriate delegation of authority to approve the contracts as noted by [REDACTED] January 23, 2013, THI memo. (See Ex. 8 - 1/23/2013 THI Memo, pgs. 3 & 4 of 28). [REDACTED] noted in her memo that [REDACTED] did not have delegation of authority for committed purchased amounts. (See Ex. 8 - 1/23/2013 THI Memo, pg. 4 of 28). [REDACTED] memo further noted that the closest delegation [REDACTED] had was for "aggregate promo and advertising contracts - annual" in the amount of three (3) million dollars. (Ex. A - Affidavit; See Ex. 8 - 1/23/2013 THI Memo, pg. 4 of 28). Likewise, the purchasing department employees only had a two (2) million dollar delegation of authority. (Ex. A - Affidavit; Ex. 8 - 1/23/2013 THI Memo, pg. 3 of 28). In other words, neither [REDACTED] nor the purchasing department had the authority to authorize the expenditures of approximately \$16,000,000.00 since those expenditures far exceeded their annual caps even if the expenditures could be classified in a manner to fall within their authority. [REDACTED] report indicated that there was an \$11,000,000.00 increase from 2011 to 2012 which appeared to [REDACTED] to be a donation to THI under the guise of a business expense. (Ex. A - Affidavit; Ex. 8 - 1/23/2013 THI Memo).

Further, [REDACTED] initial report identified tens of thousands of dollars of Dow money which had been spent by Respondent Liveris related to THI, a Greek charitable organization, and the Greek Orthodox Church and its Prinkipos environmental foundation both of which are religious organizations.<sup>15</sup> As with Teneo, the monies spent by Dow on

<sup>13</sup> See THI and Teneo discussion contained within the administrative complaint at pgs. 11-13.

<sup>14</sup> (See Ex. 8 - 1/23/2013 THI Memo).

<sup>15</sup> (Ex. A - Affidavit; Ex. 9 - 3/7/2013 "Questions for [REDACTED]"; See also Ex. 8 - 1/23/2013 THI Memo).

THI violated Dow's policies. Furthermore, those monies were not properly accounted for as set forth more fully in the administrative complaint.<sup>16</sup>

The background on THI and Teneo began with [REDACTED] providing her first report<sup>17</sup> for a meeting held on September 20, 2012, with Gregory Grocholski, successor corporate auditor to Mr. Anderson, and [REDACTED] Mr. Grocholski did not want this report to go to Mr. Kalil or other senior management until he had first talked to Dow's internal audit committee because it was thought that there was a high risk of a cover-up.<sup>18</sup>

Before he was able to go to the audit committee Mr. Grocholski was replaced by Mr. Jeffrey Tate as corporate auditor. [REDACTED] wrote another THI report dated January 23, 2013<sup>19</sup> and presented it to Mr. Solano and Mr. Tate. Both reports definitively related to likely SOX violations including (1) more personal expenses charged to Dow by Respondent Liveris (402 insider credit and fraud on shareholders), (2) related party transactions involving Respondent Liveris (404 "company is a participant and the amount involved exceeds \$ 120,000 in which any the CEO, a "related person" had a direct or indirect material interest), and (3) improper accounting procedures obfuscating alleged business expenses (fraud against shareholders)<sup>20</sup>.

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<sup>16</sup> In paragraph one (1) of page seventeen (17) of their response, the Respondents assert that there is nothing hidden, sinister, or even unusual about Dow's support of THI and/or Prinkipos. Contrary to Respondents' assertions, [REDACTED] from the office of Dow's CEO, submitted a [REDACTED] invoice of \$58,256.50 for a preliminary feasibility study for the Prinkipos Project to Accounts Payable. It should be noted that the transaction was paid as a routine business expense and not a donation. (Ex. A - Affidavit; Ex. 8 - 1/23/2013 THI Memo; See also Ex. 10 - Prinkipos Invoice).

Likewise, in paragraph three (3) of page seventeen (17) of their response, the Respondents assert that Teneo performed its work for THI on its own accord and free of charge. Contrary to Respondents' assertions, the 1/1/12-1/31/12 Teneo invoice TS120214 to The Dow Chemical Company, listed three Teneo managing directors, (Casey Morgan, Jacqueline Wilson and Evan Goetz), with the description "provide input on the Hellenic Award Release" as three separate line items....." (See Ex. A - Affidavit; Ex. 11 - Teneo Invoice & Supporting Documentation).

<sup>17</sup> (See Ex. A - Affidavit; Ex. 8 - 1/23/2013 THI Memo, pg. 14 of 28).

<sup>18</sup> (Ex. A - Affidavit; Ex. 12 - Notes from 9/20/2012 meeting).

<sup>19</sup> (See Ex. A - Affidavit; Ex. 8 - 1/23/2013 THI Memo).

<sup>20</sup> In paragraph three (3) of page two (2) of their Response, the Respondents assert that [REDACTED] has failed completely to show how any of her reports concerned potential violations of the relevant federal securities laws. As set forth in the administrative

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Shortly after Mr. Anderson's exit letter in July of 2013, [REDACTED] was asked by the then corporate auditor and successor to Mr. Grocholski, Jeffrey Tate, to provide a summary of information on THI and Teneo<sup>21</sup> for a meeting scheduled with Respondent Kalil, Bill Weideman, Executive Vice President and Chief Financial Officer, and David Wilkins, Dow's Associate General Counsel and Director of Office of Ethics and Compliance (OEC Director), to discuss Anderson's letter.

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Upon receiving [REDACTED] summary of information, Respondent Kalil clearly would have become aware of [REDACTED] involvement in the THI and Teneo investigation. As explained more fully in the administrative complaint, that investigation raised concerns with expenditures of approximately \$11,000,000.00.<sup>22</sup>

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On August 21, 2013, [REDACTED] was notified that there would be no further investigation of the matters contained within Anderson's letter and she was also informed that the issue would not go to an independent auditor. In other words the concerns in [REDACTED] investigation reports which had been raised by Mr. Anderson were going to be

complaint, a number of unreported transactions involving Dow's CEO and his family have been identified. In further response, [REDACTED] respectfully direct the investigator's attention to the travel expenses associate with the CEO and his wife during the year 2012 which was reported by [REDACTED] to her supervisors. (See Ex. A - Affidavit; Ex. 8 - 1/23/2013 THI Memo; Ex. 9 - 3/7/2013 "Questions for Jeff Tate").

As this investigator is aware, the SEC requires that each item of compensation that exceeds \$10,000 be identified in a corporate proxy and those items must be separately identified and quantified in a footnote. See Item 402(c)(2)(ix)(A) of Regulation S-K.

In the present case, the 2012 income reported in Dow's 2013 proxy does not include the commercial airline tickets purchased by Dow for Respondent Liveris in the amount of \$20,354.26. (Ex. A - Affidavit; Ex. 9 - 3/7/2013 "Questions for Jeff Tate"; Ex. 13 - 2013 Proxy Statement Excerpt). It should also be noted that Respondent Liveris is required by Dow's Board of Directors to use the company aircraft for his personal use for security and immediate availability purposes. The 2012 income reported in the 2013 proxy also omits the commercial airline tickets purchased by Dow for Paula Liveris in the amount of \$12,423.30. (Ex. A - Affidavit; Ex. 9 - 3/7/2013 "Questions for Jeff Tate"; Ex. 13 - 2013 Proxy Statement Excerpt). The ticket purchases constitute imputed income and were required to be reported.

<sup>21</sup> (Ex. A - Affidavit; Ex. 14 - 8/2/2013 "Executive Summary THI & Prinkipos").

<sup>22</sup> Even though [REDACTED] superiors were aware of the illegal activities during fiscal year 2012, nothing was done to rectify and disclose the activities in the 2013 proxy as had been done by Respondents, albeit in a misleading manner, in the 2011 proxy statement regarding the CEO's customer events. Having missed the proxy deadline, the problem was no longer an easy fix and Anderson's letter brought that reality to light.

covered up with no explanation or reason given. The next day [REDACTED] e-mailed Mr. Anderson:

I don't think you will be surprised to hear that things here are not so cheery. *I got the news yesterday that the decision is to do nothing on my special project, or anything else in that same category.* So I have some decisions to make, but as always I will let things shake out a little before I decide.<sup>23</sup> (Emphasis added)

Mr. Anderson's reply was:

*Your approach sounds wise - don't make any hasty decisions, but make sound ones. You are in a difficult place. I know I am thoroughly enjoying not being reminded daily about aspects of Dow of which I was not a fan, although I must admit I have a level of curiosity concerning how things are being addressed. Maybe they aren't being addressed...*<sup>24</sup> (Emphasis added).

After Mr. Anderson's letter [REDACTED] told [REDACTED] that he had just seen Mr. Kalil at the gym and Mr. Kalil told him that [REDACTED] was out of control and it was Mr. [REDACTED] fault. [REDACTED] purportedly told Mr. Kalil that everything [REDACTED] had done was known and either approved or encouraged by Mr. Anderson, or Mr. Grocholski or [REDACTED] so "don't blame me" [REDACTED].<sup>25</sup> It is undisputed that [REDACTED] was doing [REDACTED].<sup>26</sup>

<sup>23</sup> (Ex. A - Affidavit; Ex. 1 - 10/11/2013 Anderson e-mail to [REDACTED]).

<sup>24</sup> (Ex. A - Affidavit; Ex. 1 - 10/11/2013 Anderson e-mail to [REDACTED]).

<sup>25</sup> Mr. Solano started coming in [REDACTED]'s office and talking about wanting to stay with Dow until his options were assured. [REDACTED] Dow anniversary date was September [REDACTED]. The Dow policy is that if you left Dow you kept your options and grants as long as you met the age and years of service criteria. [REDACTED] thought the policy was to be over 50 and have more than 10 years of service, but he didn't have 10 years of service until September [REDACTED]. [REDACTED] talked a lot about how important it was to make it to his service date. After hearing him speak repeatedly about his making it to his anniversary date, [REDACTED] e-mailed him the policy which had changed the service criteria to [REDACTED] years of age. [REDACTED] was not over [REDACTED] years of age. During that same time frame (after Anderson's letter) [REDACTED] also would talk about how lucky [REDACTED] was because she had worked for Dow for a long time and if he got a package it wouldn't be very much because it was based on years of service. During one

The Dow investigation procedures<sup>27</sup> were changed effective September 1, 2013.<sup>28</sup> This policy would serve to prevent any investigations into Respondents Liveris or Kalil's activities without the approval of Kalil and Liveris. It was now required that a fraud investigator report potential violations of law or Dow policy first to the Office of Ethics and Compliance (OEC)<sup>29</sup> who, in turn, report to Mr. Kalil as illustrated by the following excerpt from those procedures:

Determining if a Report Requires an Investigation<sup>30</sup>

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conversation he became very upset about the possibility of getting fired and how intolerable it had become.

<sup>26</sup> It should be noted, however, that after the Gibson Dunn/Price Waterhouse Coopers review, Mr. Grocholski told ██████████ that there would be no further investigation of Respondent Liveris related to the Customer Events investigation.

<sup>27</sup> (Ex. 15 – Investigation Procedures up to September 1, 2013; Ex. 16 – Investigation Procedures as of September 1, 2013).

<sup>28</sup> ██████████ told ██████████ that he had been on the team to write the new procedures but he had given up and that Kara Gordon, Dow's Assistant General Counsel for Human Resources, wrote the new procedures. Ms. Gordon reports directly to Mr. Kalil. Had the new procedure been in place during the H Hotel, the Customer Events and many other investigations concerning management it is likely the reports would have been suppressed as with the THH and Teneo investigation.

<sup>29</sup> David Wilkins, Dow's Associate General Counsel, is the Director of the OEC. Wilkins reports to Kalil.

<sup>30</sup> As illustrated by this policy excerpt, an investigation can only occur if the Director of the OEC or the Assistant General Counsel for Human Resources authorizes an investigation. It should be noted that the policy definition of "investigation" is broad:

For the purposes of these investigation procedures, any action taken to substantiate the allegations made in the complaint (other than following up with the reporter for more information about the initial complaint) constitutes an investigation. For example, conducting an interview (whether a formal meeting or a phone call) or attempting to collect or review any records (like e-mails or expense reports) would be considered an investigation. (Emphasis added).

(Ex. 16 – Investigation Procedures as of September 1, 2013). As such, ██████████ was now prohibited from making inquiries which had exposed the prior abuse by Respondent Liveris. Furthermore, it was mandated that the office of OEC be informed of all investigations, making all investigations visible to executive management. (Ex. 16 – Investigation Procedures as of September 1, 2013). Furthermore, the corporate auditor was now excluded from the investigative process. (Ex. 16 – Investigation Procedures as of September 1, 2013).

7. .... If, during the course of an investigation, an investigator believes a Global Leader<sup>31</sup> or an RECC member could become a subject of the investigation, the investigator must notify the Director of the OEC and the AGC HR Legal. The Director of the OEC and the AGC HR Legal will determine next steps.<sup>32</sup>

It needs to be underscored that David Wilkins is Dow's Associate General Counsel and, more importantly, Mr. Wilkins is the Director of the Office of Ethics and Compliance (OEC Director). It also needs to be underscored that Kara Gordon, is Dow's Assistant General Counsel for Human Resources (AGC HR Legal). Both of these individuals report to Respondent Kalil who in turn reports to Respondent Liveris. Conversely, neither of these two individuals report to the corporate auditor, and, as such, it is Respondent Kalil and his subordinates and not the corporate auditor that was now the final decision maker pursuant Dow's new investigation procedures.<sup>33</sup>

After the meeting between [REDACTED] Mr. Kalil, [REDACTED], and Mr. [REDACTED]<sup>35</sup>, to discuss Mr. Anderson's letter, when [REDACTED] asked [REDACTED] why nothing was going to be done [REDACTED] was instructed by [REDACTED] to "focus on Olefins" to which [REDACTED] totally dedicated her time and energy. [REDACTED] had already been working on the Olefins investigation since January of 2013.

[REDACTED]<sup>34</sup> continued with the Olefins investigation and completed the last interview on October 8, 2013. That investigation involved thirty-six (36) employee interviews averaging more than sixty (60) hours per week. A preliminary Olefins investigation found that tens of millions of dollars were capitalized when they should have been expensed.<sup>36</sup> This intentional overstatement of profit is a fraud on shareholders by Dow executive management. See 17 CFR § 240.10b-5 and 15 USCA § 7241.

<sup>31</sup> Both Liveris and Kalil are within the definition of "global leaders".

<sup>32</sup> (Ex. 16 – Investigation Procedures as of September 1, 2013).

<sup>33</sup> The new procedure appears to have had as its genesis a memorandum dated December 30, 2009, wherein the "investigators" were critical of audit committee's involvement in the investigation and oversight of the Dow's CEO activities concluding that any such investigation should be handled by "senior management". (Ex. 18 - 12/30/2009 Memorandum to Audit Committee).

<sup>34</sup> Dow's Chief Financial Officer (CFO).

<sup>35</sup> Dow's OEC Director and Associate General Counsel.

<sup>36</sup> (Ex. 17 - St. Charles Olefins Project).

7c By October of 2013, 7c's position at Dow along with the investigations 7c had been conducting had been neutralized. First, Dow terminated 7c on-going investigation into THI and Teneo shortly after 7c Executive Summary was discussed with Respondent Kalil, which disclosed SEC violations by name and number.<sup>37</sup> Second, Dow removed 7c investigative autonomy by rewriting its procedures which bypassed and undercut the corporate auditor and his subordinates SOX function and reassigned the decision making process to the Director of OEC and the Assistant General Counsel for Human Resources.<sup>38</sup>

7c It was during this period of time that 7c spoke with 7c, i.e. Dow's Director of Investigations, regarding their future at Dow. Both 7c and Solano had concerns regarding their future in light of the change in direction which had essentially neutralized the corporate auditor and his subordinates. During that conversation, both Mr. 7c and 7c talked about how she may end up having to consider a retirement package. 7c further stated that a retirement package would be exactly what upper management would like to have happen.

7c This conversation was later to be morphed into a statement by 7c that 7c wanted a retirement package, and he then authored an unsigned memo under the date of September 5, 2013, to allegedly memorialize this conversation. A copy of this memorandum was never provided to 7c. Also there is nothing in writing supporting such a claim or request from 7c.

7c On Wednesday, October 9, 2013, i.e. the day before 7c was notified that her employment was being terminated, a text message exchange took place between 7c and Dow's Director of Investigations, i.e. 7c wherein the mutual frustration was expressed and wherein the status of the Olefin investigation was discussed:

<sup>37</sup> (Ex. A – Affidavit; Ex. 14 – 8/2/2013 “Executive Summary THI & Prinkipos”)

<sup>38</sup> (Ex. 16 – Investigation Procedures as of September 1, 2013). The fact that Kalil was the final decision maker is illustrated by a text message from his subordinate, i.e. Kara Gordon, to 7c on April 24, 2013, wherein Ms. Gordon indicated that Kalil would need to be consulted regarding the Olefin matter. (Ex. A – Affidavit; Ex. 19 – 4/24/2013 Communicator Message).

7c [REDACTED] he was presenting to the audit com today and that the investigation is finished and to issue the audit report.

SS: Not sure who that report is going to be issued to? Any downside on our end if the report goes out?

7c [REDACTED] Well it pretty much states there was financial stmt fraud, it should be issued to [REDACTED] but they are thinking of making a presentation to [REDACTED] etc. why not wait until after the erm [Employee Review Meeting] to determine disciplinary action rather than have it all get out? Or are there no Erms<sup>39</sup>?

SS: I haven't heard one way or another regarding erms. [REDACTED] was supposed to let me know how it went today. I'll let [REDACTED] to what he thinks is best with the report. Any word on the final EY<sup>40</sup> report? Did u guys do the last interview?

7c [REDACTED] I did the interview yesterday. [REDACTED] is still working on the report. I don't think [REDACTED] thinks about the Erms or anything other than his presentation today. I am very tired of this.

SS: You and me both.

7c [REDACTED] When are you back?

SS: I will be back in midland tomorrow afternoon. In the office Friday.

7c [REDACTED] Ok see you then

SS: Ok.<sup>41</sup>

Previously, [REDACTED] had acknowledged that senior management's intervention was affecting the independence of investigations as illustrated by the following comment from [REDACTED] to a memorandum dated May 10, 2013:

This is standard with these engagements and it bolsters the position that the investigation was independent. It also makes it somewhat difficult for senior management to make changes. Once again, we are looking for independence. I would prefer not to state this in the document since it opens

<sup>39</sup> ERM = Employee Review Meetings.

<sup>40</sup> EY = Ernst & Young.

<sup>41</sup> (Ex. A - Affidavit; Ex. 20 - [REDACTED] text messages to [REDACTED].)

the door for the argument that Dow lacks the ability to review internal issues.<sup>42</sup>

On Thursday, October 10th, 2013, [REDACTED] was notified by [REDACTED] of a meeting with him scheduled for 2:30 to 3:00 p.m. Apprehensive, [REDACTED] texted<sup>43</sup> Mr. [REDACTED]

Thu, [REDACTED]

[REDACTED] I just got a meeting notice from Jeff [Mr. Tate] 2:30-3:00, am I getting fired?

SS: Why on earth would you think that?

[REDACTED] Well, I finished what he wanted and now I'm just a liability. Oh and chuck [Mr. Kalil] called out to me yesterday asking how I was.

SS: I don't think that adds up to getting fired. (Emphasis added).

As [REDACTED] was told at that meeting that [REDACTED] last day with Dow would be [REDACTED] from Human Resources was also at the meeting and [REDACTED] asked [REDACTED] if [REDACTED] should speak to him alone. [REDACTED] refused to talk to her without [REDACTED] in the room. [REDACTED] wanted to ask [REDACTED] if [REDACTED] was being terminated as a result of the THI investigation, but did not feel comfortable discussing that matter in front of [REDACTED]. Forced to speak in front of [REDACTED]

[REDACTED] asked [REDACTED] if this had anything to do with the "Andrew thing" and why he had done nothing about that matter.

Later that day [REDACTED] exchanged text messages<sup>44</sup> with [REDACTED] who [REDACTED] was working with on the Olefins investigation:

Thu, Oct 10, 7:09 PM-

[REDACTED] Today I was told oct 31 is my last day at dow. Wanted you to hear it from me.

Thu, Oct 10, 9:17 PM-

What?!

<sup>42</sup> (Ex. A - Affidavit; Ex. 21 - 5/10/2013 Memorandum).

<sup>43</sup> (Ex. A - Affidavit; Ex. 20 - Solano's text messages to [REDACTED])

<sup>44</sup> (Ex. A - Affidavit; Ex. 22 - [REDACTED] text messages to [REDACTED])

7c [REDACTED] I never told you that I figured out and [Mr. Liveris] was at it again. I gave it to Greg [Mr. Grocholski], he got moved. [REDACTED] sat on it. When Doug [Mr. Anderson] left he brought it up. ...

6 [REDACTED] Unbelievable. Can we talk sometime? I know you have your [REDACTED] 7c [REDACTED] But can we talk when you get back? I understand if you don't want to. This just makes me sick to my stomach.

7c [REDACTED] I'm sorry I thought it might work out. I didn't want you to think ill of Dow. Just be really carefully. We can talk tomorrow but beware d, [REDACTED] k [Ms. Gordon], and [REDACTED] are all in on it.

7c The next day [REDACTED] texted [REDACTED]:

7c [REDACTED] Well somebody else did [referring to Mr. Solano's comment, above]. Everybody happy today?

6 [REDACTED] Happy? No one around here is.<sup>45</sup>

7c After [REDACTED] was fired she called Mr. Solano. [REDACTED] asked him if he knew that she was to be fired, because he had been out of town that week.<sup>46</sup> Mr. Solano stated that he was on thin ice and he was not supposed to be talking to her. Solano further stated that Mr. Tate had just called him and told him not to talk to her.<sup>47</sup> Mr. Solano also told [REDACTED] that Mr. Kalil wanted her gone and that they were going to fire her without a package based on employment at will. Solano admitted that Ms. Kara Gordon, Dow's Assistant General Counsel, and [REDACTED] were in on the decision to terminate, but [REDACTED] did not think Mr. Wilkins was involved. [REDACTED] also stated that Mr. Kalil wanted her gone sooner but [REDACTED] had said that she was in the middle of the Olefins investigation. [REDACTED] said he brought up the idea to give packages to both [REDACTED] 7c [REDACTED] 7c

The disingenuous nature of Respondents' position is further illustrated by the fact that Dow subsequently posted [REDACTED] position.<sup>48</sup> It should be noted that [REDACTED] 7c position was posted [REDACTED] which directly conflicts with Dow's restructuring programs which are intended to achieve a targeted level of cost savings and, as such, an eliminated position cannot be filled within six months after the departure of

<sup>45</sup> (Ex. A - Affidavit; Ex. 20 - [REDACTED] text messages to [REDACTED] 7c)

<sup>46</sup> [REDACTED] told [REDACTED] that he was interviewing for a job.

<sup>47</sup> The next day [REDACTED] told her he lied to Mr. Tate about talking to her.

<sup>48</sup> (Ex. 23 - Job Posting).

the employee pursuant to Dow policy. In their response, the Respondents argued on page five of their response that they could not reinstate [REDACTED] to her former position because they could not remove her name from the restructuring list. The fallacy to Respondents' argument is illustrated by their own response which goes on to state that [REDACTED] was not placed on the restructuring list until November 6, 2013, which is after [REDACTED] employment was terminated.

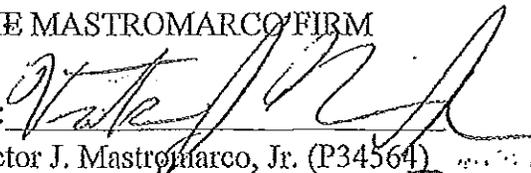
As a final note, Respondents highlight a portion of the post-termination settlement negotiations which took place prior to the filing of this administrative complaint and the state court complaint. What Respondents have not disclosed in their response is that their attorneys responded to [REDACTED] demand with a counter-offer of \$400,000.00<sup>49</sup> to resolve claims that Respondents now want this investigator to believe are "meritless".

### Conclusion

[REDACTED] again requests that this agency find that The Dow Chemical Company, Andrew Liveris and/or Charles Kalil retaliated against her in violation of the Sarbanes-Oxley Act. [REDACTED] further requests all relief necessary to make her whole as mandated by 18 U.S.C.A. §1514A.

Respectfully Submitted,

THE MASTROMARCO FIRM

By:   
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Date: 3/27/14

<sup>49</sup> It should also be noted that Respondents made it clear that \$400,000.00 was not Respondents' final offer. Normally, counsel would not bring up settlement discussions; however, Respondents' opened the door in their submission.

and

James H. Mathieu (P26565) **7c**

Attorney for [REDACTED]

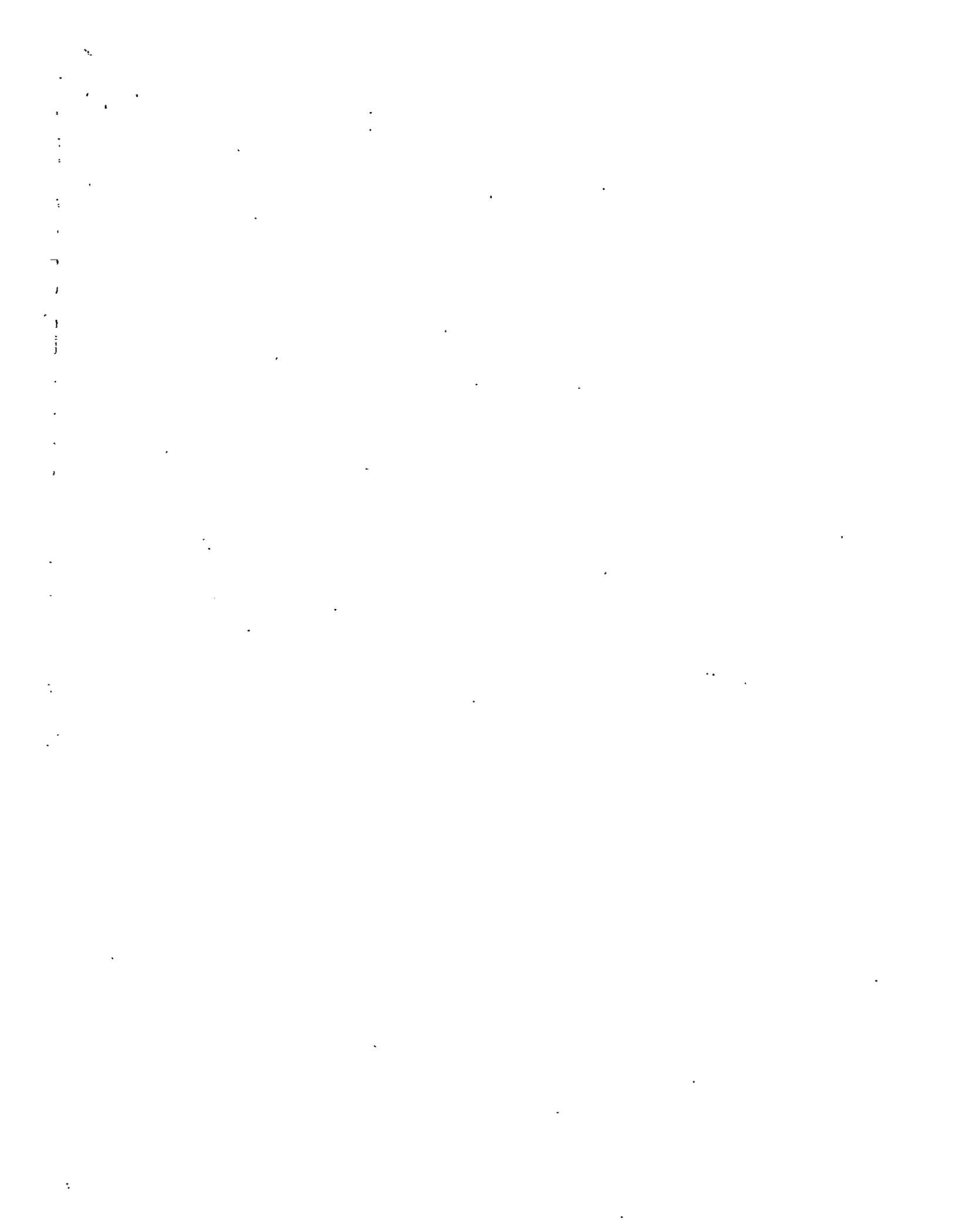
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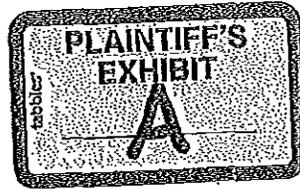


United States Department of Labor  
Occupational Safety and Health Administration

**7c**  
[REDACTED]  
Complainant  
vs.  
THE DOW CHEMICAL COMPANY,  
ANDREW LIVERIS AND  
CHARLES KALIL, ESQUIRE  
Respondents

AFFIDAVIT OF **7c**  
[REDACTED]

COUNTY OF SAGINAW        )  
  ) ss:  
STATE OF MICHIGAN        )



NOW COMES the Complainant, **7c** [REDACTED], first being duly sworn  
deposes and states as follows:

1. That I am the named Complainant in the above-captioned case.
2. That I formerly worked as a **7c** [REDACTED] with The Dow Chemical Company.
3. Douglas Anderson<sup>1</sup> acknowledged the retaliatory environment which existed at Dow in an e-mail dated October 11, 2013, the day after my employment was terminated from Dow.
4. Mr. Anderson's e-mail is attached as Exhibit 1 to my Reply to the Response to my Administrative Complaint.

<sup>1</sup> Mr. Anderson was Dow's Corporate Auditor at the beginning of the Customer Events investigation involving the CEO's personal expenses, and was my second level supervisor at that time.

5. I had been concerned about my job security starting when I uncovered and reported the H Hotel<sup>2</sup> cost overrun involving the wife of Dow's Chief Executive Officer (CEO), Andrew Liveris.

6. My concern continued throughout the subsequent investigations regarding Mr. Liveris including the Customer Events<sup>3</sup> scheme involving Mr. Liveris and his confederate, [REDACTED] **or 6**

7. Attached as Exhibit 2 to my Reply to the Response to my Administrative Complaint is a preliminary summary I prepared on November 17, 2009.

8. Attached as Exhibit 3 to my Reply to the Response to my Administrative Complaint is a draft memorandum I prepared on June 14, 2010.

9. Attached as Exhibits 4, 5 and 7 to my Reply to the Response to my Administrative

<sup>2</sup> The H Hotel cost overrun was the direct result of the involvement of the CEO's wife, Paula Liveris. By the end of the project, the cost of the renovations had ballooned from the original authorized budget of \$25 million dollars to over \$38 million dollars. At least one Dow employee was "retired" by Mr. Liveris and Charles Kalil when Paula's involvement was questioned. [REDACTED] was brought in to replace the "retired" employee. These facts are reflected in my preliminary report which is attached as Exhibit 2 to my Reply to the Response to my Administrative Complaint.

<sup>3</sup> The Customer Events scheme involved unreported personal entertainment expenses of Mr. Liveris and his family the existence of which was uncovered by me during a preliminary investigation. Examples of the unreported personal entertainment expenses included a paid vacation (safari in Africa) for the CEO and his family, a \$218,938 trip to the 2010 Super Bowl for the CEO and his family, a paid trip to the 2010 World Cup in South Africa for the CEO and his family, and a paid trip to the 2010 Masters Tournament for the CEO and his family. As a result of my preliminary investigation, Mr. Liveris was required to reimburse Dow \$719,000.00. These facts are reflected in my preliminary report which is attached as Exhibit 3 to my Reply to the Response to my Administrative Complaint.

During the Customer Events preliminary investigation and report, Douglas Anderson, Dow's Corporate Auditor and my second level supervisor and who was very active in the inquiry, was transferred to a new job. Mr. Anderson's successor, Gregory Grocholski, on or about December 6, 2010, told me that nothing else identified in the preliminary investigation regarding the CEO's past was to be looked at again and the inquiry was over. Indeed, the preliminary investigation report had identified a number of other expenses which were never investigated as a result of Mr. Grocholski's directive.

Complaint are a series of e-mails I obtained of discussions between Mr. Liveris and Mr. Kalil as well as [REDACTED] as part of the investigation into the H Hotel. *ex 6, 7c*

10. [REDACTED] acknowledged during an interview with me that he had raised concerns regarding the H Hotel renovations and tied Paula Liveris directly to the problems associated with that renovation. These facts are reflected in my interview notes which are attached as Exhibit 6 to my Reply to the Response to my Administrative Complaint.

11. During the summer of 2013, Douglas Anderson, the corporate auditor, announced his intention to retire.

12. As part of Mr. Anderson's retirement package (effective on July 31, 2013) Dow required Mr. Anderson to submit a letter outlining any and all concerns regarding suspected ethical and compliance issues or violations on the part of the Company or any released person or entity as part of his exit requirements.

13. Mr. Anderson's letter brought out issues again involving Mr. Liveris.

14. Most of the concerns Mr. Anderson had were based on information contained within the reports prepared by myself including, particularly, The Hellenic Initiative (THI) and Teneo.

15. My research had revealed that Mr. Liveris was intimately involved with Teneo and its principals, [REDACTED] *ex 6* with millions of dollars being paid by Dow to Teneo without proper authority.<sup>4</sup>

<sup>4</sup> . These facts are reflected in my January 23, 2013, THI Memo which is attached as Exhibit 8 to my Reply to the Response to my Administrative Complaint.

16. As set forth in my January 23, 2013, THI memo, neither [REDACTED] nor the purchasing department employee had the appropriate delegation of authority to approve the approximately \$16,000,000.00 worth of contracts with THI.

17. My THI memo further noted that the closest delegation [REDACTED] had was for "aggregate promo and advertising contracts – annual" in the amount of three (3) million dollars.

18. Likewise, the purchasing department employees only had a two (2) million dollar delegation of authority as also explained in my THI memo.

19. As set forth more fully in my THI memo, I had concerns that the \$11,000,000.00 increase from 2011 to 2012 appeared to be a donation to THI under the guise of a business expense.

20. My initial report of September 20, 2012, had identified tens of thousands of dollars of Dow money which had been spent by Mr. Liveris related to THI, a Greek charitable organization, and the Greek Orthodox Church and its Prinkipos environmental foundation both of which are religious organizations.<sup>5</sup>

21. As with Teneo, the monies spent by Dow on THI violated Dow's policies. Furthermore, those monies were not properly accounted for.<sup>6</sup>

<sup>5</sup> These facts are reflected in my "Questions for [REDACTED] which are attached as Exhibit 9 to my Reply to the Response to my Administrative Complaint as well as in the THI Memo which is attached as Exhibit 8.

<sup>6</sup> [REDACTED] from the office of Dow's CEO, submitted a [REDACTED] invoice of \$58,256.50 for a preliminary feasibility study for the Prinkipos Project to Accounts Payable. It should be noted that the transaction was paid as a routine business expense and not a donation. These facts are reflected in my THI Memo which is attached as Exhibit 8 to my Reply to the Response to my Administrative Complaint as well as the Prinkipos Invoice which is attached as Exhibit 10.

22. The background on THI and Teneo began with my first report<sup>7</sup> I provided for a meeting held on September 20, 2012, with Gregory Grocholski, successor corporate auditor to Mr. Anderson, and [REDACTED]

23. Mr. Grocholski did not want my report to go to Mr. Kalil or other senior management until he had first talked to Dow's internal audit committee because it was thought that there was a high risk of a cover-up.<sup>8</sup>

24. Before he was able to go to the audit committee Mr. Grocholski was replaced by Mr. Jeffrey Tate as the corporate auditor.

25. I wrote another THI report dated January 23, 2013<sup>9</sup> and presented it to [REDACTED] and Mr. Tate. Both reports related to likely SOX violations.<sup>10</sup>

26. Shortly after Mr. Anderson's exit letter in July of 2013, I was asked by the then

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The 1/1/12-1/31/12 Teneo invoice TS120214 to The Dow Chemical Company, listed three Teneo managing directors, [REDACTED] with the description "provide input on the Hellenic Award Release" as three separate line items...." These facts are reflected in the Teneo Invoice and supporting documentation which is attached as Exhibit 11 to my Reply to the Response to my Administrative Complaint.

<sup>7</sup> These facts are reflected in my THI Memo and supporting documentation which is attached as Exhibit 8 to my Reply to the Response to my Administrative Complaint.

<sup>8</sup> These facts are reflected in my notes from the September 20, 2012, meeting which is attached as Exhibit 12 to my Reply to the Response to my Administrative Complaint.

<sup>9</sup> These facts are reflected in my THI Memo and supporting documentation which is attached as Exhibit 8 to my Reply to the Response to my Administrative Complaint.

<sup>10</sup> The travel expenses associate with the CEO and his wife during the year 2012 which was reported by me to my supervisors. These facts are reflected in my THI Memo and supporting documentation which is attached as Exhibit 8 to my Reply to the Response to my Administrative Complaint and my questions for [REDACTED] which are attached as Exhibit 9.

The 2012 income reported in Dow's 2013 proxy does not include the commercial airline tickets purchased by Dow for Mr. Liveris in the amount of \$20,354.26. These facts are reflected in my questions for [REDACTED] which is attached as Exhibit 9 to my Reply to the Response to my Administrative Complaint and the 2013 proxy statement excerpt which is attached as Exhibit 13. Mr. Liveris is required by Dow's Board of Directors to use the company aircraft for his personal use for security and immediate availability purposes. The 2012 income reported in the 2013 proxy also omits the commercial airline tickets purchased by Dow for Paula Liveris in the amount of \$12,423.30.

corporate auditor and successor to Mr. Grocholski, Jeffrey Tate, to provide a summary of information on THI and Teneo<sup>11</sup> for a meeting scheduled with Mr. Kalil, Bill Weideman, Executive Vice President and Chief Financial Officer, and David Wilkins, Dow's Associate General Counsel and Director of Office of Ethics and Compliance (OEC Director), to discuss Mr. Anderson's letter.

27. On August 21, 2013, I was notified that there would be no further investigation of the matters contained within Mr. Anderson's letter.

28. The e-mails that are discussed in my reply between me and Mr. Anderson are attached as Exhibit 1 to my Reply to the Response to my Administrative Complaint.

29. After Mr. Anderson's letter, [REDACTED] told me that he had just seen Mr. Kalil at the gym and Mr. Kalil told him that I was out of control and it was [REDACTED] fault.

30. [REDACTED] purportedly told Mr. Kalil that everything I had done was known and either approved or encouraged by Mr. Anderson, or Mr. Grocholski or Mr. Tate, and he apparently told Mr. Kalil not to blame him.

31. [REDACTED] started coming into my office and talking about wanting to stay with Dow until his options were assured.

32. Dow policy is that if you left Dow you kept your options and grants as long as you met the age and years of service criteria.

33. [REDACTED] thought the policy was to be over 50 and have more than 10 years of service, but he didn't have 10 years of service until [REDACTED]

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<sup>11</sup> These facts are reflected in my Executive Summary which is attached as Exhibit 14 to my Reply to the Response to my Administrative Complaint. Exhibit 14 refers to potential SEC violations.

34. [REDACTED] talked a lot about how important it was to make it to his service date.

35. After hearing him speak repeatedly about his making it to his anniversary date, I e-mailed him the policy which had changed the service criteria to [REDACTED] years of age. Mr. [REDACTED] was not over [REDACTED] years of age.

36. During that same time frame (after Anderson's letter) [REDACTED] also would talk about how lucky I was because I had worked for Dow for a long time and if he got a package it wouldn't be very much because it was based on years of service.

37. During one of our conversations [REDACTED] became very upset about the possibility of getting fired and how intolerable it had become.

38. After the [REDACTED] review of the Customer Events preliminary investigation, [REDACTED] told me that there would be no further investigation of Mr. Liveris related to Customer Events even though there were a number of additional Customer Events expenses which had been identified but not investigated.

39. With regards to the new procedures enacted as of September 1, 2013, [REDACTED] told me that he had been on the team to write the new procedures but he had given up and that Kara Gordon, Dow's Assistant General Counsel for Human Resources, wrote the new procedures.

40. Prior to enactment of the new procedures, Mr. Gordon was being interjected into the investigative process and was providing information and obtaining guidance from Mr. Kalil as evidenced by Exhibit 19 to my Reply to the Response to my Administrative Complaint.

41. Both I and [REDACTED] had concerns regarding our future in light of the change in

direction which had essentially neutralized the corporate auditor and his subordinates including me.

42. During that conversation, both [REDACTED] and I talked about how I may end up having to consider a retirement package.

43. [REDACTED] further stated that a retirement package would be exactly what upper management would like to have happen.

44. I never told [REDACTED] that I wanted a retirement package, and I never asked for a retirement package.

45. My conversation with [REDACTED] was later purportedly morphed into a statement by [REDACTED] that I wanted a retirement package, and he then purportedly authored an unsigned memo under the date of September 5, 2013, to allegedly memorialize this alleged conversation.

46. A copy of [REDACTED] memorandum was never provided to me, and I did not become aware of its purported existence until the response was filed to the administrative complaint.

47. On Wednesday, October 9, 2013, i.e. the day before I was notified that my employment was being terminated, a text message exchange took place between myself [REDACTED] and Dow's Director of Investigations, i.e. [REDACTED] wherein the mutual frustration was expressed and wherein the status of the Olefin investigation was also discussed.

48. Text messages between me and [REDACTED] are attached as Exhibit 20 to my reply to the response to my administrative complaint.

49. Previously, [REDACTED] had acknowledged to [REDACTED] that senior management's intervention was affecting the independence of investigations as illustrated by a comment from [REDACTED] to a memorandum dated May 10, 2013, appearing on the last page of that document which has been attached as Exhibit 21 to my reply to the response to my administrative complaint. See also Exhibit 19 which illustrates the fact that Mr. Kalil was becoming involved in the investigations.

50. Text messages between me and [REDACTED] are attached as Exhibit 22 to my reply to the response to my administrative complaint.

51. I was told at the termination meeting that my last day with Dow would be October 31, 2013. [REDACTED] was also at the meeting and I asked Mr. [REDACTED] if I could speak to him alone. [REDACTED] refused to talk to me without [REDACTED] in the room. I wanted to ask [REDACTED] if I was being terminated as a result of the THI investigation, but did not feel comfortable discussing that matter in front of Mr. [REDACTED]. Forced to speak in front of [REDACTED], I asked [REDACTED] if this had anything to do with the "Andrew thing" and why he had done nothing about that matter. He would not answer the question.

52. After I was fired I called [REDACTED]

53. I asked [REDACTED] if he knew that I was going to be fired, because he had been out of town that week.<sup>12</sup>

54. In response, [REDACTED] stated that he was on thin ice and he was not supposed to be talking to me.

---

<sup>12</sup> [REDACTED] told me that he was interviewing for a job.

55. [REDACTED] further stated that [REDACTED] had just called him and told him not to talk to me.<sup>13</sup>

56. [REDACTED] also told me that Mr. Kalil wanted me gone and that they were going to fire me without a package based on employment at will.

57. [REDACTED] admitted that Ms. Kara Gordon, Dow's Assistant General Counsel, and [REDACTED] were in on the decision to terminate me, but [REDACTED] did not think Mr. [REDACTED] was involved.

58. [REDACTED] also stated that Mr. Kalil wanted me gone sooner but [REDACTED] had said that I was in the middle of the Olefins investigation.

59. [REDACTED] said he brought up the idea to give packages to both myself and my husband which is contrary to what he now claims in his affidavit.

60. An eliminated position cannot be filled within six months after the departure of the employee pursuant to Dow policy.

61. That if called upon to testify I can attest to the above facts upon personal knowledge.

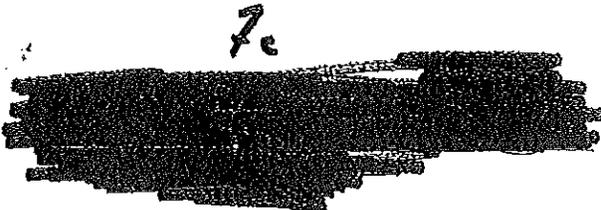
That further deponent sayeth not.

---

<sup>13</sup> The next day [REDACTED] told me that he had lied to [REDACTED] about talking to me.

Dated:

3/26/14



Signed and sworn to before me, a Notary Public for the County of \_\_\_\_\_  
State of Michigan, on this 26<sup>th</sup> day of March, 2014.

Bay

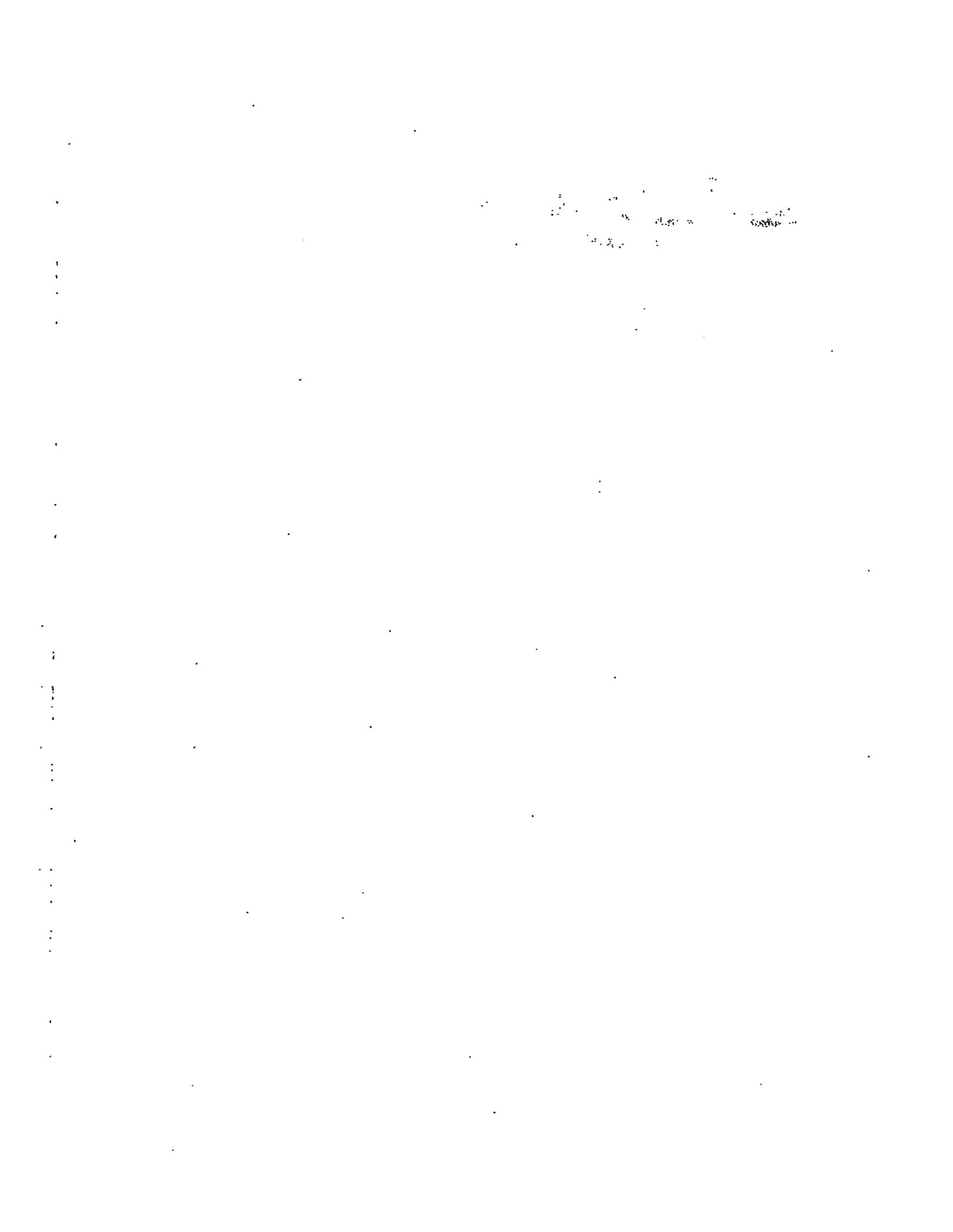
Kristie C Burr

KRISTIE C. BURR, Notary Public

County of Bay, State of Michigan

My Commission Expires: 03/04/2020

Acting in Saginaw County, Michigan



Begin forwarded message:

From: [REDACTED]  
Subject: Re: How's retirement?  
Date: October 12, 2013 11:55:39 PM EDT  
To: [REDACTED]

This means you want to negotiate the package. That may or may not be easy, but will take time.

[REDACTED]  
sent from my Verizon Wireless 4G LTE Smartphone

----- Reply message -----  
From: [REDACTED]  
To: [REDACTED]  
Subject: How's retirement?  
Date: Sat, Oct 12, 2013 3:47 PM

I only get 2 weeks/ year as I am not an exec. I do feel that they used me to finish olefins and knew I was killing myself to get it done under their unrealistic time constraints with the intent to fire me after the last interview was done. (I did that on Tuesday, Jeff presented to the audit committee on Wednesday (without any of the thirty Erms done)). I think a calculation of my time and vacation is reasonable, but what would be fair is to have the "Mike Hayes" package.

Sent from my iPhone

On Oct 12, 2013, at 2:11 PM, [REDACTED] wrote:

- >
- > When you get back we can talk. Unless you want to try to negotiate a better deal than the standard package, I don't think it will be fruitful to try to get overtime or more vacation.
- >
- > I can show you what I did for my disclosure re fraud. I needed to be careful as Dow is a big supporter of SVSU. You don't have this constraint.
- >

[REDACTED]

> ----- Original Message -----  
> From: [REDACTED]



> To: [redacted]  
> Sent: Sat, 12 Oct 2013 10:24:43 -0400 (EDT)  
> Subject: Re: How's retirement?

> Thanks [redacted] no offense taken, your advice has always served me well. I am considering asking for vacation pay for this year as I have only taken a week. I also would like to be paid for working every night and weekend since January on the ollfins case (except for a week and a day). The directive to me that this case was that important came from many sources including Kara and Jeff. I'd like your advice on that and also how to handle the submission of any fraud that I know of to meet the requirements of the package. But for now I have to help get the hoists out.

> Sent from my iPhone

> On Oct 11, 2013, at 5:18 PM, [redacted] wrote:

>> [redacted] Fe

>> In case my prior email came cross as filppant, I apologize. I am sure this was a big shock, one you are still trying to understand and digest. I guess I expected this to happen some day if you didn't quit first. You have been (for awhile) an irritant to exec management and I am sure they have been looking for any opportunity through a combination of people, events, timing, etc. to deliver this message. However, as predictable as this might have been, being denied the opportunity to pick the time yourself has to be very hard.

>> My guess is they told you just before vacation so that you have little time in the office before Oct 31. My suggestion is to only spend time in the office to collect your stuff once you get back from vacation. Spending as little time in the office as possible would probably be best. You can arrange lunches, visits, etc. with you friends outside of the office or have a single retirement reception.

>> [redacted]  
>> [redacted]  
>> [redacted]  
>> [redacted]  
>> [redacted]  
>> [redacted]

>> From: [redacted]  
>> To: [redacted] Fe  
>> Sent: Friday, October 11, 2013 10:21:17 AM  
>> Subject: Re: How's retirement?

>> [redacted] Fe

>> It sounds like you don't you don't have to spend a lot of energy trying to decide how long to stay at Dow. I doubt your vacation has anything to do with your departure - there are so many other reasons people don't appreciate what you do that the timing of a vacation would likely be a trivial matter.

>> When you get back, let me know and maybe you and I and [redacted] can have lunch - if you can fit it into your busy schedule.

>>  
 >>  
 >> [Redacted]  
 >> [Redacted]  
 >> [Redacted]  
 >> [Redacted]  
 >> [Redacted]

>>  
 >> From: [Redacted]  
 >> To: [Redacted]  
 >> Sent: Thursday, October 10, 2013 8:57:57 PM  
 >> Subject: Re: How's retirement?

>> Interesting I finished the interviews on the oilfons case on Tuesday and was told today that my last day is oct 31, I leave for vacation tomorrow for two weeks, my sons best friend is getting married at our home in Ludington on the 19th. Apparently thl was not popular.

>> Sent from my iPhone

>> On Aug 30, 2013, at 12:06 PM, [Redacted] wrote:

>> Your approach sounds wise - don't make any hasty decisions, but make sound ones. You are in a difficult place. I know I am thoroughly enjoying not being reminded daily about aspects of Dow of which I was not a fan, although I must admit I have a level of curiosity concerning how things are being addressed. Maybe they aren't being addressed...

>>  
 >> [Redacted]  
 >> [Redacted]

>>  
 >> From: [Redacted]  
 >> To: [Redacted]  
 >> Sent: Thursday, August 22, 2013 10:59:15 AM  
 >> Subject: Re: How's retirement?

>> It's welcome news to hear things are going so well I don't think you will be surprised to hear that things here are not so cheery. I got the news yesterday that the decision is to do nothing on my special project, or anything else in that same category. So I have some decisions to make, but as always I will let things shake out a little before I decide.

>> Sent from my iPhone

>> On Aug 22, 2013, at 9:29 AM, [Redacted] wrote:

>> Surprisingly busy. A lot of meetings, new people to meet, etc. In gearing up for the new semester that starts next week. I enjoy coming in each morning, however, and have a lot of ideas on things I want to explore and expand. Fun place...

>>  
 >> [Redacted]  
 >> [Redacted]

>>  
 >>  
 >> [REDACTED]  
 >> [REDACTED]  
 >> [REDACTED]  
 >> [REDACTED]  
 >> [REDACTED]

>>  
 >> From: [REDACTED] Fe  
 >> To: [REDACTED] G  
 >> Sent: Thursday, August 22, 2013 9:20:22 AM,  
 >> Subject: How's retirement?

>>  
 >> Hopefully treating you well!  
 >> Regards,  
 >> [REDACTED] Fe  
 >>  
 >> Sent from my iPhone

>  
 >

THE UNIVERSITY OF CHICAGO  
DIVISION OF THE PHYSICAL SCIENCES  
DEPARTMENT OF CHEMISTRY  
5708 SOUTH ELLIS AVENUE  
CHICAGO, ILLINOIS 60637

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11/17/2009

## FIS Case 39062 - Executive Construction Expenses

## Allegations

an Entity Level Survey was sent out by Dow's Internal Control and Compliance group lead by [REDACTED] forwarded the responses to Doug Anderson. Anderson forwarded several responses to The Office of Ethics and Compliance (OEC) and Fraud Investigative Services (FIS) for additional follow up.

FIS met with one of the respondents, [REDACTED] for the H Hotel renovation in [REDACTED] is concerned about retaliation. The OEC and FIS should carefully consider before revealing [REDACTED] identity to non-OEC/FIS personnel. [REDACTED] provided details concerning the H Hotel renovation project.

[REDACTED] expressed concern over:

- A gift given to Maria (Mica) Jones in connection to assistance in the renovation.
- Paula Liveris involvement with the project.
- Costs associated with the H renovation. Also concerns relating to the Midland Country Club construction.
- Retaliation against other Dow employees in connection with the renovation.

## Preliminary Summary

The information developed to date by FIS is preliminary and based on a detailed discussion with the complainant and a review of available documents. The document review tends to support the information provided by the complainant. Additional investigative work remains.

Andrew Liveris was aware of and supported Paula Liveris and her friend Maria (Mica) Jones' involvement in the hotel renovation. The hotel renovation started in 2007.

In early 2007 Paula and Mica flew to New York via the Dow jet to meet with architects.

The total spend on the hotel project is approximately \$13 MM over the original authorization of \$25 MM. The funds went from Dow to MVCC and were originally recorded as an investment.

Andrew wanted to thank Paula and Mica for their participation in the hotel renovation and suggested the following on March 8, 2008:



- Suggested naming the wine room at the H after Mica. Plus two first class tickets to anywhere in the world and free dining for two at The Table for a year.
- Suggested naming The Lounge at the H after Paula.

On April 11, 2008, [REDACTED] wrote to Paula explaining contractual and legal implications around the hotel and related properties. He stated that although the general hotel and H.H. Dow Academy were bound by these she was welcome to work on the Diamond Club, The Table and Café Zinc with [REDACTED] announced his retirement on [REDACTED] and was replaced by [REDACTED].

In May 2008 the complainant [REDACTED]

The complainant stated that [REDACTED] said "no" to Paula and that is why [REDACTED] no longer in that position. The complainant stated that [REDACTED] was ineffective in dealing with Paula and Mica and [REDACTED] the project was out of control. The complainant [REDACTED].

In May 2008 [REDACTED] wrote to Andrew that the hotel renovations were expected to be \$33 MM rather than \$25 MM, and that the hotel room renovations would be an additional cost of \$7.5 MM.

Mica chose a trip to the Maldives, for her and her husband, with airfare of approximately \$40,000. [REDACTED] asked Andrew's office professional who's credit card should be used. Andrew directed it to be charged to [REDACTED] card and charged to the Hotel H project.

On September 12, 2008 two hotels were confirmed using [REDACTED] card. On September 18, 2008 the form of payment for the tickets and hotels was changed to Acquest's American Express card ending in [REDACTED].

On October 7, 2008 "The H Hotel Gala" was held. Andrew thanked the co-chairs for the evening's Gala -- Paula Liveris and Mica Jones.

According to the complainant he heard about the thank you gift around December 11, 2008. The complainant recalled [REDACTED] discussing the gift with a few Dow employees following a meeting.

### Recommendations

FIS recommends the following:

- Dow should proceed with additional investigative work to include interviews with individuals who have additional details.
- This investigation should be conducted jointly with an outside vendor with proper oversight by either Dow Legal and/or the BOD.

- The investigation should include a review of costs associated with the H project and the Midland Country Club.

#### Documents Reviewed

- Airline ticket detail
- BCD travel reservations and notes
- MVCC Limited Partnership Balance Sheet as of September 30, 2008
- Acquest Realty Advisors, Inc. October 23, 2008 Management Committee Meeting documentation
- Rofan SAP entries showing contributions to MVCC and cash infusions for hotel shortfalls
- Rofan Whitepaper on capitalization of assets
- E-mail
- Newspaper articles & Internet articles about the Hotel renovations
- Change order spreadsheets; denied, approved, and pending.

  
ex 6. 7c



Memorandum -- DRAFT

To: Doug Anderson, Corporate Auditor, The Dow Chemical Company (TDCC)
[Redacted] Fraud Investigative Services (FIS), TDCC

From: [Redacted]

June 14, 2010

Reference: Case 4006/USA-259/ ISC2010-0428 1733/10160 Customer Events

Summary of Findings on the Meetings and Customer Events
Compliance Investigation

I. Investigation Initiation

During an internal audit of Dow's Meetings and Customer Events group (MCE) internal auditors discovered travel and expense (TER) issues. There appeared to be personal use of the Dow sponsored corporate credit card (ProCard) and excessive cash out of pocket and cash advances taken with the ProCard by one of the group's meeting planners. [Redacted] They brought the issues to FIS's attention and on May 3, 2010 a case was opened.

II. Investigative Steps

A review of the following was performed:

- TER's of the MCE group
• Audit work papers provided by MCE
o Super Bowl 2010 event file & Event spreadsheets
o MCE Invoice tracking spreadsheet
• Relevant email correspondence from the available electronically-stored information of [Redacted] and [Redacted]
• Accounts Payable vendor records
• Vendor invoices
• MCE cost center records
• North American miscellaneous check receipt registers
• TER check registers



### III. Issues Arising During the Investigation

[REDACTED] is the Director of Sales Administration/Meetings and Customer Events. His staff includes: [REDACTED]. A review of [REDACTED] led to a review of the group's expenses, the largest issues discovered to date are outlined by this report. Each of these issues is complex and presents potential violations of The Dow Code of Business Conduct, The Dow Travel and Expense Policy, and other possible ethics and compliance issues.

- A. Conflicts of Interest
- B. Liquor License Potential Violations
- C. Misclassified Gifts
- D. Dow Paid Personal Requests
- E. Inconsistency of Personal Guest Expense Treatment
- F. Actions Outside of Scope of Job
- G. Extending Business Trip for Personal Reasons
- H. Cost Associated with Catering for Personal Events

### IV. Executive Summary

[REDACTED] is responsible for planning and organizing Dow's customer events. This includes small events (like plays and dinners) up to large events (like the Super Bowl and Olympics). His relationships and connections with companies that provide hard to get or VIP tickets, and companies that provide luxurious full package event planning, and access to a wide variety of specialty product vendors have made for many successful customer events.

These same contacts have been used by [REDACTED] fulfill his and others personal requests. Some of the personal requests have been paid for by the requestors, some have been paid for by Dow. There are two methods that [REDACTED] has used to recoup some of the expenses from personal requests. The first was to provide personal credit card information directly to the supplier. The second was to have [REDACTED] pay for it through his Dow corporate credit card (ProCard) or Dow's accounts payable system, and then the requestor would be asked to send [REDACTED] a check. (Please note the Dow TER policy: Employee Responsibilities "Using the corporate credit card for personal reasons is prohibited Employees should seek to minimize expenditures without minimizing the quality of services required to conduct effective business.")

If Dow [REDACTED] paid for a personal request an invoice should have been issued and a miscellaneous check recorded to offset the payment. Even without an invoice any amount received should have been recorded in Dow's books as an offset to the original cost. [REDACTED] did not ask for payments for all of the personal requests and did not record them as gifts, the result was that expenses were misclassified on Dow's books.

Some of the personal requests [REDACTED] made did not require a payment but were considered "favors" by the people who granted the requests. These favors may have been repaid by [REDACTED] with free tickets, donations, gifts or business directed to them as [REDACTED] had control and access to all of these Dow assets.

## V. Facts Discovered During the Investigation

### A. Conflicts of Interest

Jet Set Sports LLC was founded by [REDACTED] in 1975 in Far Hills, New Jersey. Jet Set's headquarters is approximately 25 miles from [REDACTED] home office. Jet Set Sports is the parent company of CoSport and has been a long time provider of Olympic Games hospitality packages to Dow.

[REDACTED] is the main Dow contact with Jet Set and negotiated the Olympic contracts. Dow paid Jet Set approximately \$12 million for the 2008 Dow Beijing Olympic program and approximately \$15 million for the 2010 Dow Vancouver Olympic program.

In February 2009 [REDACTED] told [REDACTED] that his son [REDACTED] had applied to Jet Set for a summer intern position. [REDACTED] was offered an internship from May 2009 through August 2009 at [REDACTED] graduated from college in May 2010 and started a job at Jet Set in [REDACTED] as a [REDACTED]

Dow's 2009 Conflict of Interest Audit Questionnaire question number 1 is "To your knowledge, do you or any member of your family act as an officer, director, partner, member, consultant, or employee of a company or enterprise doing business with Dow or in which Dow has a financial interest?" [REDACTED] answered "no" on September 23, 2009.

In October 2007 Andrew Liveris (ANL) wrote an email to [REDACTED] "Can I ask you to check with [REDACTED] regarding whether he would take [REDACTED] as a jet set intern at the Olympics next year?" [REDACTED] agreed and asked for a resume so [REDACTED] could be loaded into their HR system. Due to [REDACTED] scheduling conflicts it appears that he was only was able to work for a week (August 2 - Aug 9, 2008) in Beijing.

On 12/27/2009 [REDACTED] charged to his ProCard \$4,171.10 at the restaurant Equus in Bernardville, NJ. [REDACTED] invited his wife and 10 Jet Set employees as attending. The receipt shows 30 meals were purchased.

[REDACTED] wife's 50<sup>th</sup> surprise birthday party (held on [REDACTED]) included [REDACTED] and his family. The [REDACTED] were seven of the thirty three invited.

12/19/2009 [REDACTED] "The reason I am telling [REDACTED] we are going to our friend, [REDACTED] [REDACTED]

[REDACTED] restaurant in Bernardsville, NJ where we will celebrate is to celebrate [REDACTED] birthday (also a friend) which is actually [REDACTED] and his [REDACTED] will be there with their immediate family to help us celebrate [REDACTED] and [REDACTED] birthday. We have made it an annual tradition to have dinner with the [REDACTED] to celebrate [REDACTED] and [REDACTED] birthdays and a reason to get the family's together for some holiday cheer!" [REDACTED]

#### B. Liquor License Potential Violations

[REDACTED] may be jeopardizing the liquor license at The H hotel by purchasing wine to be served at the hotel's two restaurants.

From the State of Michigan Liquor Control frequently asked questions website: "Are patrons allowed to bring their own alcoholic beverages onto Licensed premises?"

Usually, no. R436.1033, Rule 33 of the Administrative Rules state that a retail licensee of the commission can have in his or her establishment only those alcoholic beverages that have been purchased by the retail licensee from an authorized wholesale distributor. This effectively eliminates patrons from bringing onto premises their own beer, wine or spirits. There is an exception to this rule which allows hotel guests to bring in their own alcoholic beverages to the bedrooms or suites of a licensed hotel for consumption in these areas."

[http://www.michigan.gov/dleg/0,1607,7-154-10570\\_16941-40917--,00.html#enfo4](http://www.michigan.gov/dleg/0,1607,7-154-10570_16941-40917--,00.html#enfo4)

TDCC leases space within the The H hotel for The Customer Accommodations Center (CAC), The Dow Leadership Academy (the "Academy") and The Diamond Club.

TDCC leases space within the Midland Country Club (MCC) for The Dow Club.

[REDACTED] is the supervisor for all of the Dow employees within these three leased spaces.

[REDACTED] staff has purchased wine for Dow executive's business use within the leased space of the CAC, the Academy, and The Diamond Club. They also have purchased wine for use at MCC. That wine was to be used for business purposes only. When that wine was served it posed problems with staff gratuities and revenue flow as it is was not part of any billing. The solution for the MCC staff gratuities was to include a corkage fee per bottle to be used as tips for the servers.

Corkage fees are based on the price of the wine and are 20% at MCC per the 2007 waiter pay guidelines.

On May 27, 2010 three cases of Penfolds Grange shiraz (Grange) were dropped off by [REDACTED] in Teterborough for Corporate Aviation to deliver to the H (two cases) and ANL's home (one case). This raised concerns at The H because ANL wanted to be served the wine at The Table and Café Zinc which are outside of Dow's leased space.

[REDACTED] agreed that only ANL would be allowed to be served his own wine at the restaurants and that he would be charged a corkage fee of \$30/bottle of Grange when he used the wine for business or personal use. This was less than 10% of the cost of the wine (this particular purchase of wine was approximately \$354/bottle). The fee the H hotel restaurants use is 22% (plus they receive revenue from using their own stock).

When ANL was notified via email that he would be charged a personal use fee of \$30/bottle he wrote that the fee was "outrageous". The personal use fee for ANL was reduced to \$15/bottle and the business use fee remains at \$30/bottle.

### C. Misclassified Gifts

#### 1. Wine

Grange is widely considered Australia's most collectable wine. It appears that [REDACTED] began sending bottles of Grange as gifts from ANL in 2007 (see excerpt from emails below).

In 2010 [REDACTED] purchased approximately \$90,000 of Grange on his ProCard. [REDACTED] has spent in excess of \$460 per bottle of Grange. [REDACTED] has expensed Grange as customer entertainment, materials and supplies, other, and gifts.

When [REDACTED] purchases and sends the wine as gifts it should be expensed as a gift and the name of the recipient listed on the TER report.

Excerpts of what appears to be the beginning of ANL's requests to [REDACTED] to send wine as gifts:

- 3/4/2007 "Gifts for [REDACTED] & [REDACTED] "These guys were unbelievable on my panel last night. [REDACTED] would (sic) the following from me sent to them: 1. A personal note from me on my Dow letterhead to be drafted by [REDACTED] 2. Three bottles of Penfolds Grange Hermitage- vintage 90's - in a special box for [REDACTED] 3. Three silk Hermes ties/crevettes for [REDACTED] Please let me know when assembled. [REDACTED] if you buy 24 bottles & 24 sets then these

can be standard gifts from me in sets of three." Note: 3/13/2007 [redacted] etc

- 3/15/2007 "Thanks [redacted] We will do this for a few others... buy some reserves!!!!"
- 5/2/2007 [redacted] ANL's [redacted] "Andrew -- Paula called to remind you [redacted] b-day is the same day as yours if you want to send him anything." ANL to [redacted] "Can you ask [redacted] to send three ties.....plus three bottles of wine..... with a happy birthday note from me & Paula"

Excerpts of recent requests that are misclassified:

- 12/12/09 ANL to [redacted] Subject: [redacted] Can you send him a dozen bottles of Grange for Christmas from me ?" Purchased by [redacted] from Mosimann's for \$7,467 it was expensed as Materials and Supplies, supplies for Dow Club.
- 12/13/2009 ANL to [redacted] Subject: 3 bottles of Grange "Can you send to [redacted] With note "Thanks [redacted] for being such a great mentor and friend to [redacted] and all of the Liveris family"

No gifts have been expensed by [redacted] since [redacted] etc

2. Retirement award

[redacted] is working on a retirement award that is outside of the Dow policy for retirements. Dow's TER policy "The Dow-sponsored credit card and TER processes and substems are NOT to be used for employee gifts. Dow has dedicated programs for employee recognition, service awards and retirement."

[redacted] etc  
4/27/2010 ANL to [redacted] copied to [redacted] etc  
Subject: [redacted] Retirement Gift  
"I said we would pay for 2 first class tickets to the US City of his choice. Can you organize with him? Include golf at Pebble? Or tickets to US Open or PGA? [redacted] & I can join him with spouses if calendars work"

5/12/2010 [redacted]  
Subject: AUGUSTA  
"When Andrew was in Australia we briefly talked about a customer trip to Augusta Georgia. Has he indicated any desirable/convenient timing???"

5/13/2010 ANL to [redacted] copied to [redacted]  
Subject: AUGUSTA  
"[redacted] can we plan oct-nov timeframe"

3. Donations

[redacted] is the Chairman of the [redacted]

[redacted] asked [redacted] his employee in charge of event tickets, to pick out Mets, Yankees and Phillies tickets for a raffle donation for the event. [redacted] picked tickets in July with a combined value of \$967.26. This is contrary to his stated policy to only donate tickets within two weeks of an event so that the Dow salesmen and customers would have first choice.

[redacted] 5/25/2010 Subject: SBHS Project Graduation [redacted] the shirts are on their way to you. Also came across a ton of PGA Baseball Caps so sent about 150 of them too." [redacted] sent seven boxes of shirts via Fed-X'd to [redacted] it is unclear as to how many shirts were in the boxes but at the same time she sent ten boxes of shirts to The Sports Corp Inc. which contained 395 Men's Oxford XLA Polo-Stone Shirts.

D. Dow Paid Personal Requests

An event planner that [redacted] uses is The Sports Corp Inc of Indianapolis (Sports Corp). From January 2009 through May 2010 Dow paid Sports Corp over \$3 million. The billings from Sports Corp do not list the names of event attendees as sometimes they are created months prior to the actual event. The names on the itineraries created by Sports Corp along with a review of [redacted] email have shown that events that appear to be customer entertainment have sometimes had more friends and family attending than customers.

1. Super Bowl 2010 February 5-8, 2010 Miami, Florida

1/17/10 ANL to [redacted] "Also regarding SÜperbowl (sic). Please tell no-one I am going .....like always."

1/17/2010 [redacted] reply: "As always--no one knows your schedule and I have your tickets on the opposite side of the stadium from the customer tickets. You are not attending any of the same events that any of the Dow customers are attending."

2/1/2010 [redacted] to ANL: "Andrew, FYI here is a list of customers and Dow personnel attending the Super Bowl Customer Event this year:

[redacted]

All are staying at Doral.  
Also I have taken care of [redacted] request."

2/1/2010 ANL reply: "Ok. Make sure they don't know I am there"

2/1/2010 [redacted] reply: "Got it! No problem."

[redacted] arranged two hotels and two programs for Super Bowl 2010. One was for Dow customers and their Dow hosts. One was for ANL and his guests (referred to as the "ANL program" by Sports Corp). The cost of the two programs set up by [redacted] of Sports Corp was contracted and billed by hotel.

The cost of the ANL program at the Biltmore Hotel, Coral Gables, Florida was \$218,938.00 which included 14 tickets. The cost of the other group at the [redacted]

[redacted] Andrew and his friends and relatives incurred 11/14 of the Biltmore cost. Their Super Bowl tickets were \$8,150 each the customer [redacted]

Ex. 4

Ex. 4

There were additional expenses incurred for ANL's group which were billed outside of the contracted costs. Those expenses included transportation to dinner at Red the Steakhouse in Miami Saturday night, [redacted] Center for the [redacted] at the dinner (\$15,000), and Authentic Jerseys signed by [redacted] picked up some costs at the Steakhouse but the meal cost has not been located.

"ANL program" Guests at the Biltmore

1. Andrew Liveris

- 2. [redacted]
- 3. [redacted]
- 4. [redacted]
- 5. [redacted]
- 6. [redacted]
- 7. [redacted]

[REDACTED]

11. [REDACTED] *ev6*

12. [REDACTED]

13. [REDACTED]

14. [REDACTED]

E-mail showing [REDACTED] as personal guests for Super Bowl 2010 travel: *ev6*

From: Liveris, Andrew (AN)  
 Sent: Saturday, January 16, 2010 4:33 PM  
 To: [REDACTED]  
 Subject: Super bowl *ev6*

I will take the plane down Friday afternoon .

Passengers - Paula and I - business

Others [REDACTED] all personal *ev6*

Best regards.....Andrew

Email showing relationship of [REDACTED] *ev6*

-----Original Message-----  
 From: Liveris, Andrew (AN)  
 Sent: Friday, April 16, 2010 5:15 PM  
 To: [REDACTED] *ev6*  
 Subject: RE: Question: NY / May 6th AIF Dinner

He can. But I may change between now & then.

*ev6* [REDACTED] no guest.  
 [REDACTED] probably. I will ask

Best regards.....Andrew

-----Original Message-----  
 From: [REDACTED] *ev6*

Sent: Tuesday, April 20, 2010 04:27 PM Eastern Standard Time  
To: Liveris, Andrew (AN)  
Subject: RE: Question: NY / May 6th AIF Dinner

Did [redacted] advise if [redacted] will be bringing a guest?  
[redacted] **ce6**

-----Original Message-----  
From: Liveris, Andrew (AN)  
Sent: Tuesday, April 20, 2010 4:30 PM  
To: [redacted] **ce6**  
Subject: RE: Question: NY / May 6th AIF Dinner

Yes

Best regards.....Andrew

-----Original Message-----  
From: [redacted] **ce6**  
Sent: Tuesday, April 20, 2010 04:31 PM Eastern Standard Time  
To: Liveris, Andrew (AN)  
Subject: RE: Question: NY / May 6th AIF Dinner

Assume it is [redacted] **ce6**

-----Original Message-----  
From: Liveris, Andrew (AN)  
Sent: Tuesday, April 20, 2010 5:09 PM  
To: [redacted] **ce6**  
Subject: RE: Question: NY / May 6th AIF Dinner

Nope. [redacted] Long story  
[redacted] **ce6**

Best regards.....Andrew

PROGRAM DETAILS

Event: 2010 Super Bowl -- Miami, Florida  
 Hotel: The Biltmore Hotel, Coral Gables, Florida  
 Date of Program: Thursday, February 4 -- Monday, February 08, 2010

Arrangements Total Price	Price Per Person	
1 Golf Suite	\$ 7,300.00	\$ 7,300.00
1 Superior Room adjourned to Golf Suite	\$ 4,400.00	\$ 4,400.00
10 Junior Suites	\$ 4,800.00	\$ 48,000.00
14 Lower Level , Between the 40 Line tickets, in pairs or better	\$ 8,150.00	\$114,100.00
1 Private Dining Room Dinner at Palm d'or -- minimum F&B	\$ 5,000.00	\$ 5,000.00
14 Pre NFL On Property Super Bowl Party Passes	\$ 695.00	\$ 9,730.00
5 Luxury SUV's with professional Drivers, 3 days, 12 hours per day	\$ 5,068.00	\$ 25,340.00
1 Luxury SUV's with Security Officer, 5 days, 16 hours per day	\$ 5,068.00	\$ 5,068.00
Rooming List Due NLT January 4, 2010		
Management fee of 15% charged on everything but rooms and Event tickets, to be billed post event		
<b>TOTAL</b>		<b>\$218,938.00</b>

Payment Schedule

Payment for the entire programs is to be made according to the following schedule:

50% deposit payment due immediately	\$109,469.00
Due NLT January 2, 2010	\$109,469.00
<b>TOTAL</b>	<b>\$218,938.00</b>

Accepted

\_\_\_\_\_  
 The Sports Corp., Inc.

\_\_\_\_\_  
 The Dow Chemical Company., Inc.

PROGRAM DETAILS

Event: 2010 Super Bowl - Miami, Florida  
Hotel: [REDACTED]  
Date of Program: [REDACTED]

Ex. 4

Arrangements  
Total Price

Price Per Person

[REDACTED]	[REDACTED]
------------	------------

Ex. 4

Accepted

\_\_\_\_\_  
The Sports Corp., Inc.

\_\_\_\_\_  
The Dow Chemical Company., Inc.

2. Additional Super Bowl programs

Since at least 2008 the Super Bowl programs have been split into two hotels, one for ANL's guests and one for the other Dow group. Invoice #2999 from the 2008 Super Bowl states "tickets will be on opposite side of Wigwam ticket order."

Email records show that [REDACTED] and [REDACTED] have attended since 2006 when ANL met [REDACTED] for the first time.

Sports Corp Super Bowl Contracts and Payments

Program	Super Bowl Year	Number of Tickets	Hotel	Contract	Paid
ANL	2008	8	Scottsdale Plaza	167,370	255,210
ANL	2009	14	Ritz Carlton, Sarasota	186,544	222,783
ANL	2010	14	Biltmore, Coral Gables	218,938	no final billing
Other	2008	[REDACTED]			
Other	2009	[REDACTED]			
Other	2010	[REDACTED]			
				* derived from Invoice	

Ex. 4

Family and Friends Participating in ANL's programs by Super Bowl year

Name	Relationship to ANL	2010	2009	2008	2007	2006
Andrew Liveris		x	x	x	x	x
[REDACTED]	[REDACTED]	x		x		x
[REDACTED]	[REDACTED]	x	x	x	x	x
[REDACTED]	[REDACTED]	x	x	x	x	
[REDACTED]	[REDACTED]	x	*	x		
[REDACTED]	[REDACTED]		*	x		
[REDACTED]	[REDACTED]	x	x		x	
[REDACTED]	Friend of [REDACTED]				x	
[REDACTED]	[REDACTED]	x	x	x		x
[REDACTED]	Friend of [REDACTED]					
[REDACTED]	[REDACTED]	x	x	x		x
[REDACTED]	[REDACTED]	x	x			
[REDACTED]	[REDACTED]	x				
[REDACTED]	Friend of [REDACTED]	x	x	x		
[REDACTED]	[REDACTED]			o		
[REDACTED]	[REDACTED]			o		
Total		11	11	12	5	6
	*= late cancellations					
	o=late adds					

926

Family and Friends Participating in ANL's programs by Super Bowl year data from:

2010 participants from Sports Corp itinerary and rooming list

2009 participants from Sports Corp itineraries and Sports Corp email 1/13/2009 which lists [REDACTED] as cancelled, a 1/23/2009 email lists ANL's [REDACTED] as just cancelled.

926

2008 participants from Sports Corp itinerary

2007 participants from ANL email 1/28/2007

2006 participants from [REDACTED] email 1/23/2006

926

3. Payments for the Super Bowl programs

No reimbursements have been found.

The Super Bowl contracts are generally set in late August of the year before and half of the payment is due in that year, with the remaining balance due in January of the Super Bowl year. Any additional cost incurred by Sports Corp is billed after the Super Bowl. The vendor records since 2005 do not show any credits being issued by Sports Corp to Dow. This may indicate that there had been no payments made directly to Sports Corp for personal costs incurred. The only evidence discovered of discussions between ANL and [redacted] about personal repayments for the Super Bowl referenced the 2009 Super Bowl. *26*

In January 2010 ANL and [redacted] had an email discussion about a comment [redacted] had made about the price of the hotel. *26*

----- Original Message -----

From: Liveris, Andrew (AN)

To: [redacted] *26*

Sent: Wed Jan 20 16:35:51 2010

Subject: RE: Re: general

Have we picked up the accomm in previous years ?

From: [redacted] *26*

To: Liveris, Andrew (AN)

Sent: Wed Jan 20 16:50:21 2010

Subject: Re: Re: general

Last year you asked that [redacted] pay for their rooms we picked up the tickets and the other costs. *26*

Best regards,

[redacted] *26*  
The Dow Chemical Company

Office: [redacted]

Mobile: [redacted] *26*

Mailto: [redacted]

sent via Blackberry®

No evidence was found that [redacted] paid for their rooms. The key may be the phrase "you asked" it does not state that they actually paid for their rooms. Also of note was use of the word "we" it appears that when [redacted] said "we" he meant Dow paid for tickets and the other costs.

The review for evidence of payments included miscellaneous invoices issued, payments recorded by [redacted] group, TBR records looking for hotel credits, Sports Corp vendor records, and [redacted] man, there was no evidence of a payment made. A further review was done of Sports Corp vendor invoices looking for any reduced billing with a credit for any payments made for hotel rooms and none were found.

The original request from ANL to [redacted] is shown below:

From: Liveris, Andrew (AN)  
To: [redacted]  
Cc: [redacted]  
Sent: Sat Jan 31 13:38:43 2009  
Subject: This weekend  
Please charge the hotel room bills to my guests and mine to me.  
Please charge the superbowl tickets and the dinner to me.  
Thanks  
Best regards.....Andrew

Date: Sat Jan 31 2009 15:07:57 EST  
From: [redacted]  
To: Liveris, Andrew (AN)  
Subject: Re: This weekend  
No problem. Will handle  
Also-your room key gets you to the club access on the 8th floor.  
Enjoy.  
Best regards,

[redacted]  
The Dow Chemical Company  
Office: [redacted]  
Mobile: [redacted]  
Mailto: [redacted]  
sent via Blackberry@

The only payments recorded from ANL to Dow in the Customer Events Invoice Tracking Worksheet March 2003 - April 2010 are shown below. They are listed as "No Invoice Sent - Check from Andrew Liveris"

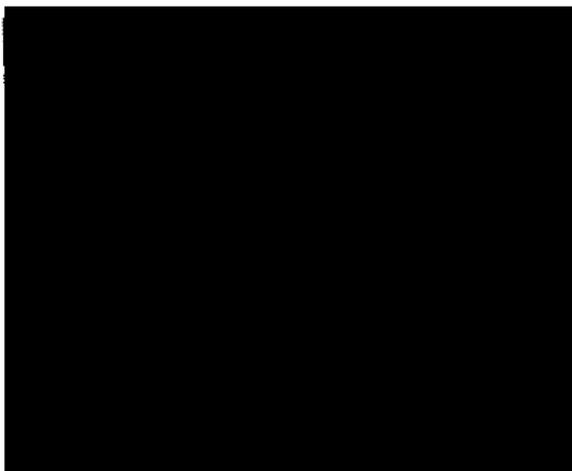


Ex. 6

A review of cost centers was done looking for credits. No credits were found that could be identified as payments from ANL for the 2009 Super Bowl.

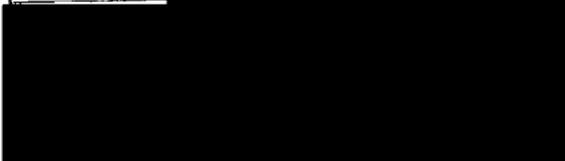
Miscellaneous checks received for TDCC are sent to Financial and Statutory Accounting for deposit. Those checks are copied and a hand written log is kept. Prior to 2009 an electronic spreadsheet was also kept. A review of checks from January 2007 through May 2010 was done and other than the checks listed above there were no checks discovered from ANL.

Another possible way for a check from ANL to be recorded into the Dow system would be through TERs. The only payments recorded from ANL to Dow for TERs are shown below and they are for personal expenses charged to the ProCard.



Ex. 4

10/1/2008	TER000046291	15.99
2/4/2009	TER000130759	44,741.21



Ex. 4

E. Inconsistency of Personal Guest Expense TreatmentI. Indy 500

5/18/2009

Subject: Indy 500

ANL to [REDACTED] 'Are the [REDACTED] going to the [REDACTED] dinner?'

[REDACTED] to ANL: "I have not changed the reservation. Should I discourage it? We do not do a customer dinner at this event-each host does their own dinner."

ANL to [REDACTED] "Couple more questions before I suggest what you do.

1. When did [REDACTED] decide to go?
2. When were the [REDACTED] included?

I am sensitive to Board member interactions without my knowing

[REDACTED] to ANL: "Andrew, one other note -- not sure if it matters but I just remembered that [REDACTED] mentioned last week that [REDACTED] was coming down to see them [REDACTED] attending the race as I understand it but I have no other details."

ANL to [REDACTED] "Make sure that he is sensitive to the [REDACTED] paying for their expenses. If you need my help, let me know."

5/19/2009

[REDACTED] to ANL: "Andrew, I talked with [REDACTED] today and he confirmed the following.

- The [REDACTED] will be responsible for the cost of their hotel stay.
- He will personally pay for [REDACTED] hotel room.
- He was planning on paying for dinner personally for the group so if the [REDACTED] wants (sic) to join they can.
- Tickets are a sunk cost and only available for access to our suite so its hard for us to sell them to just anyone to recover the cost so unless they are used they will go unused -- thus its not costing Dow any additional \$\$ to use them.

He noted that any costs that are additional costs should be handled as personal expenses as I've outlined above.

This makes sense (in my opinion) and is consistent with our past practice. Let me know if you need me to do anything further."

ANL to [REDACTED] "All set"

2. World Cup 2010

ANL and [redacted] are planning on traveling to South Africa during the time of the World Cup.

02/08/2010 ANL to [redacted] "I will take [redacted] South Africa, attend one game with them, and do a safari the rest of time. I can be with customers that game."

02/08/2010 ANL to [redacted] will stay in South Africa a further two weeks - from June 27 to July 10/11. They will be with three friends, and would like tickets to a further 4 games during that period.....hopefully including the finals... Can you organize and let me know the cost? Thanks a lot"

An email from [redacted] about the three soccer match tickets he wants for his two friends, himself and [redacted] "Friends would like to know how much this would cost or is it customer seats?"

No emails have been discovered from [redacted] that itemize any cost to ANL.

5/2/2010 ANL to [redacted] "Thanks [redacted] I will leave them under your program from the 30th to the 7<sup>th</sup>/8<sup>th</sup>. Will work with you & [redacted] on details."

[redacted] has arranged tickets, transportation, and accommodations.

No reimbursements have been found.

3. Masters Tournament April 8 - April 11, 2010

2/16/2010 [redacted] to ANL: Subject: [redacted] call.... Said he was a personal friend of yours and you invited him to the Masters and he's asking for exact dates. If this is correct, pls advise what you want me to tell him."

ANL to [redacted] "Call him, give him dates- but tell him we may not go. I will decide next week."

The [redacted] joined ANL and [redacted] at the Tournament.

4/7/2010 Sports Corp made Spa reservations for [redacted]

provided: five tickets for the Masters for Thursday, Friday and Saturday; shirts for ANL's "crew"; and transportation for [REDACTED] and [REDACTED] (arranged a driver.) Also [REDACTED] arranged dinner on Friday night.

[REDACTED] provided hotel, transportation from the airport; and hospitality house meals.

No reimbursements have been found.

#### F. Actions Outside of Scope of Job

[REDACTED] has been asked by ANL to handle clearly personal requests.

- He has been asked to communicate directly with [REDACTED] to self [REDACTED] [REDACTED] that needs some work.
- Give cash to [REDACTED] (\$450)
- Asked at 7pm to order a surprise birthday cake for [REDACTED] and find him at a restaurant that night.
- Have Happy Birthday appear on the Piston's screen for [REDACTED] and [REDACTED]
- Pick up a three shot – 2 regular/1 decaf – skim milk medium latte.
- Went to a hotel to look for a ring that [REDACTED] left.
- Purchased and had hand delivered on 5/21/2010 two tickets for the 2010 UEFA Champions Cup in Madrid to [REDACTED]
- [REDACTED] is currently working on making all of the arrangements for a golf trip for ANL, [REDACTED] in Scotland. ANL wanted to play the old golf courses and Paula did not have any success at getting him into the St. Andrews golf course with the travel agent she contacted. The trip was turned over to [REDACTED] who used Colvin Sports (a vendor Dow uses for event planning) to pull some connections and arrange the trip. According to [REDACTED] 6/2/10: "I know [REDACTED] are not golfers so I have them lined up for an instructor while [REDACTED] play St. Andrews. Therefore [REDACTED] as the option to add others to play golf with him to fill out the foursome or if he wants to add one more a threesome."

G. Extending Business Trip for Personal Reasons

A. [redacted] trip to Florida June 4 – June 7, 2010

[redacted] wrote to a friend that he was going to miss his 25<sup>th</sup> wedding anniversary because he was going to be in South Africa so he wanted to get away for a long weekend with his wife.

[redacted] wrote that he needed to check out a hotel for ANL's leadership meeting in January 2011 and that the only time he could get away would be the upcoming weekend.

[redacted] booked a Dow trip for four days and three nights to the Ritz Carlton, Fort Lauderdale. An Ocean Front Suite at \$449/night. Total hotel \$1,495. Dow did not pay for his [redacted] airfare, but [redacted] did question the spousal travel policy before he left.

H. Cost of Catering for Personal Events

A. Background

Please note: The event on May 5<sup>th</sup> is a birthday party for ANL. [redacted] reports to [redacted]

From: [redacted]  
Sent: Friday, May 04, 2007 10:22 AM  
To: [redacted]  
Subject: RE: Unless the policy has changed

[redacted] - question ... Did you discuss with [redacted] Liverts that the following expenses will also be billed to her?

- Server wages @ \$10.00 per hour per person
- Delivery Fees @ \$15.00 per load

There will be no bartender or chef wages added in.  
Just wondering ... I remember when it was a surprise in the past (can't remember who -- [redacted] and trying to avoid the same.  
Thanks!

From: [redacted]  
Sent: Friday, May 04, 2007 12:01 PM  
To: [redacted]  
Subject: RE: Unless the policy has changed.

Not sure if she is aware... If we are following the guidelines of the MCC billing process; not sure why we would have to bring it up. I'm assuming that

all of the non-business delivery/events that are being prepared by the MCC/Dow Club are following the MCC billing process. There should be no surprises. The other person mentioned had never had a catering; didn't quite know the processes or expectations.

From: [redacted] *erb*  
Sent: Friday, May 04, 2007 12:16 PM  
To: [redacted] *erb*  
Cc: [redacted]  
Subject: RE: Unless the policy has changed.

Importance: High  
Please discuss with me or [redacted] any billing questions or issues on the May 5th Liveris event [redacted] had a lengthy discussion last night and yet again--we have ourselves into a position that menu's were planned, arrangements were made and just yesterday a "budget" was discussed with [redacted] We are too far down the path of assuring success in the Liveris home to make any dramatic changes to the menu offering etc so I have told [redacted] to do the best he can to meet [redacted] budget guideline and anything "over" the agreed to amount should be billed to me I again will write this off as a learning experience for everyone--including me (which is how we handled the [redacted] situation) to implement a process if for a personal catering that the first thing that needs to be considered is the BUDGET.  
I am available on my cell if needed.

Bob

From: [redacted] *erb*  
Sent: Wednesday, May 02, 2007 6:43 PM  
To: [redacted] *erb*  
Cc: [redacted] *erb*  
Subject: Unless the policy has changed.

The event on May 5th is a personal event - not a Dow function. MCC wine should be considered; if not a transfer slip from the Dow Club cellar to the MCC should be created. The MCC may then add additional fees as if they were selling this wine from their cellar if they decide to (adherence to their policy is crucial). Just a reminder in case the Dow Club is audited. Offerings from the Dow Club wine cellar are used for business functions only.

[redacted] *erb*  
The Dow Chemical Company  
Located at the Ashman Court Hotel  
111 W. Main Street - 4th Floor  
Midland, Michigan 48640-5154

From: [redacted] *erb*  
To: [redacted]

Subject: FW: Unless the policy has changed.

[REDACTED] EYB

Are we to let MCC choose wines for Liveris Event? We have not in the past. They do not have the quality needed either. I wonder why you were not included in this reply sent? Joseph

From: [REDACTED] EYB

Sent: Wednesday, May 02, 2007 7:58 PM

To: [REDACTED] EYB

Subject: RE: Unless the policy has changed. We need to make sure this is A+.

I have told [REDACTED] to do what we need to do.

[REDACTED] EYB

From: [REDACTED] EYB

Sent: Wednesday, May 02, 2007 08:13 PM Eastern Standard Time

To: [REDACTED] EYB

Subject: RE: Unless the policy has changed.

EYB [REDACTED] has asked me to go to the store for her to purchase sodas, waters, beer, juices for the event on May 5th because of the cost of purchasing them thru the Club. She is thinking of having me purchase the wine as well...not running it through the Club because of cost. - she indicated that she would let me know tomorrow how I should proceed.

I agree this event should be A+ but the Liveris' are paying for it. I am making every effort to make it just that. Historically, running up a large tab (at their cost) is not always a popular choice. Honoring wishes of all concerned is what we are striving for - getting audited for not taking the necessary steps to do things properly would be worse; especially in this situation. Processes for these events are looked at very carefully - for all CEO's I'm guessing. There is no doubt in my mind that we are all trying to do the right things; you and I are probably a little more aware of the processes than other members of our team - gentle guidance is important.

From: [REDACTED] EYB

Sent: Wednesday, May 02, 2007 9:27 PM

To: [REDACTED] EYB

Subject: RE: Unless the policy has changed.

Bottom line-do what is best for [REDACTED] and Andrew

[REDACTED] EYB  
[REDACTED] EYB

B. ANL will be having [REDACTED] party at his home on [REDACTED]

[REDACTED] EYB

From: [REDACTED] **erb**  
Sent: Wednesday, June 02, 2010 11:49 AM  
To: [REDACTED] **erb**

Furniture delivery and pick-up; labor and table cloths will be run through the Dow Club. I will purchase the beverages from Sam's Club and deliver them to the event location...I will be reimbursed for this expenditure. Just want you to be aware of the plan.

[REDACTED] **erb**

-----Original Message-----

From: [REDACTED] **erb**  
Sent: Wednesday, June 02, 2010 9:37 AM  
To: [REDACTED]  
Cc: [REDACTED] **erb**  
Subject: RE: Liveris Catering on June 13th...  
Importance: High

Please confirm that the Dow Club Staff below is available for the times listed.

[REDACTED] **erb** please order 3 bundles of 90" inch square cloths (white) as well as 10 - 120" rounds through the MCC. The staff is to bring the cloths with them on June 11th at 10:00am. I have changed the # count of the items that are to be delivered per our discussion. Please plan accordingly.

Thank you.

[REDACTED] **erb**

-----Original Message-----

From: [REDACTED] **erb**  
Sent: Thursday, May 06, 2010 4:11 PM  
To: [REDACTED]  
Cc: [REDACTED] **erb**  
Subject: Liveris Catering on June 13th...

Will need assistance on June 11th, June 13th and June 14th with the supervision of furniture deliveries, event set-up, supervision of event and clean-up as well as the removal of the items from the Liveris garage.

Dow Club Staff - scheduling needs: (be at the Liveris home at the times listed below)

June 11th [redacted] 10:00am - 3:00pm *evb*

June 13th [redacted] 10:00 - 3:00pm

[redacted] 10:00 - 9:00pm *evb*

June 14th [redacted] 8:30am - 11:00am *evb*

Event overview:

Event date: June 13th, Sunday

Time of the actual event: 3:00pm - 7:00pm

Food: provided by the H

Service staff: provided by the H

Dow Club staff needed: for the supervision of overall event set-up, actual event and day after pick-up: MCC staff [redacted]

Tent: [redacted] to rent if needed *evb*

Entertainment: yes, already secured - location: patio *evb*

H to provide:

All china, flatware, glassware etc.

All food service and prep items

Banquet tables for expediting food from the garage; warming units etc., cloths for the banquet tables

Bus tubs for dirty dishes, towels etc.

Ice (a lot) for drink tubs and icing beverages

Items needed from Dow storage [redacted] *evb* arrange with Dow Facilities for delivery to the garage at the Liveris home on June 11th (Friday) in the AM; as well as the pick of all items to be returned to Dow storage on June 14th - (Monday). Confirm times when arranged so I can let Mrs. Liveris know.

5 couches

5 coffee tables

10 side tables

10 soft chairs that go with the couches

6- 72" rounds - 3 for food/3 for guest dining

5 - cabaret tables

40 chivari chairs

12 Napa lamps - Eastman Road storage unit - to be placed in the garden

Responsibilities:

[redacted] to be at the Liveris home to receive the items needed for the catering from the Dow Facilities team.

[redacted] to cover soft seating with white tablecloths after furniture delivery on the 11th.

[redacted] to move all of the needed furniture to the lawn (place per direction provided by [redacted] as well as all aspects of the event (other than the food and service piece) at 10:00am on Sunday, the 13th. Sandy to supervise the event on the 13th [redacted] will be on-site as well).

H to handle all responsibilities with regard to food and service: food prep, food replenishment (buffet), drink service, clearing of dirty dishes, clean-up etc.

Sandy to work with the H staff to place everything (all furniture, lanterns, etc.) back into the garage after the event.

[redacted] to meet the Dow facilities team (on June 14th AM) at the Liveris home to manage the pick-up of all items that need to go back into storage.

[redacted] to purchase and deliver all beverages for the event.

Please confirm that you understand expectations. Let me know if you have questions.

Thank you.

[redacted signature]

The Dow Chemical Company  
Located at the H Hotel  
111 W. Main Street - 4th Floor  
Midland, Michigan 48640-5154

[redacted]

*erb*

VI. Additional Information *erb* Salary & Promotions

Date	Event	Level	Monthly Salary
[REDACTED]			

*erb*

VII. Recommendation – Group Dynamics

Additional research for recommendations for future prevention of personal use of relationships and connections with companies that provide hard to get or VIP tickets, and companies that provide luxurious full package event planning yielded an article by Suzanne Hopgood.

*"Suzanne Hopgood* is President and CEO of The Hopgood Group LLC a business consulting firm founded in 1985. Ms. Hopgood is currently Chairman of the Board and Chairman of the Nominating and Corporate Governance Committee of Del Global Technologies International a manufacturing company producing medical imaging and high voltage equipment. She is also President of the Connecticut Chapter of the National Association of Corporate Directors. Ms. Hopgood has served as the CEO of both private and publicly traded companies as well as Chairman of the Board of two public companies. She is on the faculty of the National Association of Corporate Directors facilitates their In-Boardroom programs has authored numerous articles and is a frequent speaker on corporate governance for corporate directors as well as the World Bank."

[http://www.walkersresearch.com/profilePages/Show\\_Executive\\_Title/Executiveprofile/S/Suzanne\\_Hopgood\\_100020743.html#](http://www.walkersresearch.com/profilePages/Show_Executive_Title/Executiveprofile/S/Suzanne_Hopgood_100020743.html#)

Suzanne Hopgood writes:

"CEO's set the tone for their corporations, not only the public face of the organization for marketing purposes, but also, and perhaps most importantly, the internal atmosphere that affects every file clerk, every vice president and every employee up and down the organization.

If the tone is one of commitment to the company and its customers and shareholders, then all decisions have, at their heart, adding value to the company. But if the tone from the top communicates dishonesty, self dealing, recklessness or other forms of inappropriate behavior, all actions will be measured against that standard -- and the results are predictable.

The highly visible scandals that have rocked some of America's largest corporations have

been educational for those unfamiliar with that world, but outsiders will never know the damage that has been inflicted inside those companies.

There are no secrets in sophisticated business organizations. For every complex financial scam that sneaks through undetected, there are dozens of indiscretions, large and small, that are identified by staff at all levels, that spread through the company like a terrible infection, affecting the decision-making and moral compass of the workforce.

Most employees within a company know exactly how a CEO behaves and they take it as a model for their own behavior. If the CEO takes advantage of his or her position to inappropriately charge items to the company, or claims inappropriate reimbursements, the moral defect starts a chain reaction throughout the organization. If the CEO charges the company for a birthday party of a spouse, employees absorb the message that it is appropriate for them to charge personal expenses to the company.

The rot prompts decay, both large and small. It becomes the "culture" of the company.

The press has entertained us with stories of CEOs reimbursed for prostitutes, dry cleaning, clothes, greens fees, family trips, Cuban cigars, expensive wines, and spouses hired as "consultants." The repugnant behavior may have been a revelation to the outside world, but inside the walls of the corporations involved, the destructive nonsense was well known.

All charges and reimbursements are processed through the accounting department --- and egregious behavior is often facilitated through various layers of management and staff. These stories circulate through the organization, directly, and indirectly, purposefully and inadvertently. How long, for example, did it take for employees of Tyco to hear the story of the company paying for an ice sculpture of David that "served" vodka? The story spread faster, I suspect, than the ice melted or the vodka flowed.

The clear message to employees who are aware of such CEO behavior is that adding hours to a time card, stealing product or misappropriating cash is the coin of the realm, in an environment where one can never hope to match the CEO for lucrative looting.

To be sure, my CEO stints have been at troubled companies in severe trouble, where a cost-conscious executive's message and behavior may have had more resonance. But in my experience consulting at many companies, on several boards, the standard operating procedures of the CEO becomes the culture of the organization -- and a sense of entitlement at the top spreads quickly and destructively.

Here are some suggestions for setting the tone:

1. Provide to the accounting clerk who will be responsible for reimbursements, the section of the CEO contract that deals with reimbursements.
2. Announce at the first employee meeting that all gifts to the CEO are to be returned unopened.

3. Appoint a Compliance Officer to determine if and when gifts or tickets are acceptable for employees, including the CEO.
4. Define "ethical behavior" and hold the senior staff accountable.

These procedures aren't dreamy theory, drifting out of an "ethics" workshop. This is nuts-and-bolts good business practice that shouldn't be difficult to implement, shouldn't be onerous to manage -- and shouldn't be unusual at companies committed to their shareholders and owners."

<http://www.hopgoodgroup.com/PressReleases/CEOTheft.html>

**FREEDOM OF INFORMATION REQUEST  
EXEMPTIONS AND EXPLANATIONS**

<b>DESCRIPTION</b>	<b>Dow Chemical v Complainant “Complainant’s Response”</b>
<b>EXEMPTION</b>	<b>2 3 4 5 6 7a 7c 7d 7e</b>
<b>PAGES</b>	<b>17</b>
<b>OTHER INFORMATION</b>	The following pages have been removed as they are exempt from FOIA release under the cited exemption(s).

<b>EXEMPTION</b>	<b>EXPLANATION</b>
2a	Internal matters of a relatively trivial nature
b	More substantial internal matters, the disclosure of which would risk circumvention of a legal requirement.
3	Information prohibited from disclosure by another statute.
4	Information that is classified as trade secrets and/or of commercial or financial value obtained from a person and is privileged or a confidential source of information.
5	Inter-agency or intra-agency memoranda or letters that would not be available by law to a party other than an agency in litigation with the agency.
6	This exclusion is intended to exclude from disclosure all personnel and medical files, and all private or personal information contained in other files which, if disclosed to the public would amount to a clearly unwarranted invasion of the privacy of any person, including members of the family of the person to whom the information pertains.
7a	Information contained in investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency.
7c	The identification of a confidential source or confidential information furnished by a confidential source.
7d	Information which could reasonably be expected to disclose the identity of a confidential source, including a state, local or foreign agency or authority which furnished information on a confidential basis
7e	Information that would disclose techniques and procedures for law enforcement investigation or would disclose guidelines for law enforcement investigation if such disclosure could reasonably be expected to risk circumvention of the law.

Memorandum

To: Jeff Tate, Corporate Auditor

[redacted] Director, Corporate Investigations Group (CIG)

From: [redacted]

Re: Update on Memorandum 9/20/12 Preliminary Investigation into Dow expenditures on The Hellenic Initiative (THI) & Prinkipos Environmental Foundation (Prinkipos)

Date: 1/23/13

I. Background

On 9/20/12 The Dow Chemical Company Corporate Investigations Group (CIG) met with [redacted] the [redacted] at that time, to discuss a preliminary investigation into Dow expenditures on The Hellenic Initiative (THI) & Prinkipos Environmental Foundation (Prinkipos). [redacted] stated that after the October 2012 Audit Committee meeting he would set up a meeting with the Audit Committee Chairman to discuss the Memorandum. [redacted] was offered a new position at Dow around the time of the Audit Committee meeting and no meeting with the Chairman was scheduled.

II. Re-initiation of review

One of the recommendations in the 9/20/12 Memorandum (\*1) was for CIG to perform preliminary interviews to determine why and how the Dow Public Affairs Department was involved in THI and Prinkipos. No interviews have been performed by CIG, but new information has come to light.

Similar to the initiation of the 9/20/12 review, three articles were picked up via routine CIG monitoring of the Internet with a Google Alert on the phrase "Dow Chemical".

11/28/12 Hellenic Initiative Launches Entrepreneurship Award with €5M Commitment  
<http://greece.greekreporter.com> (\*2)

12/2/12 The 2012 Capital Link Leadership Award Presented to Andrew Liveris  
[www.greeknewsonline.com](http://www.greeknewsonline.com) (\*3)

12/31/12 12 Greeks of America Who Left Their Mark in 2012  
<http://usa.greekreporter.com> (\*4)



The article on 11/28/12 mentioned that [redacted] Chairman and CEO of the Libra Group was an executive committee member of The Hellenic Initiative (THI). He was not mentioned in the articles on THI prior to 9/20/12. A review of the THI website on 1/2/13 showed that the website had been revised. The original four founders [redacted]

[REDACTED] plus Logothetis were listed as the Board of Directors. (\*5) The revised website had two other notable changes: first [REDACTED] was no longer listed as the THI contact (\*6) Instead there was a web form with no name. (\*7) Next, twenty-two "Members" were named. The Members included [REDACTED] Chief Executive Officer, Teneo Strategy LLC (Teneo) and [REDACTED] President, Teneo. (\*8)

Teneo is a consulting firm used by Dow Public Affairs and Government Affairs.

### III. Objective

The objective of looking further at this issue was to determine if there were any connections between the payments from Dow Public Affairs to Teneo, and THI. Research would again be limited to records readily available to CIG, without interviews, or informational interviews. Sources included Travel and Expense Records (TER), cost center data, accounts payable invoices, SAP Diamond System delegation of authority reports, the Intranet, and the Internet.

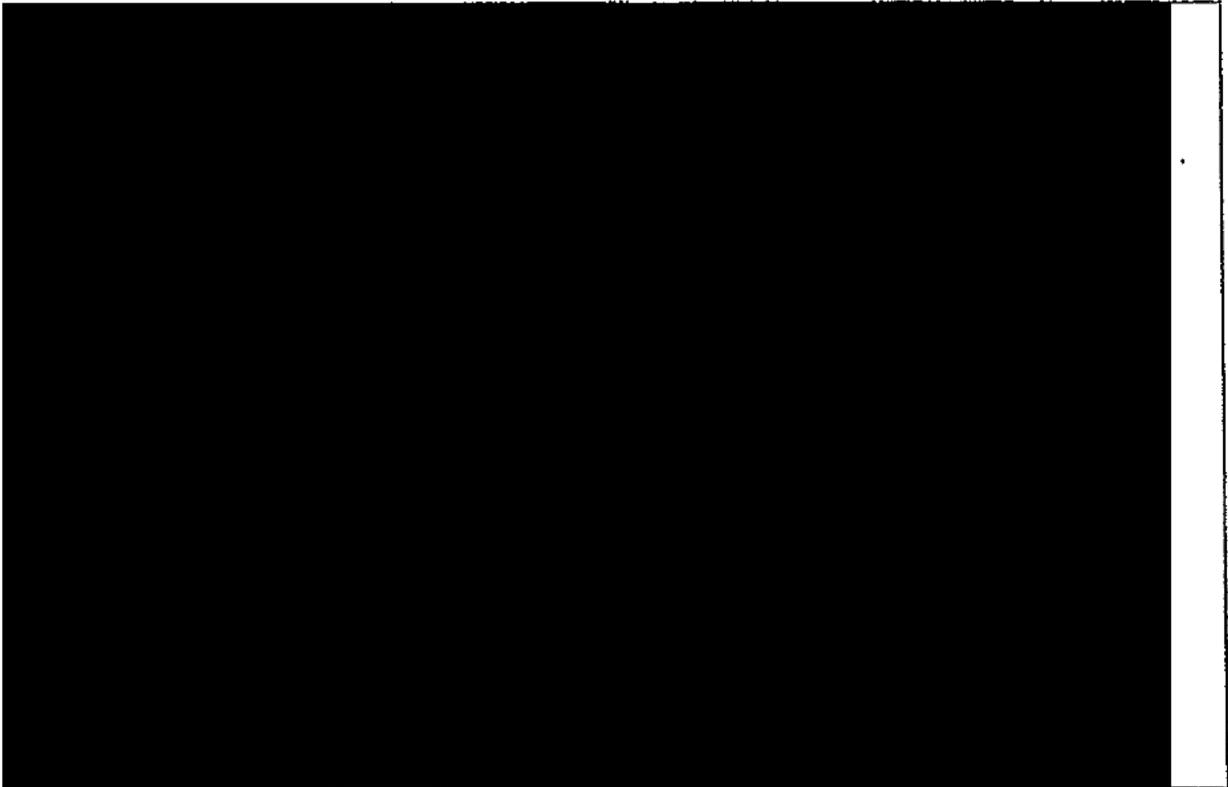
### IV. Review

#### a. Contracts Dow has with Teneo

In 2012 Dow paid Teneo Strategy LLC (Teneo) approximately eighteen million dollars. In 2011, the year Teneo was founded, Dow paid Teneo about three million dollars. (\*9) [REDACTED] was with FTI Consulting Inc. (FTI) until 6/15/11. (\*10) Dow paid FTI about four million dollars in 2011 and one hundred thirty thousand in 2012. (\*10.5) In 2011 the total spent with [REDACTED] companies was about seven million dollars; in 2012 the total was about eighteen million dollars. (\*11) Dow's spending has followed [REDACTED] from FTI to Teneo.

The total increase in spending from 2011 to 2012 of eleven million dollars was mainly due to two contracts. (See below.) The first contract was signed on 6/27/11 for approximately five million dollars for the year concluding 6/30/12. (\*12) Halfway through that contract a new contract was signed, on 1/17/12, for approximately sixteen million dollars for the year ending 12/31/12. (\*13) This increase was during a period where urgent actions were taken to minimize costs across the company. On 11/23/11 a message was sent to employees by Liveris which included the statement "Reduce, eliminate or defer activity that requires consulting fees." (\*14) There was also a follow up on 12/9/11 with the statement "external conditions remain extremely challenging. The actions remain in effect not only through the end of 2011, but into 2012, until conditions materially improve." (\*15)

Teneo Contracts - Statement of Work



Ex. 4

b. Delegation of Authority

Neither representative signing the Teneo contracts had appropriate Delegation of Authority (DOA). A DOA form was not found in the E-Source database.

Signature of Dow Employee	Title at Signing	Delegation of Authority -Annual Committed Purchased Amount	Teneo Contracts - Annual Amount	Signed on
[Redacted]	[Redacted]	2,000,000 (*16)	15,999,600	1/17/2012
[Redacted]	[Redacted]	2,000,000 (*17)	4,760,016	6/27/2011

c. Teneo 2012 spending was not a replacement for another vendor

To verify that the Teneo contracts were not a replacement of another vendor's services, a report was run on all of the same cost centers that the Teneo contracts were expensed to. (\*19) The Teneo contract spending was classified under the cost elements: professional fees & consultants, purchased services, and other materials and supplies. (\*20) The services, outlined in the contracts, provided by Teneo do not meet Dow's definition of other materials and supplies (\*21) but to determine if spending had gone up, all three cost elements were included in the query. The results showed spending in 2010=8.3 million, 2011=9.6 million, 2012=21.3 million. (\*22)

It appears the 2012 Teneo spending increase was for new services not previously provided by other vendors.

d. Teneo spending recorded as expense by Public Affairs and Government Affairs

In 2012, approximately seventeen million dollars paid to Teneo and FTI, was expensed to cost centers owned by employees reporting up to the Dow Vice President of Public Affairs and Government Affairs,

██████████ According to the Dow Global Public Affairs and Government Affairs website: "in 2006, he ██████████ was appointed Vice President of Executive Communications, Government Affairs & Community Relations. He was appointed to Vice President of Public Affairs in 2009 and gained responsibility for Government Affairs in 2011. He was named Corporate Vice President in 2012." (\*23)

When the Teneo contract was signed on 1/17/12, ██████████ was in charge of Public Affairs and Government Affairs. ██████████ does not have delegation of authority for committed purchased amounts. The closest delegation he has is for "aggregate promo & advertising contracts - annual" in the amount of three million dollars. (\*24)

e. Teneo Incomplete Services Activity Reports

The Teneo contracts have the same statement on the last page "Dow will not pay any invoices submitted by Agency which do not contain the following supporting documents 1) Services Activity Report, 2) third-party invoices (if applicable), and 3) travel expense receipts (if applicable)."

The invoices paid by Dow through the Accounts Payable Department which were reviewed by CIG do not contain completed Services Activity Reports. (\*25) When Service Activity Reports are included they do not contain the number of hours, the hourly rate, or the total cost by role as required by the contracts for payment.

The Description/Summary of Activities Performed that were included with the invoices scanned by Accounts Payable, include multiple rows of "ongoing advice and consultation" (\*26) as the detail for the billing month which is very vague.

The Teneo contracts require reporting by an hourly reconciliation, but the contracts do not state what the hourly amounts to be charged are. This is a disconnect because the contracts are set up to be paid on a monthly basis regardless of what the hourly reconciliation would have amounted to.

It appears that the intent of the contract was to pay Teneo a monthly fee for services for Dow projects.

f. Teneo Service Activity Report billing for THI

The 1/1/12-1/31/12 Teneo invoice TS120214, listed three Teneo managing directors, [REDACTED] with the description "Provided input on the Hellenic Award Release" as three separate line items. (\*27,28,29)

On 11/28/12 "The Hellenic Entrepreneurship Award, which offers entrepreneurs in Greece the chance to receive funding of up to €500,000 plus comprehensive mentoring and consultancy for a new business venture, was officially launched"

Teneo has performed work for THI and Dow has been billed for it, the line items contained no hours or hourly rates so the value of that work was undeterminable.

g. Teneo connection to THI – Go Daddy

The Domain name:THEHELLENICINITIATIVE.com was registered through GoDaddy.com by [REDACTED] (\*30) [REDACTED] a Vice President with Teneo, (\*31) and is listed in the second contract as part of the teams responsible for key activities in several sections of the Government Affairs portion of the contract. (\*33) The Government Affairs portion of the contract is three hundred thousand dollars a month. (\*34)

[REDACTED] is listed on the Service Activity Reports but there is no reference to THI in his activities. Teneo has not itemized all THI costs in their Service Activity Reports.

h. Teneo connection to Dow employees at THI launch

[REDACTED] Dow [REDACTED] was identified in the 9/20/12 Memorandum as having attended the THI launch on 7/22/12 in Athens. In a review of his TER reports it was discovered that he listed meeting with Teneo in New York on 4/30/12 on his expense report labeled "Project for Andrew Liveris". (\*35)

It was also discovered that [REDACTED] Office of the Chairman & CEO, had attended the THI launch in Athens (\*35.5) and had listed meeting in New York with Teneo from 7/10-7/13/12. (\*36)

[REDACTED] was also in meetings in New York from 7/10-7/13/12. (\*37)

[REDACTED] worked with Teneo on the THI project.

i. Teneo partner background

<http://teneoholdings.com/pages/about-us>

"Teneo was founded in 2011 by three partners, [REDACTED]

[REDACTED] (\*38)

j. Teneo advisors [REDACTED] and [REDACTED]

The 1/17/2012 Teneo contract, Key Activity, section 7, page 25: "General consultation to Dow for the international government affairs engagement plan, as required by Dow, including identification of, access to and key relationships as well as connection with key influencers in key geographies." (\*39)

In February 2012, it was announced that Bill Clinton would no longer be a paid advisor at Teneo. (\*39.5) This came about when Teneo's consulting contract with the bankrupt brokerage firm MF Global came to light. MF Global had been paying Teneo one hundred and twenty five thousand dollars a month for consulting services and allegations were that it was to improve the CEO's image and enhance his connections with the Clinton political family. (\*40)

Former President Bill Clinton attended the launch of THI in Athens on July 22, 2012 and met with the Greek Prime Minister Antonis Samaras. Liveris is quoted as saying: "When I called President Clinton he was very enthusiastic about the idea and he said I am in." (\*41)

Payments to Clinton Global Initiative made by Dow expensed as donations: 2011-\$498,000 2012-\$250,000 (\*42)

Former Prime Minister Tony Blair is a paid advisor to Teneo. (\*43)

The 1/17/2012 Teneo contract, Key Activity, section 6, page 25: "Teneo will work with the Dow team to support preparation for execution around the upcoming Davos event. This will include invitations, meeting scheduling, special events organizing (dinner with former PM Tony Blair), in addition to preparing briefing materials and key messaging documents to support the event. (\*44)

1/29/12 from the prior New York conference center Office Professional- "Bill Clinton and Tony Blair are coming in to hold Clinton Global Initiative Meetings and Economic Reviews with my CEO." (\*44.5)

It appears Dow is paying Teneo for connections with Clinton used for THI.

k. Other Kelly enterprises

[REDACTED] one of Teneo's founders, was instrumental in setting up the recent Irish investment forum and working with President Clinton to bring American companies to the table. In addition to representing President Clinton personally, Teneo will continue to work on a pro bono basis to expand participation in the Clinton Global Initiative and support for the Clinton Foundation's activities around

the world." (2/19/2012 <http://www.politico.com/blogs/burns-haberman/2012/02/bill-clinton-changes-relationship-with-teneo-114956.html>) (\*45)

In 2010 Dow paid the American Ireland Fund one hundred and seventy five thousand dollars. It was submitted for payment by [REDACTED] (\*46) It needed to be reclassified as a donation at year end because it was recorded as a purchased service. (\*47) The donation was in conjunction with Liveris accepting an award at the 35<sup>th</sup> Annual New York Gala Dinner May 6<sup>th</sup>. (\*48)

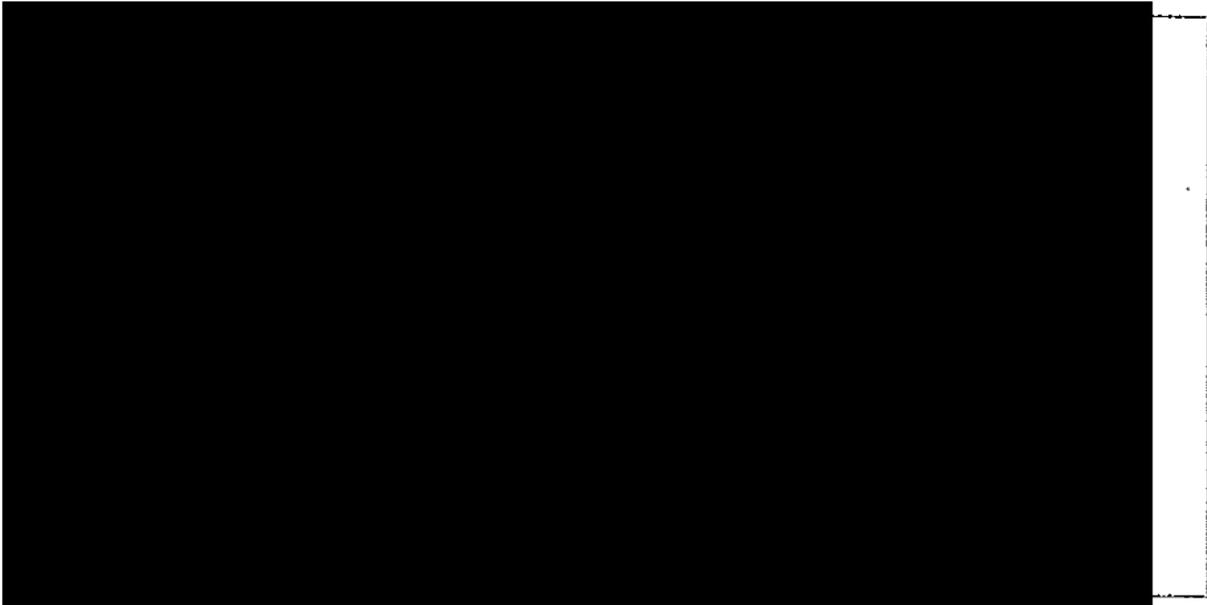
"19 October 2010 [REDACTED] Welcomes New Investment by Dow Chemical Company and Terex Corporation The [REDACTED] welcomed today's announcements by The Dow Chemical Company (Dow) and Terex Corporation of new investments in Northern Ireland, which together will create approximately 60 new high quality jobs in the region. The announcements came today at a press conference preceding the U.S. - NI Economic Conference 2010, an initiative, aimed at increasing trade and investment opportunities between the United States and Northern Ireland." (United States London Embassy- <http://london.usembassy.gov/ni270.html>) (\*49)

[REDACTED] and Liveris had a relationship prior to 2010.

I. Changes in Teneo contract from 6/27/11 to 1/17/12

1. The contracts are essentially the same from pages 1-15 with the exception of section 8 Travel expenses. (\*50) The original contract stated that Teneo would only make business trips on Dow's behalf with prior written approval, Dow's TER policy would be followed, and luxury hotels and lavish meals would not be reimbursed. The new contract stated that Teneo would make trips on Dow's behalf and manage the travel budget not to exceed \$600,000. (\*51) \$50,000 was included in the new contract addendums as a monthly service fee for travel. (\*52)
2. Addendum's B through H are essentially the same.
3. Addendum A -
  - Elimination of: Other services not covered statement that Teneo and Dow's purchasing representative shall reach a written agreement in advance of services being rendered was removed. (\*53)
  - Other sections in addendum A were expanded in the second contract, and new sections were added, the sections and fees are listed below.

## Teneo Contracts - Statement of Work



Ex. 4

## m. Teneo Companion Agreements

In addition to 1/17/12 agreement a "Companion Agreement" was found that was effective 5/1/12 for twenty thousand dollars a month between Dow Europe and Teneo. (\*54) It references that it is a companion to the "Master Agreement" and the first of five items listed is:

## "Executive Visibility and Thought Leadership

- Support CEO visits to Europe. Develop engagement plans to optimize use of CEO's time. Facilitate access to key stakeholders. Develop briefing materials.
- Develop visibility and thought leadership strategy for Geoffery Merszel. Develop briefing materials as needed."

There appears to be a similar agreement being paid for by the Pacific Public Affairs group also for \$20,000 per month but the agreement has not been located. (\*55)

An additional forty thousand dollars per month is being paid to Teneo for services.

## n. Additional TER expenses for THI

In addition to the expenses identified in the 9/20/12 Memorandum there were three more found:

DOW CONFIDENTIAL - Do not share without permission

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• [REDACTED] 10/29/12, \$2,000.20 (\*56)

• [REDACTED] press, 7/23/12, \$956.00, Hellenic Initiative: 250 Letterhead, and 80 pads of 50 note pads (\*57)

• [REDACTED] press, \$782.60, 80 Hellenic Brochures (\*58)

V. Analysis

a. Lack of Integrity in financial records-

[REDACTED] and Dow employees other than Liveris have been involved in THI. The total cost of their contributions, and how much Dow has funded, is unknown at this time due to vague descriptions of expenses in expense reports, and the lack of detailed invoices from Teneo for review.

No airline ticket expenses for [REDACTED] to attend the THI launch on 7/22/12 in Athens have been found. (\*59) It is possible that the expenses were paid for by Teneo using the Teneo travel budget.

It is possible that Teneo, at the direction of Dow, performed services for THI and did not record them.

Some expenses from Teneo appear to be misclassified as other materials and supplies.

The Dow Audit Committee Charter states:

"Management is responsible for the preparation, presentation, and integrity of the Company's financial statements; accounting and financial reporting principles; internal controls; and procedures designed to reasonably assure compliance with accounting standards, applicable laws, and regulations, and the Company's internal audit department is responsible for objectively reviewing and evaluating the adequacy, effectiveness, and quality of the Company's system of internal controls." (\*67)

b. Conflict of Interest-

THI is a nonprofit organization that Liveris has a personal interest in. According to a 12/31/12 article in the Greek Reporter USA, 12 Greeks of America Who Left Their Mark in 2012, "Liveris used his personal connections and resources to move people, and have them join the non-profit organization that aims to infuse \$100 million to the crisis-hit Greek economy." (\*62) Liveris also accepted an award in recognition of his personal efforts on THI. (\*63)

If Dow was making a donation to THI, the expense should have been classified as a donation. If Dow management knew or approved of the donation to THI they could not have known the amount spent.

The eleven million dollar increase from 2011 to 2012, in a time when Dow was cutting costs, was not in line with the company's message. The increase in spending appears to have benefited Liveris and THI.

## c. Due diligence

Concerns about due diligence in relation to the Teneo contracts comes from statements in the contracts such as:

"access to and key relationships as well as connection with key influencers" (\*60)

"Through the Teneo network we can connect Dow subject matter experts to the right officials in a timely manner on a range of topics, on a local, state, national and international basis." (\*61)

Public Affairs/Government Affairs may have a more detailed listing of what services were provided by Teneo, but that seems unlikely as then they or Teneo would have had to delete the number of hours and hourly rates on the Services Activity Reports prior to being sent to Accounts Payable.

## d. Contributing factors to lack of internal controls-

Office of the Chairman and CEO (Office) was created sometime in 2011 and is run by Public Affairs. It is located in the New York Conference center.

A Steering Team comprised of [redacted] (Teneo), [redacted] (external), [redacted] (external) - [redacted] with the firm [redacted] was formed to help inform, counsel and guide the external engagement of the Office. (\*66)

The Office is not in the Company's headquarters in Midland and what they are doing there is not visible on a daily basis to Dow management.

There was a CIG investigation of [redacted] [redacted] email review indicated that the Corporate Counsel is aware of the connections between Teneo and Dow, as shown in the email below.

Ex. 6,  
7c

12/16/11 from [redacted] [redacted]

"Andrew,

There have been a few media reports today (print and a few broadcast) that mention President Clinton's involvement with Teneo. The articles also mention [redacted] [redacted] Although the focus of the media is on Clinton, [redacted] and MF Global, [redacted] I have discussed to ensure the Dow or any Dow leader is not brought into this issue. We have received no media calls on this issue. The percentage is very low that they will even care about other Teneo clients but will stay close to this focus for sure. I have talked to [redacted] He will keep me posted -- at this time, they think it is a "one day" story but we will know more tomorrow. We are on it. See an example of the media coverage below." (\*68)

## VI. REGULATIONS REVIEW

Disclosure of amount over \$120,000 for related person transactions:

The SEC requires non-financial statement disclosure of transactions in excess of \$120,000 in which a related person has a direct or indirect material interest. Regulation S\_K; SEC 2006. At issue is that shareholder's interest may be treated with lower priority than personal interests.

The following excerpt is from a speech about the principals based approach for Item 404 of Regulation S K. (\*64) The speech was made by John W. White, Director Division of Corporate Finance, U.S. Securities and Exchange Commission. It outlines a hypothetical situation where there is a need to find out more about a company that made a donation to an organization a CEO likes.

The amount Dow spent on THI and Prinkipos exceeds \$120,000. (\*65) Liveris has a direct or indirect material interest.

<http://www.sec.gov/news/speech/2006/spch101206jww.htm>

"Item 404 of Regulation S K centralizes and sets forth the standards for disclosure of related person transactions. As the Release expressly states in numerous places, the revisions were designed to make the related person transaction disclosure rule more principles-based. As such, Item 404 contains a broad principle for disclosure-a company must provide disclosure regarding:

any transaction since the beginning of the company's last fiscal year, or any currently proposed transaction;

in which the company was or is to be a participant;

in which the amount involved exceeds \$120,000; and

in which any related person had or will have a direct or indirect material interest.

Imagine this hypothetical. A company makes a sizeable (that is, more than \$120,000) donation to an environmental organization which the company's CEO particularly likes. Is that a related person transaction that requires disclosure? Going back to our key objective, it seems attenuated to me, without more, to find a "direct or indirect material interest" for our hypothetical related person, the CEO, so disclosure may not be required. But it seems clear to me that it's a transaction based on the Commission's definition and discussion. It may be lack of materiality that precludes disclosure."

VII. Codes

Corporate Auditing charter

Audit Committee charter

Corporate Auditing charter

Code of Financial Ethics

Code of Business Conduct

IIA standards

Audit Partner charter

SOX

VIII. RECOMMENDATIONS

To be determined after discussion with Corporate Auditor

Attachment 1

## Memorandum - DRAFT

To: Greg T. Grocholski, Corporate Auditor

From: [REDACTED] *or*Re: Preliminary Investigation into Dow expenditures on The Hellenic Initiative (THI) & Prinkipos Environmental Foundation (Prinkipos) *or TC*

Date: 9/20/12

I. Investigation Initiation

The Dow Chemical Company Corporate Investigations Group (CIG) monitors the Internet for current Dow news by using a Google Alert for the keyword phrase "Dow Chemical". On July 13, 2012, an article in the BBC News was emailed to CIG. The article alleged two things:

- 1) The company CoSport had sold London Olympic tickets at a 20% markup to the public.
- 2) The public had received event tickets with three Olympic sponsor names, including Dow, printed on them.

CIG opened a case to investigate Dow's purchase and use of Olympic tickets from CoSport. On July 18, the Dow Customer Event Group provided spreadsheets listing by date and event the 5,355 tickets they planned to use for their three Hospitality programs which were to begin on July 27. The total number of tickets allocated to Dow per the International Olympic Committee (IOC) contract was 14,000. On July 18, [REDACTED] *or* spoke via phone with [REDACTED]. [REDACTED] *or* had he instructed Jet Set (CoSport's sister company) to receive all of Dow's ticket allotment. As of September 20, CIG is still waiting for [REDACTED] *or* to provide information from the IOC on what Dow tickets the IOC gave to Jet Set/CoSport.

During a discussion about the CoSport ticket investigation, [REDACTED] *or TC or* was told that [REDACTED] *or TC* was in charge of getting Olympic tickets for the children [REDACTED] *or*. A review of [REDACTED] *or TC* Travel and Expense Reports (TERs) looking for expenses related to Olympic ticket purchases, showed that the weekend before the Olympics began [REDACTED] *or TC* was in Athens.

An internet search for [redacted] "ow Athens July" came back with articles on the involvement of [redacted] and Liveris in The Hellenic Initiative (THI). Research on THI led to information on Liveris's and [redacted] involvement with the Prinkipos Environmental Foundation (Prinkipos). *ex 6*

## II. Executive Summary

### 1. Background

- a. The Hellenic Initiative (THI)
  - i. THI is a non-profit organization providing funding to Greece
  - ii. Incorporated in Delaware
  - iii. Liveris is the founder
  - iv. [REDACTED] is the contact
- b. Prinkipos Environmental Foundation (Prinkipos)
  - i. Prinkipos is a Greek Orthodox foundation
  - ii. Currently seeking \$50 million of funding for restoration of an orphanage building on an island near Istanbul
  - iii. To be used for Environment and Interfaith studies
  - iv. Paid for feasibility study

2. Expenditures were made by the Dow Public Affairs Department and Liveris for THI and Prinkipos
  - a. Expenses were treated as routine business expenses
  - b. Not classified as donations

### 3. Level of engagement of employees

- a. Liveris, [REDACTED] and at least four other Dow employees worked on THI or Prinkipos
- b. The Dow Corporate Flight log data from December 2011 through July 2012 was reviewed. Of the forty-seven trips Liveris took in those seven months, eleven appear to have been for, or had travel associated with Prinkipos, THI or the Greek Orthodox Church

### 4. The expenditures were incurred between 2008 and 2012

- a. Most of the expenses were in 2012
- b. Expenses include
  - i. External services
  - ii. Use of the corporate jet
  - iii. Commercial travel cost
  - iv. Limousine cost
  - v. Hotel and meal
  - vi. Work time of the Dow employees involved

### 5. Appearance that fundraising was done

- a. "The sheer investment already obtained can be sourced back to Liveris and his revered position. When you are close with the CEOs of Boeing, of Xerox, Disney, UPS and other American giants, securing 100 million euros for a good purpose doesn't seem too hard a task." (<http://neoskopos.com/news/en/liveris-out-to-save-greece>)

III. The Hellenic Initiative (THI)

The website <http://www.thehellenicinitiative.org> includes a press release:

"Athens, Greece July 22, 2012 -- Convening a group of Greek business leaders and prominent members of the global Diaspora, The Hellenic Initiative (THI) was officially launched today during a roundtable discussion on how international collaboration can support the sustainable long term development and economic growth of Greece. THI is a global non-profit, non-governmental initiative which aims to provide critical funding to sustain organizations that can help inspire entrepreneurship, business development and investment that will ensure the Nation's long-term prosperity."

Note: Diaspora is defined as Greeks living away from their ancestral homeland.

The website lists the founders:

Andrew N. Liveris, President, Chairman and CEO of The Dow Chemical Company

[Redacted text block with handwritten initials 'exf' to the right]

The website lists the contact:

[Redacted text block with handwritten initials 'exf' to the right]

[http://neoskosmos.com/news/en/liveris-out-to-save-greece:](http://neoskosmos.com/news/en/liveris-out-to-save-greece)

Liveris out to save Greece

Greek Australian businessman takes on caretaker role to save Greece by tapping into the Diaspora

20 August 2012

"For Liveris the idea of using the diaspora to help Greece wasn't a new idea, but something that he envisioned for more than five years. It was the failed attempt by former Greek Prime Minister George Papandreou to tap into the Greek diaspora that opened the door for collaboration. 'Greece needs to recognize what other countries do which is use the diaspora, Israells do it, the Irish do it, and the Chinese do it. We are the same, we just happen to be living somewhere else. This is not just a vacation spot, this is the motherland. We care.' He said. Mr. Liveris successfully created the Initiative last month and famously brought former US President Bill Clinton to Greece to launch it. The Initiative has already raised 100 million euros of capital for Greece. Part of the



A vendor invoice, dated April 30, 2012, from [REDACTED] consultant, [REDACTED] was submitted by [REDACTED] for payment of \$58,256.50 on June 14, 2012. The invoice details "Professional expenses for the feasibility study for the Prinkipos Center for the Environment and Interfaith Dialogue." [REDACTED] reports to [REDACTED] and is based in the Dow New York Conference Center.

The estimated cost of the restoration is \$50 million. An article dated 7/4/12 states that Patriarch [REDACTED] is seeking a sponsor to restore the building.<sup>4</sup>

See Attachment A: Istanbul: Historic Greek Orphanage to Become Environmental Center Under Patriarch Bartholomew I for more information.

V. Other Related Greek Orthodox Activities

A. Leadership 100

According to the Leadership 100 website [www.l100.org](http://www.l100.org):

"Leadership 100 was created as an endowment fund of the Greek Orthodox Archdiocese through which Greek Orthodox leaders were asked to commit themselves to offer \$10,000 a year for a total of \$100,000 each to maintain the life-sustaining ministries of the Church."

Liveris and [REDACTED] attended the Leadership 100 conference in Florida in February 2012. Liveris spoke on The Greek Crisis and the Diaspora

[www.greeknewsonline.com/?p=19425](http://www.greeknewsonline.com/?p=19425):

"The question was asked whether Liveris thinks that the Greeks in Greece place a huge burden on the Diasporan Greeks who have worked so hard to get to where they are, and who were not responsible for Greece's present condition. The questioner also noted that it is "very honorable" of Liveris to take the time to try to help. "It's more than honor," said Liveris, and in reply to whether, as a businessman, he feels "bothered" by these demands, Mr. Liveris' very strong response was that he does feel not bothered in any way, and if he did he wouldn't be involved.

When pressed about whether he thinks that there are businessmen who do feel bothered, Liveris concurred that there is a sense of that, and that there is a romanticization of Greece, as well. "To do what needs to be done, is support without ego...I'm not doing this for myself. I don't need or want any publicity. I'm doing it because I want to do it. I'm not doing it for fame, glory, or money. I'm doing it because I have a sense of owing to the chain that gave me my opportunity," he said, naming his own story, his grandfather's story of leaving Kastellorizo, and his mother's story of leaving Rhodes. Among his immediate personal connections to Greece are his sister, married on Rhodes, whose children, a mechanical engineering graduate and a music

teacher, are experiencing career struggles due to the crisis, and the home he built on Kastellorizo."

See Attachment B: Andrew Liveris: The Greek Crisis and the Diaspora for more information

B. Archon

On October 31, 2010, Liveris became an Archon. An Archon is "the oldest honor in Christendom and the highest honor a lay person can receive in the Orthodox Christian Church." The Archon ceremony concluded the annual conference of the Order of St Andrew, held in New York from October 29-31.

VI. Recommendations

Phase I

CIG to perform preliminary interviews to determine why and how the Dow Public Affairs Department is involved in THI and Prinklpos.

CIG to have Information and Compliance Risk Management (ICRM) immediately obtain and hold the ExMerge/Current Mailbox, DWS/EWS Backup (current backup and backup from July 2012), and S: Drive of the following employees to prevent them from being record retented.

Location	Department	Userid	Name	Indicator of Involvement
New York USA	Global Public Affairs	[REDACTED]	[REDACTED]	See Report
Midland - Headquarters & Other	Office of the Chairman & CEO	[REDACTED]	[REDACTED]	THI Bolger and Battle invoice \$11,106.54 8/3/12 paid on her ProCard
Midland - Headquarters & Other	Office of the Chairman & CEO	[REDACTED]	[REDACTED]	THI Bolger and Battle Invoice \$11,106.54 8/3/12 lists him as "Client" / his TER 7/18/12 THI staples \$840.08
New York USA	Office of the Chairman & CEO	[REDACTED]	[REDACTED]	Submitted [REDACTED] invoice for \$58,256.50 Prinklpos Project to Accounts Payable
Virtual	Core Polyurethanes	[REDACTED]	[REDACTED]	Attended June 2012 THI meeting in Athens, 7/18 dinner with [REDACTED] consultant, [REDACTED] for Prinklpos project. 7/21 meal with [REDACTED] Executive director American-Hellenic Chamber of Commerce/

				many of his ters list "Project for Andrew Liveris"
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## Phase II

CIG to review emails

CIG to determine the cost of the purchases and travel made by the Dow Public Affairs Department by reviewing vendors and travel discovered during the interviews or email reviews.

The amount identified in a preliminary review, which was severely limited by not performing interviews or reviewing emails, totals approximately \$200,000. The expenditures were incurred between 2008 and 2012. Most of the expenses discovered were in 2012.

This total does not include the costs associated with use of the corporate jet, all of the commercial travel cost, all of the limousine cost, or the work time of the Dow employees involved, or any donations made.

The cost total was limited to only the costs that were clearly marked as relating to the issues outlined in this report.

The Dow Tax Department to determine the tax implications

## Phase III

Course of action to be determined based on information gathered in Phase I and Phase II

Attachment A : Istanbul: Historic Greek Orphanage to Become Environmental Center Under Patriarch Bartholomew I

<http://www.pravoslavie.ru/english/52873.htm>

*Istanbul, April 11, 2012*

"The Bilyükada Greek Orphanage of the Greek Orthodox Patriarchate is set to become an international environmental foundation, according to a recent article of the Turkish newspaper *today's zaman.com*.

A ruling by the European Court of Human Rights in June 2010 stated that the Turkish government should re-register the historic Orthodox orphanage on Bilyükada to the Istanbul-based Fener Greek Orthodox Patriarchate. Following the ECtHR ruling, the orphanage will probably be turned into a global environmental center, according to comments made by the Greek Orthodox Patriarch Bartholomew I to the Turkish Prime Minister Tayyip Erdogan.

The progress of the transformation of the building has been slow but ongoing. The orphanage has been exposed to harsh weather conditions due to the reported delay.

"It has taken us so long because we have been working very seriously on this project. We have completed our analyses. The foundation will not serve as a religious institution but as a civil society organization working internationally," said Laki Vingas, representative of non-Muslim foundations at the Prime Ministry's Directorate General for Foundations (VGM).

The foundation's name will be the Prinkipos Environmental Foundation, using the Greek word for "prince." Bilyükada, which means "Big Island" in Turkish, is the largest of the nine islands, comprising the Princes' Islands in the Sea of Marmara, close to Istanbul, explains the newspaper.

After the foundation was registered with the Fener Greek Orthodox Patriarchate in 2010, a board of directors was established comprising Patriarch Bartholomew, Vingas, two prominent businessmen and two Metropolitans of the Patriarchate.

Restoration of the building is expected to be completed in two years, and in the meantime, funding will be sought to support the foundation, which will act independently but under the auspices of the Patriarchate. The environmental foundation is expected to serve all academics working on environmental issues. Regular symposia will be held to establish dialogue between religions on the issue of the environment.

The orphanage, which is said to be Europe's largest wooden building and, and the second largest in the world, was built in 1898 as a hotel called Prinkipo Palas by a French company. It was bought by the Patriarchate in 1902 and its management was handed over to the Bilyükada (Buyuk Island) Greek Orphanage Foundation in 1903. The title deed of the orphanage has been under the control of the VGM since 1997 and was registered as a property of the Bilyükada Greek Orphanage Foundation by the directorate through a court order dated 2004, reports the article of *today's zaman.com*."

Attachment B : Andrew Liveris: The Greek Crisis and the Diaspora

[www.greeknewsonline.com/?p=19425](http://www.greeknewsonline.com/?p=19425)

February 20, 2012

New York- By Vicki James Yiannias

The "Greeks in their heart of hearts want to do what's right", Andrew N. Liveris, a recipient of the 2012 Archbishop Iakovos Leadership Award, said in a press conference at the 21st Annual Leadership 100 Conference, on February 9-12, 2012, in Manalapan, Florida. "Those who know me know that when I see a problem I see a solution, and I'm going to keep pushing on this one, no matter what the regime is over there. We owe it to them. We owe it to what Greece gave us."

Mr. Liveris, who conducted the Conference's Business Forum, speaking on "Leadership in Difficult Economic Times: The Outlook for America, Greece and the World", is President, Chairman and Chief Executive Officer of The Dow Chemical Company.

Although domestic issues were discussed, much of the press conference centered on the Greek crisis: the need for real institutional change for the betterment of the Greece and the development of our common bond. This account includes only the questions dealing with Greece and the Greek crisis.

"What do we do?" about Greece, "which seems to be stuck in its own problems", was the first question, and his answer, Mr. Liveris said, carried "both good and bad news". "The bad news is that "Europe, the Old World, has had this problem for centuries. Europe's institutions as nations—whether Germany or Norway, or Greece—have been centuries in development, and to change an institution that's that old, you need a crisis. Post WWII every country in Europe had its crisis and made big changes, and Greece did not. And so Greece still lived in a paradigm, despite its heroic efforts during WWII, that basically...call it that the nation is full of individuals."

Liveris said he "always remembers one of the best quotes, that the word 'ego' comes from the word 'έγω', and so we're individualists first, and nationalists second. When we're nationalists, it's for the wrong reasons." To be an effective patriot and to be an individual is the Greek issue, he said. "The Diasporan that leaves, pretty much leaves, and the patriot in that Diasporan is not called for back home...you're not even asked. So we have a crisis".

What's needed he said, is a common bond: "In the crisis, the opportunity suddenly presents itself to the Diaspora to cross that bridge that you're trying to build, not because someone's right or someone's wrong, not because someone's better, or someone's worse, and not because that institution is opaque and not trustworthy," spoken as if we have the best, but things in America aren't going too well, either "No one is above criticism," he said, so "Let's go to that 'trust' word and build this bridge. Based on what? A common bond." What binds Greeks together is the answer, he said, illustrating his point by saying, "Why are people in that room [indicating the people at the Conference]? Why are they gathered together, in this Hellenic tribe? What is it about second, third, fourth generation Greek Americans that want to get together?"

Liveris pointed out what binds other ethnic groups: The Chinese are raised not as individuals but as families; the Japanese are raised not as families or individuals but in the image of the emperor, while the American model, like the Australian model, is that "we come from nowhere, and made something together, that we came from destitution and created this wonderful place, this "incredible mosaic that is America. What is that bond for us?"

Courage from both sides is necessary for "getting that bond passionately alive", he said, and the means to that is to employ the principle described in the book, *The Power of One*: each person tells another other person, who tells two more, and so on, causing a rapid multiplication that suddenly results in an "explosive conductivity to the bond". But now, he said, "...that value proposition isn't being put forth in the Greek community."

Giving a high mark to Greek character, Liveris said, "I've been at many Greek meetings in the last two years with many people who I feel are utterly and completely trustworthy Greeks. I've done business in Greece; I have good people in Greece. You just can't paint it all with one brush. And I know that Greeks in their heart of hearts want to do what's right. So I think it's possible. It needs courage and it needs this common bond, and quite frankly, I get quit frustrated, but I don't stop. Those who know me, know that when I see a problem I see a solution, so I'm going to keep pushing on this one, no matter what the regime is over there. We owe it to them. We owe it to what Greece gave us."

Responding to a comment regarding the idea that Diasporan Greeks romanticize Greece, Liveris said that this is not uncommon. "People leaving Australia have a romanticizing notion of Australia being all beach and kangaroos. When they go back they see that it's got issues and problems...people have criticisms of it, as well, most of us are like that, that's why human beings have survived. They like romance and fantasy." You need people with that passion, he said, but you also need people who are pragmatic and practical.

He went on to say that someone asked him if there is a plan. "Yes. There's a good growth plan available. Do you have a current issue? Yes, you do. And that is that the austerity measures have to be sold. To sell them, you have to give hope. So what does that hope look like? And someone has to put their neck out to say, 'this is what it could look like if we did this'."

Liveris thinks that Greeks "can listen to the Diaspora". He has volunteered many times to pull together Australian and American Greeks. There were many at the present Conference who would participate in this, he said, but "What it takes "to give Greece a new life", is "not the romance side...not the Islands, and the sun, and everything we love about it." Greece is losing people in great numbers now and time is running out, he said, "The applications to emigrate are going through the roof. And very soon, something that is already written about—which is the 'tipping point' when all hope will be lost—maybe some parts of Greece are there already. I have offered my services; I'll keep offering them," he said adding that there are others like him, "I know there are at least two dozen in the other room."

The question was asked whether Liveris thinks that the Greeks in Greece place a huge burden on the Diasporan Greeks who have worked so hard to get to where they are, and who were not responsible for Greece's present condition. The questioner also noted that it is "very honorable" of Liveris to take the time to try to help. "It's more than honor," said Liveris, and in reply to whether, as a businessman, he feels "bothered" by these demands, Mr. Liveris' very strong response was that he does feel not bothered in any way, and if he did he wouldn't be involved.

When pressed about whether he thinks that there are businessmen who do feel bothered, Liveris concurred that there is a sense of that, and that there is a romanticization of Greece, as well. "To do what needs to be done, is support without ego...I'm not doing this for myself. I don't need or want any publicity. I'm doing it because I want to do it. I'm not doing it for fame, glory, or money. I'm doing it because I have a sense of owing to the chain that gave me my opportunity," he said, naming his own story, his grandfather's story of leaving Kastellorizo, and his mother's story of leaving Rhodes. Among his immediate personal connections to Greece are his sister, married on Rhodes, whose children, a mechanical engineering graduate and a music teacher, are experiencing career struggles due to the crisis, and the home he built on Kastellorizo.

He doesn't think that Greece should have "dependency on people who aren't ethnically Greek". "Why should it be the Germans doing what they're doing to help Greece or not? Or for that matter, any other European country. They're neighbors and they have a financial reason to do it, but we have more than a financial reason to do it. He mentioned that there are "so many actors there, and maybe not many of them can speak Greek, but they feel the Orthodoxy, and the Hellenic tradition."

Another question was whether Mr. Liveris thinks that there is the opportunity for companies like his "to build now in Greece, to acquire factories, perhaps, or to acquire other businesses that are falling under". "I think the plan that we put together a year or two ago that Mr. Papandreou was going to launch, included the creation of new sectors, and some of those sectors—whether it would be my company or many other companies—could be seeing investors for, not the least being energy, the Mediterranean diet, and creating alternative tourist industry...Yes, we could."

He went on to say, "There's nothing on a business proposition that would deter me based on how good Greece is." Since it's part of the euro, it's just a question of talent and of government policies, he said, and "right now, you're losing talent and you don't have government policies, so when you look at it like the risk/reward equation of a company—until a government turns up and you know it's going to hang around and give you decent policies, you're worried—like you are in this country, whether the next government's going to change everything."

Stability is what will bring business to Greece, he said, and there's no stability now. He said the coalition government and Mr. Papademos are the best chance for that, as well as "voting in someone that you feel will look after the country in the long-term". Noting that Archbishop Demetrios said that a year or two is nothing in the scheme of humanity, Liveris said, "It may feel like a long time; it may feel painful, but in the scheme of all humanity, civilizations rising and falling, this is very early stages. You've got to have faith and hope that the collective intelligence, including the Diaspora, will want to contribute to the better output."

Liveris noted that people don't trust the institutional behavior that's imbedded in Greece right now. He cited an example of how this mistrust can work: Perhaps because he is in a long-cycle industry and has seen the output of decisions made 50 years ago affecting him now, he thinks 50 years ahead when he makes a decision, "I don't care, with all due respect, what the media is telling me because it's one data point on now. But what I really care about is the institutional behavior of what I'm investing in. I cannot trust it." His suggestion for countering this was, "So maybe better people like you...and you...should run for office."

When it was brought to his attention that "if you can't make a living you won't run for office", he replied that the Greeks are entrepreneurs and they are survivors. "I believe you can retool yourself in a new economy, whatever it looks like. I agree, poverty, hunger are issues of the time." He noted that "when

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you get past the "tipping point" you'll have social chaos", but he doesn't think that point has been reached yet.

Another question was the importance of Kastellorizo to the EEZ, "that Turkey does not want Kastellorizo to have its own territorial shelf otherwise its not going to have its own EEZ with Egypt." "I think the question of the Treaty of '23 and whether it was in the Mediterranean or the Aegean and whether therefore it excludes the Mediterranean Greek Islands is one for the United Nations to eventually take on, but I don't think Greece or Turkey have it in their interest not to let that gas be developed, and so just like Israel and Turkey, or Israel and Greece...so, like all regional differences, and things like oil and gas, wars get fought. " he said. "There's no question that I'm very familiar with that topic. Is there a win-win in that? Can you actually create from that dispute access for all the countries involved, and industry...industry that will come from that oil and gas? I've already volunteered that I can bring my company to that conversation" he said, going on to say, "I've spent quite a bit of time with the prime minister of Turkey. The relationship between Greece and Turkey, despite that topic, is probably as good as it's ever been, so if you're ever going to work it out, this is the time to work it out for mutual gain."

Identifying himself as a "hard denominator" person who always goes for the negative of the case and tries to find the outcome that "works", he said he thinks that, "Turkey, with that gas field potentially there—it may not be there—that the Leviathan find extends...of course, it brings in Cyprus, too, so you've got the whole..."

A question was posed: "In the case of Cyprus and Israel for example, American companies went there and did the right thing, and then the Turkish troops had to be taken back..." Liveris replied, "So?..." The questioner added, "I mean to say that in this case, too, we might get assistance that we don't expect, from companies like yours." "I think American companies didn't go there because they didn't check with the State Department... so I do think the answer you're looking for is the obvious one, which is, 'can you triangle this enterprise in a better win-win and can American companies play a role', and the answer is yes."

Gas is also one of the "big strong suggestions" in his growth plan for Greece, said Liveris, saying that he didn't mention gas when he listed the other three sectors he suggests that Greece should develop because he didn't know whether his listeners were aware of this big issue. "It is obviously a big issue which needs to be turned into an opportunity."

Following a question regarding the American economy, Liveris noted that America is a young country and doesn't have the legacy of thousands of years of culture that actually traps it in past institutions. Referring to the previous question of "why am I bothering, the notion of can the Greek Diaspora get beyond their romanticism and create real institutional change for the better of Greece, appealing to something". Likening America to a young person that has hope, aspiration, and desire to work and achieve, and Greece to an old person who like an old person "is stuck in paradigms it's boxed itself into and bows to history as the answer. Noting that "recent Greek culture survived, through the Orthodox Church, 400 years of Ottoman occupation...countless Byzantine...letting the Romans think they were in charge when they weren't...this is a clever survival mechanism. But the consequence of that is you don't trust the alternative anymore. You don't want to adopt the new. You don't want to build the new institutions. And this is what Greece needs to do in the crisis. But to lead it you can't expect the Diaspora to lead it. You have to have people in place to lead it

And that's the other day the Greeks voting in the right people. And you will eventually. A young person like you will stand up and say, "I'm the new Greece."

Vote for me."

At the beginning of the press conference Mr. Liveris said, "I applaud Leadership 100. We don't have anything like this Australia; I'm trying to create it, actually."

At the end, his involvement in the organization was brought up again, and Liveris, who lives in Midland, Michigan with his Australian wife, Paula (they have three grown children) explained that moving to Midland and locating a Greek Orthodox church 20 miles away seven years ago he met all the leaders of Leadership 100 through his Greek American predecessor and joined because he felt that the organization was celebrating Hellenism and Orthodoxy. "I applauded what it was trying to do, which is to continue, in the youth of Hellenic extraction, the values and traditions of being Greek and Orthodoxy. It's not church or state; it's celebrating your culture. It's keeping your bond alive. My kids don't speak Greek because their mother's not Greek—her mother is Lebanese, Maronite Christians who emigrated to Australia—but she embraced Orthodoxy with me, so they have been raised Greek Orthodox. Leadership 100 gave me a forum to do that, and I think for all of us who want to be attached to—for illogical reasons, maybe—want to be attached to where all of our forebears came from. I tracked my family 400 years, so I know exactly where they came from and how they came...mostly from Asia Minor, Turkey today. So it's a reason to keep attached."

#### Footnotes

1. <http://greece.greekreporter.com/2012/07/23/founding-member-andrew-liveris-explains-the-hellenic-initiative-video/>
2. [http://greekreporter.info/en/bill\\_clinton\\_athens\\_hellenic\\_initiative/7373](http://greekreporter.info/en/bill_clinton_athens_hellenic_initiative/7373)
3. <http://www.pravoslavie.ru/english/52873.htm>
4. <http://eu.greekreporter.com/2012/07/04/patriarch-bartholomew-seeks-sponsor-to-restore-istanbul-building-aksam-says/>



**FREEDOM OF INFORMATION REQUEST  
EXEMPTIONS AND EXPLANATIONS**

<b>DESCRIPTION</b>	<b>Dow Chemical v Complainant “Complainant’s Response”</b>
<b>EXEMPTION</b>	2 3 4 5 6 7a 7c 7d 7e
<b>PAGES</b>	29
<b>OTHER INFORMATION</b>	The following pages have been removed as they are exempt from FOIA release under the cited exemption(s).

<b>EXEMPTION</b>	<b>EXPLANATION</b>
2a	Internal matters of a relatively trivial nature
b	More substantial internal matters, the disclosure of which would risk circumvention of a legal requirement.
3	Information prohibited from disclosure by another statute.
4	Information that is classified as trade secrets and/or of commercial or financial value obtained from a person and is privileged or a confidential source of information.
5	Inter-agency or intra-agency memoranda or letters that would not be available by law to a party other than an agency in litigation with the agency.
6	This exclusion is intended to exclude from disclosure all personnel and medical files, and all private or personal information contained in other files which, if disclosed to the public would amount to a clearly unwarranted invasion of the privacy of any person, including members of the family of the person to whom the information pertains.
7a	Information contained in investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency.
7c	The identification of a confidential source or confidential information furnished by a confidential source.
7d	Information which could reasonably be expected to disclose the identity of a confidential source, including a state, local or foreign agency or authority which furnished information on a confidential basis
7e	Information that would disclose techniques and procedures for law enforcement investigation or would disclose guidelines for law enforcement investigation if such disclosure could reasonably be expected to risk circumvention of the law.

2013 DOW PROXY STATEMENT  
COMPENSATION TABLES AND NARRATIVES

*Summary Compensation Table*

The following table summarizes the compensation of our CEO, CFO, and our three other most highly compensated executive officers for the fiscal year ended December 31, 2012.

**SUMMARY COMPENSATION TABLE FOR 2012**

Name and Principal Position	Year	Salary (\$)	Bonus (\$) (a)	Stock Awards (\$) (b)	Option Awards (\$) (b) (c)	Non-Equity Incentive Plan Compensation (\$) (d)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) (e)	All Other Compensation (\$) (f)	Total (\$)
Andrew Liveris, CEO & Chairman	2012	1,808,333	0	8,446,171	4,840,080	1,368,640	6,160,388	366,055	22,989,668
	2011	1,741,667	0	7,659,470	4,400,095	1,498,114	3,711,285	263,994	19,274,624
	2010	1,691,667	0	5,683,729	5,060,006	5,000,000	3,644,180	297,145	21,376,727
William Weideman, Exec. VP & CFO	2012	836,815	0	2,408,410	1,380,079	407,001	3,465,782	29,469	8,527,557
	2011	755,000	80,000	2,402,766	1,380,058	477,519	2,231,656	29,088	7,356,087
	2010	575,474	0	1,191,649	1,060,969	1,215,522	1,351,143	14,894	5,409,651
Charles Kalil, Exec. VP	2012	951,618	0	2,408,410	1,380,079	459,478	2,798,980	70,339	8,068,904
	2011	913,606	92,000	2,298,114	1,320,092	558,624	1,937,812	59,125	7,179,372
	2010	877,116	0	2,015,197	1,791,818	1,791,139	2,240,220	46,697	8,762,187
Carol Williams, Exec. VP	2012	900,110	0	2,408,410	1,380,079	454,670	3,028,396	65,858	8,237,524
James Fitterling, Exec. VP	2012	836,636	35,518	2,408,410	1,380,079	424,879	2,853,921	53,243	7,992,687

- (a) Bonus amount for Mr. Fitterling in 2012 was a special one-line recognition award for extraordinary effort and contribution toward corporate strategy activities.
- (b) Amounts represent the aggregate grant date fair value of awards in the year of grant in accordance with the same standard applied for financial accounting purposes. A maximum payout on the Performance Share programs would result in additional value of: Liveris \$5,166,749; Weideman \$1,473,370; Kalil \$1,473,370; Williams \$1,473,370; Fitterling \$1,473,370.
- (c) Dow's valuation for financial accounting purposes uses the widely accepted lattice-binomial model. The option value calculated for the NEOs' grants was \$9.38 for the grant date of February 10, 2012. The exercise price of \$34.00 is the closing Dow stock price on the date of grant.
- (d) Individual results for Non-Equity Incentive Plan Compensation are detailed in the Performance Award section of the 2012 Compensation Actions and reflect income paid in 2013 under our annual Performance Award (PA) program for performance achieved in 2012.
- (e) Reflects the aggregate change in the actuarial present value of accumulated pension benefits at age 65 using the actuarial assumptions included in the Company's audited financial statements. Negative changes in pension value are included as zero in the Summary Compensation Table. An analysis of the Change in Pension Value for 2012 is shown below. The amounts recorded in this column vary with a number of factors, including the discount rate applied to determine the value of future payment streams. As a result of a reduction in prevailing interest rates in the credit markets since late 2008, the discount rate used pursuant to pension accounting rules to calculate the present value of future payments decreased from 5.05% for fiscal year 2011 to 4.10% in fiscal year 2012. This drives substantial increases in the amount shown in the Summary Compensation Table and is detailed in the table below. The increase in pension value resulting from the change in discount rates does not result in any increase in the benefits payable to participants under the plan.

Name	Change in Discount Interest Rate (\$)	Change in Deferral Period, Benefits, and Other (\$)	Total Change (\$)
Andrew Liveris	3,962,050	2,179,984	6,142,034



William Weideman	1,316,496	2,146,946	3,463,442
Charles Kalil	1,534,001	1,250,813	2,784,814
Carol Williams	1,447,897	1,575,698	3,023,595
James Fitterling	1,363,258	1,485,794	2,849,052

Also includes 2012 above-market non-qualified deferred compensation earnings: Liveris \$18,354; Weideman \$2,340; Kalil \$14,166; Williams \$4,801; Fitterling \$4,869

(f) All Other Compensation includes the cost of Company provided automobile (which was discontinued in 2012 for the NEOs other than the CEO), personal use of corporate aircraft by the CEO as required by Company policy for security and immediate availability purposes, Company contributions to employee savings plans, reimbursements of costs paid for financial and tax planning support, home security, executive health examinations and personal excess liability insurance premiums. The incremental cost to the Company of personal use of Company aircraft is calculated based on the variable operating costs to the Company including fuel, landing, catering, handling, aircraft maintenance and pilot travel costs. Fixed costs, which do not change based upon usage, such as pilot salaries or depreciation of the aircraft or maintenance costs not related to personal travel, are excluded. NEOs also are provided a tax reimbursement for taxes incurred when a spouse travels for business purposes as it is sometimes necessary for spouses to accompany NEOs to business functions. These taxes are incurred because of the Internal Revenue Service's rules governing business travel by spouses and the Company reimburses the associated taxes. No NEO is provided a tax reimbursement for personal use of aircraft.

The following other compensation items exceeded \$10,000 in value:

- Liveris: Personal use of Company aircraft (\$157,917), Company contributions to savings plans (\$73,464), financial and tax planning (\$98,012), tax reimbursements (\$33,080)
- Weideman: Company contributions to savings plans (\$13,587)
- Kalil: Automobile (\$10,947), Company contributions to savings plans (\$40,341)
- Williams: Company contributions to savings plans (\$34,799), financial and tax planning (\$18,359)
- Fitterling: Company contributions to savings plans (\$34,479), home security system (\$11,250)



8/2/2013

Executive Summary THI & Prinkipos

1. Background

a. The Hellenic Initiative (THI)

- i. THI is a non-profit organization providing funding to Greece
- ii. Incorporated in Delaware
- iii. Liveris is a founder, and the chairman
- iv. In an interview he stated it was his idea to create the organization
- v. Vega and Chrisafides are listed as the staff
- vi. The Dow New York Conference Center is listed as the address
- vii. [REDACTED] formerly of [REDACTED] interim CEO of THI, is listed as a contractor in the Dow directory
- viii. Dow paid THI \$100,000 in 2013

b. Prinkipo Orphanage

- i. Prinkipos is owned by the Ecumenical Patriarch Bartholomew of the Greek Orthodox church
- ii. Currently seeking \$50 million of funding for restoration of an orphanage building on an island near Istanbul
- iii. To be used for Environment and Interfaith studies
- iv. Dow paid [REDACTED] prox. \$60,000 for the Prinkipo feasibility study
- v. Dow paid \$8,218 for a banquet for [REDACTED] during a pilgrimage Liveris and his family attended to the Holy and Sacred Land of Cappadocia
- vi. The pilgrimage was led by Father [REDACTED]
- vii. Dow paid approximately \$10,000 for Olympic tickets given to [REDACTED] gift from Andrew Liveris"
- viii. [REDACTED] on THI's Board of Directors

2. Expenditures were made by the Dow Public Affairs Department and Liveris for THI and Prinkipos

- a. Expenses were treated as routine business expenses
- b. Not classified as donations
- c. Teneo was paid for expenses related to THI and Prinkipos
- d. Teneo was paid an increase of eleven million dollars from 2011 to 2012
- e. Teneo Founding partners, and co-CEO's, Declan Kelly and Douglas Band, are on THI's Board of Directors

3. Level of engagement of employees

- a. Liveris, [REDACTED] and at least four other Dow employees worked on THI or Prinkipos
- b. The Dow Corporate Flight log data from December 2011 through July 2012 was reviewed. Of the forty-seven trips Liveris took in those seven months, eleven appear to have been for, or had travel associated with Prinkipos, THI or the Greek Orthodox Church

4. The expenditures were incurred between 2008 and 2013

DOW CONFIDENTIAL - Do not share without permission



- a. Expenses include
  - i. External services
  - ii. Use of the corporate jet
  - iii. Commercial travel cost
  - iv. Limousine cost
  - v. Hotel and meal
  - vi. Work time of the Dow employees involved

5. Dow Policy

a. TDCC and Foundation Donation policy:

"The recipient of the contribution meets Dow's definition of a qualified charitable organization (organizations that do not qualify for contributions include religious organizations, political organizations and committees, candidates for elective office, and lobbyists.). Contributions shall not be made to any individual. Contributions shall be in the form of cash, the transfer of property, or the provision of services to an organization - not in the form of products purchased by Dow for an organization. Contributions shall not be in the form of travel expenses, meals, dues, or memberships."

6. Potential issue - Disclosure of amount over \$120,000 for related person transactions

The SEC requires non-financial statement disclosure of transactions in excess of \$120,000 in which a related person has a direct or indirect material interest. Regulation S\_K: SEC 2006.

Memorandum

To: Jeff Tate, Corporate Auditor

[Redacted]

From:

[Redacted]

Re: Update on Memorandums 9/20/12, and 1/23/13, Preliminary Investigation into Dow expenditures on The Hellenic Initiative (THI) & Prinkipos Environmental Foundation (Prinkipos).

Date: 8/2/2013

I. Background

See previous two Memorandum's 9/20/12 and 1/23/2013.

II. Re-Initiation of review

Similar to the initiation of the 9/20/12 review, and the 1/23/2013 four articles were picked up via routine CIG monitoring of the Internet with a Google Alert.

7/25/13 The Hellenic Initiative: What We Do  
[www.thehellenicinitiative.org/inaugural\\_banquet.html](http://www.thehellenicinitiative.org/inaugural_banquet.html)

7/16/13 The Hellenic Initiative: Hellenic Entrepreneurship Award  
[www.thehellenicinitiative.org/THI\\_Website/what\\_we\\_do.html](http://www.thehellenicinitiative.org/THI_Website/what_we_do.html)

7/13/13 The Hellenic Initiative: What We Do  
[www.thehellenicinitiative.org/THI\\_Website/what\\_we\\_do.html](http://www.thehellenicinitiative.org/THI_Website/what_we_do.html)

7/12/13 The Hellenic Initiative: Get Involved  
[www.thehellenicinitiative.org/THI\\_Website/get\\_involved.htm](http://www.thehellenicinitiative.org/THI_Website/get_involved.htm)

III. Review

a. Inaugural Banquet

The 7/25/13 Hellenic Initiative article states there will be an inaugural banquet, one of the three Honorees is Andrew Liveris, and packages and tickets can be obtained by filling out the form and mailing to The Hellenic Initiative, the address listed for The Hellenic Initiative is the Dow New York Conference center. The article on 7/25/13 is shown below as Attachment A, the banquet form is shown below as Attachment B.

b. [Redacted]

The Hellenic Initiative website lists Staff as: [Redacted]  
[Redacted] as Co-Secretaries.

[redacted] listed in the Dow Outlook Global Directory. His address is the Dow New York Conference Center, his user id is [redacted] and his email is [redacted]. [redacted] is listed in the contractor database with a start date of [redacted]. His sponsor is listed as [redacted] at the New York Conference Center). No invoices or purchase orders under [redacted] name were found, and he is not listed under Dow's CPay (contractor pay) system.

c. Payment to The Hellenic Initiative

A payment to The Hellenic Initiative of \$100,000 was made on 1/22/2013. The documentation does not include an invoice but has a letter written on 1/9/2013 from [redacted] Global Contributions Administrator:

"On behalf of The Dow Chemical Company, I am pleased to enclose a check in the amount of \$100,000 for the Board Qualification payment."

d. Payments to Teneo

Payments as of 8/1/13:

2011	2,763,013.64
2012	19,436,268.00
2013 (Jan-July)	7,852,294.00

See 1/23/13 Memorandum for explanation of connection between Teneo and THI.

e. [redacted] and [redacted] HI expenses

Attachment B and C show TER expenses and attendees for THI events. (Other expenses [redacted] incurred were mentioned in the previous Memorandums.) [redacted] has two expenses for meals; one on 2/20/13 for \$251.32 and one on 3/5/13 for \$6,330.85. [redacted] shows a trip the week of July 2, 2013 for \$924.38.

Attachment A



**THE  
HELLENIC  
INITIATIVE**

**ολοι μαζί**  
all together

*We can count on everything, high quality of life for the people of Greece. If we do it together and if we do it all together.*

**The Hellenic Initiative Inaugural Banquet**



**Thursday,  
October 3, 2013  
593 Park Avenue,  
New York City**

**Investing in the Future of Greece  
Featuring President Bill Clinton**

Please join us at the Inaugural Banquet for The Hellenic Initiative. This event will honor three outstanding individuals for their service to people of Greece: Mr. Andreas Dracopoulos on behalf of The Stavros Niarchos Foundation (Mr. Muhtar Kent, chairman and CEO of The Coca Cola Company) and Mr. Andrew N. Liveris, chairman and CEO of The Dow Chemical Company.

We are delighted to celebrate their longstanding commitment and many contributions to Greece, especially in response to the economic crisis. All funds raised through the Banquet will support programs to support recovery and renewal in Greece.

**Packages and Tickets**  
Please choose a package or ticket option by downloading the form and mailing, along with payment to:  
The Hellenic Initiative,  
450 Park Avenue, Suite 2200  
New York, NY 10022

**Hotel Accommodations in Manhattan**  
Rooms have been reserved at the following hotels in Manhattan for October 2-4, 2013. If you would like to make a reservation, please phone the hotels directly and ask for the Hellenic Initiative Banquet rate.

**The Renaissance Hotel**  
(\$369 per night)  
Phone: 212-763-6644

**The Fitzpatrick Hotel**  
(\$329 per night)  
Phone: 212-265-0100

**Honoring**

Mr. Andreas Dracopoulos  
on behalf of The Stavros  
Niarchos Foundation

Mr. Muhtar Kent  
Chairman and CEO of  
The Coca Cola Company

Mr. Andrew N. Liveris,  
Chairman and CEO of  
The Dow Chemical  
Company.

**Honorary Patron**

President Bill Clinton

**Master of Ceremonies**

George Stefanopoulos

**Event Co-Chairs**

John Catsimatidis

Dimitris Mihalis

George Stamos

George Evokas

Attachment B



THE HELLENIC INITIATIVE

Inaugural Banquet

Thursday  
October 3, 2013

Investing in the Future of Greece

583 Park Avenue, New York

Honorees

THE STAVROS NIARCHOS' FOUNDATION • MUHTAR KENT • ANDREW N. LIVERIS

Yes, I/We agree to be on the Event Committee and will purchase at least one ticket to the event.

I/We would like to purchase:

Co-chair package(s) at \$100,000  
Premium dinner seating for 20, "Co-chair"  
listing in printed materials, pre-reception with  
President Clinton.

Vice-Chair package(s) at \$50,000  
Premium dinner seating for 10, "Vice-chair"  
listing in printed materials, pre-reception with  
President Clinton.

Patron package(s) at \$25,000  
Preferred dinner seating for 10, "Patron" listing  
in printed materials.

Supporter package(s) at \$15,000  
Dinner seating for 10, "Supporter" listing in  
printed materials.

Host ticket(s) at \$2,500  
Dinner seating for two and listing in the print-  
ed materials, premium seating.

Individual ticket(s) at \$500  
Seating at dinner for one.

I/We agree to be a Table Captain and pledge to sell ten (10) tickets to the event.

I/We cannot attend, but wish to contribute \$\_\_\_\_\_ to THH.

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Daytime Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Mobile: \_\_\_\_\_

A check made payable to The Hellenic Initiative in the amount of \$\_\_\_\_\_ is enclosed.

Please bill me:  Bill Me  Bill Myself  Bill Myself  Bill Myself

in the amount of \$ \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Please mail form and payment, made out for  
The Hellenic Initiative  
450 Park Ave, Suite 2200, New York NY, 10022  
or you may fax your completed form to 917-456-0330  
For more information, please e-mail:  
banquet@TheHellenicInitiative.org

Please note that contributions above the cost of goods and services received are deductible as charitable contributions to The Hellenic Initiative.



Attachment C- [REDACTED] Expense Report

<u>CLAIM -</u> <u>REPORT</u> <u>NAME</u>	<u>EXPENSE -</u> <u>EXPENSE</u> <u>PURPOSE</u>	<u>EXPENSE -</u> <u>EXPENSE</u> <u>DESCRIPTION</u>	<u>DATE -</u> <u>EXPENSE</u> <u>DATE</u>	<u>EXPENSE -</u> <u>EXPENSE -</u> <u>VENDOR NAME</u>	<u>AMOUNT</u> <u>EXPENSE</u> <u>AMOUNT</u> <u>(USD)</u>
Week of July 2, 2013	THI Mtg / Miscellaneous	Domestic Air Travel	6/27/2013	DELTA AIR 0067253042330	721.22
Week of July 2, 2013	THI Mtg / Miscellaneous	Parking	7/2/2013	MASSPORT AUTH LOGAN pk 2	27
Week of July 2, 2013	THI Mtg / Miscellaneous	Taxi/Limo/Rail/Bus/Ferry	7/2/2013	NYC-TAXI(5M80	42.33
Week of July 2, 2013	THI Mtg / Miscellaneous	Taxi/Limo/Rail/Bus/Ferry	7/2/2013	NYC-TAXI	52.33
Week of July 2, 2013	THI Mtg / Miscellaneous	Company Employees & Non Company Employees	7/3/2013	ARAMARK FENWAY PARK	47.5
Week of July 2, 2013	THI Mtg / Miscellaneous	Self Off-site Meal(s)	7/3/2013	LAGUARDIA USA, LLC	19
Week of July 2, 2013	THI Mtg / Miscellaneous	Maintenance Services	7/5/2013	SIMONIZ CAR WASH, 005	15

**FREEDOM OF INFORMATION REQUEST  
EXEMPTIONS AND EXPLANATIONS**

<b>DESCRIPTION</b>	<b>Dow Chemical v Complainant “Complainant’s Response”</b>
<b>EXEMPTION</b>	2 3 <b>4</b> 5 <b>6</b> 7a 7c 7d 7e
<b>PAGES</b>	40
<b>OTHER INFORMATION</b>	The following pages have been removed as they are exempt from FOIA release under the cited exemption(s).

<b>EXEMPTION</b>	<b>EXPLANATION</b>
2a	Internal matters of a relatively trivial nature
b	More substantial internal matters, the disclosure of which would risk circumvention of a legal requirement.
3	Information prohibited from disclosure by another statute.
4	Information that is classified as trade secrets and/or of commercial or financial value obtained from a person and is privileged or a confidential source of information.
5	Inter-agency or intra-agency memoranda or letters that would not be available by law to a party other than an agency in litigation with the agency.
6	This exclusion is intended to exclude from disclosure all personnel and medical files, and all private or personal information contained in other files which, if disclosed to the public would amount to a clearly unwarranted invasion of the privacy of any person, including members of the family of the person to whom the information pertains.
7a	Information contained in investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency.
7c	The identification of a confidential source or confidential information furnished by a confidential source.
7d	Information which could reasonably be expected to disclose the identity of a confidential source, including a state, local or foreign agency or authority which furnished information on a confidential basis
7e	Information that would disclose techniques and procedures for law enforcement investigation or would disclose guidelines for law enforcement investigation if such disclosure could reasonably be expected to risk circumvention of the law.

Invite

[Redacted] 7c  
[Redacted] 6

nd morning, [Redacted] 7c

[Redacted] 7c 9:31 AM

oming [Redacted] 6

[Redacted] 6 9:31 AM

memo is really good - very tight. I am on my second pass through it right now. I  
rked on it last night and decided to wait until this morning and read it again.

[Redacted] 7c 9:32 AM

what happens now?

[Redacted] 6 9:33 AM

reading it again and will send you comments and a couple of questions for clarification -  
he as usual.

[Redacted] 7c 9:34 AM

k, then does it get sent out to somebody? Is the ERM still on for tomorrow?

[Redacted] 6 9:34 AM

as far as I know,

report will be used for [Redacted] ERM if it is determined that there is one, and perhaps for  
ckground material as well for tomorrow. I have to review with [Redacted] and I will get back to

but that would be my recommendation.

is new territory for all of us thank god.

[Redacted] 7c 9:36 AM

that's a lot of material for people to ingest!

[Redacted] 6 9:36 AM

agree. I will get back to you shortly - want to finish this before people start banging on my

Just wanted to compliment you.

[Redacted] 7c 9:37 AM

anks! I'm glad it's fitting the bill, because it's new territory for me as well.

Message received on 4/24/2013 at 9:36 AM

PLAINTIFF'S  
EXHIBIT  
19



< Messages



Contact

Fri, Sep 20, 8:39 PM

Just getting to Ludington

Good. Relax and drink something bad for you.

Haha

Wed, Oct 9, 3:09 PM

says told he was presenting to the audit com today and that the investigation is finished and to issue the audit report.

Not sure who that report is going to be issued to? Any downside on our end if the report goes out?

PLAINTIFF'S EXHIBIT  
20



Send

← Messages

[Redacted] *etc*

Contact

Well it pretty much states there was financial stmt fraud. It should be issued to [Redacted] and [Redacted] but they are thinking of making a presentation to [Redacted] etc why not wait until after the erm rather than have it all get out? Or are there no Erms?

*etc*

I haven't heard one way or another regarding erms.

*etc* [Redacted] was supposed to let me know how it went today. I'll let [Redacted] do what he thinks is best with the report.

*etc*

Any word on the final EY report? Did u guys do the last interview?



iMessage

Send

< Messages



Contact

I did the interview yesterday. [redacted] is still working on the report. I don't think [redacted] thinks about the Erms or anything other than his presentation today. I am very tired of this.

*RZ*

You and me both.

When are you back?

I will be back in midland tomorrow afternoon. In the office Friday.

Ok see you then

Ok.



Message

Send

AT&T

9:07 AM



< Messages



Contact

Thu, Oct 10, 10:34 AM

I just got a meeting notice from [redacted] (60-3-10) and getting fired?

er

Why on earth would you think that?

Well, I finished what he wanted and now I'm just a liability. Oh and [redacted] called out to me yesterday asking how I was.

er

I don't think that adds up to getting fired.

Fri, Oct 11, 10:12 AM

Well somebody else did. Everybody happy today?



message

Send

AT&T

9:07 AM



< Messages



Contact

Fri, Oct 11, 10:12 AM

Well somebody else did.  
Everybody happy today?

Happy? No one around here is.

Wed, Oct 30, 8:17 AM

Hey. Do you want me to try and post a retirement announcement on the intranet?

Sure

Can you send me a short (like 2 paragraph) Dow bio that I can use. Just send it from your webmail acct. I will go convince



livassage

Send

**FREEDOM OF INFORMATION REQUEST  
EXEMPTIONS AND EXPLANATIONS**

<b>DESCRIPTION</b>	<b>Dow Chemical v Complainant “Complainant’s Response”</b>
<b>EXEMPTION</b>	<b>2 3 4 5 6 7a 7c 7d 7e</b>
<b>PAGES</b>	<b>8</b>
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7e	Information that would disclose techniques and procedures for law enforcement investigation or would disclose guidelines for law enforcement investigation if such disclosure could reasonably be expected to risk circumvention of the law.

AT&T

9:52 AM



< Messages



Contact

That email you found was the bomb! Awesome job!

) Yes! Finally am reviving  
nini! Like I said before  
without you pushing on I  
wouldn't have pushed on!!!  
Great team!!!!

Thu, Oct 10, 7:09 PM

Today I was told Oct 31 is  
my last day at dow.  
Wanted you to hear it from  
me.

Thu, Oct 10, 9:17 PM

What?!

I never told you that I  
figured out and was at it



iMessage

Send





< Messages [redacted] Contact

stomach.

I'm sorry. I thought it might work out. I didn't want you to drink ill or dow. Just be really carefully. We can talk tomorrow but beware of k and j are all in on it.

Fri, Oct 11, 2:19 PM

Stopped by [redacted] told me you were out for the next couple of weeks. Will you let me know when you're back in town? I'll buy you a beer.

I'm at home now picking up before I leave. you can call my house phone if



iMessage

Send

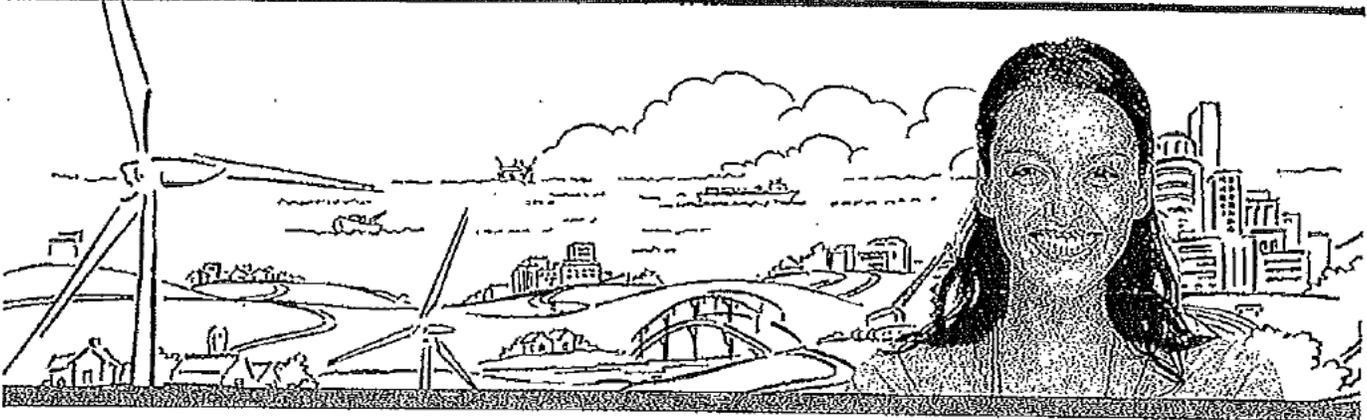


This is Google's cache of [redacted] in/midland/michigan/usa/jobs/accounting-jobs/new-jobs/. It is a snapshot of the page as it appeared on Dec 12, 2013 13:53:38 GMT. The current page could have changed in the meantime. [Learn more](#)  
Tip: To quickly find your search term on this page, press Ctrl+F or ⌘-F (Mac) and use the find bar.

[Text-only version](#)



# Careers at Dow in Michigan



### Where

Midland, MI

city, state, country

[Home](#) [View All Dow Michigan Jobs \(29\)](#)

### What

[Redacted]

job title, keywords



2/7

Narrow Your Search

[View All Dow Jobs](#)

Share

8x1

### Current Search Criteria

2/7

Midland, MI

Accounting Jobs

[Clear All](#)

